



# Thinking Big Doing Better

Adani Transmission Limited  
Annual report 2016-17





**2**  
The Big Picture, 2016-17

**10**  
CEO's review

**41**  
Management  
Discussion and Analysis

**78**  
Financial Section

**4**  
Corporate Snapshot

**12**  
Corporate Social  
Responsibility

**51**  
Corporate Governance

**8**  
Chairman's Statement

**21**  
Directors' Report

**69**  
Business Responsibility  
Report

**Forward-looking statement**

In this annual report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind.

We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.



## Adani Transmission Limited is the largest private power transmission company in India.

The Company's principal objective is to address the vast potential in India's transmission sector.

The Company has responded to this vast national opportunity with corresponding urgency: a vision to achieve the ambitious target of 20,000 circuit kilometre of transmission lines by 2022 to help the country deliver power to the 'last mile'.

At Adani Transmission, we encapsulated our long-term commitment in just four words: 'Transmitting power, distributing hope'. While our main motto remains 'Engineered for the future!'

India suffers from a growing appetite for power at one end and the absence of power transmission capacity at the other. Adani Transmission brings to this reality a combination of scale, certification and first-mover's advantage.

The Company is:

- India's largest private sector transmission company.
- India's first private HVDC utility.
- India's first private sector player to receive Global Investment grade rating in the power sector

# The big picture, 2016-17

**99.80%**

Average annual  
availability

**₹2901.55 cr.**

Consolidated total  
income

**₹416.43 cr.**

Consolidated net  
profit

**₹3.79**

Earnings  
per share

**₹2117.38 cr.**

Consolidated  
operational income

**₹2005.19 cr.**

Consolidated  
operating EBIDTA

**93.34%**

Operational EBIDTA  
margin

**₹26.79**

Book value per  
share

**Adani Transmission Limited** is a part of the US\$ 12 billion Adani Group, one of India's largest industrial conglomerates with extensive 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

## PRIDE



#### 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





**The Group's resources** business obtains coal from mines and trading and extends to oil and gas production. It is developing and operating mines in India, Indonesia and Australia.

### Resources

The Group's resources business obtains coal from mines and trading and extends to oil and gas production. It is developing and operating mines in India, Indonesia and Australia. It is also importing and trading coal from a number of countries. Currently, we are the largest coal importer into India. Our extractive capacity increased three-fold to 5 million metric tonnes in 2015 and we aim to extract 200 million metric tonnes per annum by 2020, making ours one of the largest mining groups in the world.

### Logistics

The Group's logistics business comprises a large network of ports, special economic zones and multi-modal logistics – railways and ships.

The Group owns and operates 10 ports and terminals: 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. The Group is also developing a terminal at Ennore in Tamil Nadu and a mega transshipment terminal at Vizhinjam, Kerala.

### Energy

The Group's energy business comprises power generation, transmission and gas distribution. Adani is the largest thermal power producer in India's private sector with an installed capacity of 10,560 megawatt (including a 40 megawatt 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 environment-friendly CNG and PNG energy solutions.

- The Adani Group is the largest private sector power producer in India
- The largest coal importer in India
- The largest port operator in India
- The largest edible oil manufacturing capacity in India
- The largest private sector power transmission company in India





Chairman's statement

*Dear fellow Stakeholders,*

**"Be not afraid, for all great power throughout the history of humanity has been with the people. From out of their ranks have come all the greatest geniuses of the world. Be not afraid of anything. You will do marvellous work!"  
- The visionary Swami Vivekananda**

The philosophy of this great visionary appears more relevant now than ever before.

India stands at a rare inflection in its existence when there is a coming together of political stability, national vision and economic reforms. We believe that India will retain its position as the world's fastest growing economy; from a sectoral perspective this means that there will be larger demand for electricity; the conventional preference for generating electricity will have to be balanced with a corresponding increase in power transmission sector investments.

India's transmission network as on March 2017 was 367851 circuit kilometers of transmission and 740765 MVA of sub-station capacity fed by 326.8 GW of generating capacity as in March 2017. While generation has grown more than 11% since March 2011, transmission capacity has grown less than 7% since then. The ratio of investment in transmission and distribution to power generation has remained

at less than 50%.

The long-standing skew between power generation and transmission is now reflected in regional imbalances. Northern and Southern India are expected to suffer an aggregate deficit of 31.5 to 41.1 GW and 13 to 19.1 GW respectively. It will thus become imperative to import power from power-surplus regions in India. With this in view, we believe that the Central Government will make unprecedented investments to raise inter-regional transmission capacity from 59.5 GW in March 2016 to 91 GW in March 2022. Besides, India plans to increase renewable energy capacity from 57 GW in FY2016-2017 to 175 GW by 2022, one of the largest global investments in renewable energy, warranting specialised corridors for power evacuation. This increase will be in addition to a large share of India's 3.40 lacs circuit kilometre network of legacy ACSR conductors which will need to be upgraded.

I am pleased to state that the Indian government is addressing



this national priority with the urgency it deserves. It has introduced several policy changes, including amendments to the Electricity Act, coal auction and allocation, Integrated Power Development Scheme, Ujwal DISCOM Assurance Yojana and Deendayal Upadhyaya Gram Jyoti Yojana.

The UDAY scheme was launched to improve the financial health of DISCOMS and power demand. The scheme will enhance distribution efficiencies, moderate power costs, reduce discom interest outflow, strengthen much-needed financial discipline, align consumer tariff with power generation costs and restructure the large debt of utilities. On the other hand, the DDUGJY scheme will enhance rural power supply and strengthen sub-transmission and distribution systems by separating electricity feeders for domestic and agricultural consumption. The country will need nine high capacity green-transmission corridors to evacuate and synchronise the grid across electricity produced from renewable and conventional sources.

I am pleased that this transformation in intent has been carried forward faithfully in policy content. All projects are now awarded through international tariff-based competitive bidding and for an increased concession period by ten years to 35 years; there has been a relaxation in norms to accelerate project construction and development timelines; there is a stronger payment security mechanism that protects the interests of asset owners; the transmission sector share in power sector investments is expected to increase from 20% (FY2012-16) to 33% (FY2017-21); of the 34 inter-state transmission projects awarded through competitive bidding, 26 projects were awarded to the private sector.

As India's largest private transmission

player, Adani Transmission is expected to capitalise most effectively on this national and sectoral transformation. In the last five years, we invested ~US\$2 billion in this business. We currently operate around 5448 circuit kilometer of transmission lines. We have invested in the latest technologies resulting in the highest network availability of over 99.8% in the country, which corresponds to the best global standards.

At the end of the year FY 2015-16, the Company had 5050 circuit kilometers of operational transmission systems addressing power needs in Northern and Western India. I am pleased to state that the revenues for FY 2016-17 were ₹2901.55 crores and bottom-line ₹416.43 crores. Our operational EBIDTA margin of 93.34% was one of the best in the sector.

To take the growth ahead, the Company is constructing 2369 circuit kilometers in Rajasthan, Chhattisgarh, Madhya Pradesh, Maharashtra, Jharkhand and Bihar, which were awarded through a Tariff Based Competitive Bidding process. During the current year, we acquired GMR's transmission assets in Rajasthan. Following the completion of our under-construction projects and acquisitions, our network is expected to increase to 10425 circuit kilometers, which brings us closer to our stated 2020 target of 13,000 circuit kilometers of transmission lines well ahead of schedule.

I am happy to report that in this business of critical national importance, this sector has a lot of untapped potential. The government has outlined a US\$53bn investment plan in the country's transmission sector over five years, the largest ever in a compressed time-frame. The space is marked by only a handful of large Indian players.

Adani Transmission is attractively placed to capture the vast upside: we are possibly the fastest-growing power transmission company in the world. We enjoy a leadership position in India's private power transmission sector. We possess a robust Balance Sheet that provides a combination of accruals and the opportunity to mobilise additional debt to grow the business. We have established operating benchmarks that are among the best in the country, a competence that promises to protect long-term competitiveness. We intend to sustain our momentum to own and operate 20,000 circuit kilometre lengths with a corresponding asset value of ₹40,000 crore by 2022.

At Adani Transmission, we believe that community welfare and environment responsibility must be reconciled with corporate growth. The result is that we are proud of having transformed destinies of 1 lac students, 6 lac healthcare beneficiaries, and more than 11 lacs people across 1470 villages through better physical and social infrastructure.

Our company is driven by a vision to be the globally admired leader in the transmission business with a deep commitment to nation building. We shall be known for our scale of ambition, speed of execution and quality of operations. The business outlook appears attractive and I would like to thank our customers, employees, shareholders, bankers, governments and the Board for their continued support.

**Gautam Adani**  
Chairman



Still more interesting is the fact that during FY2016-17, approximately 1.4 billion units could not be traded on the national power exchange due to transmission constraints. To top it all, the prospects of huge capacity addition in the solar and wind segment, in the near future throws up challenges with respect to the absorption of such power from Renewable Energy Sources (RES) into the Indian transmission grid. To address all of the above, a huge strengthening of the transmission infrastructure is required, not only in terms of its resilience, but also in terms of geographical spread.

Recognizing this fact, the Draft National Electricity Plan of December 2016 states that the All-India transmission capacity addition during the 13<sup>th</sup> Five Year Plan (for a period of 2017-2022) would require a capital investment of ₹2.6 Lakh crores.

Transmission sector reported steady growth during FY2016-17 with an addition of about 26,300 Circuit Kilometers (CKM) of transmission lines and 81,816 MVA of transformation capacity, which was 112.5% and 181.1% of the annual target respectively. As on 31<sup>st</sup> March 2017, the total transmission capacity of the Inter-Regional Links in India was around 75,050 MW, which is likely to increase to 1,20,750 MW by the end of 13<sup>th</sup> Plan (2017-2022).

In line with nation's development plan, your company set an

*Dear Stakeholders,*

The power sector in India is passing through a critical phase. On one hand, the installed capacity outstrips the electricity demand, whereas on the other, the per capita power consumption is low.

ambitious target of building 20,000 CKM by 2022, creating an asset base of around ₹40,000 Crores.

With the transmission sector opening up for private participation, we succeeded in winning good opportunities by securing four BOOM projects comprising 706 CKM of transmission lines and 1585 MVA in transformation capacity through Tariff Based Competitive Bidding (TBCB) route. As per the strategic plan, your Company succeeded in its second acquisition by signing definitive agreements with Reliance Infrastructure Limited for its WRSS assets comprising 3,020 CKM of operational Transmission Lines at 400kV level. We are now India's largest private transmission company and after commissioning under-construction projects by the current financial year end, your company's capacity will increase to 10,425 CKM of transmission lines and 16,415 MVA of transformation capacity.

Your Company places utmost importance in ensuring safety of its



own employees, vendor-employees, visitors and communities. It also focuses on achieving continuous improvement in its safety performance through a combination of systems and processes as well as the co-operation and support of all its employees. This has resulted in 3.9 million safe person hours of work achieved during the FY 2016-17 without any loss-time incident. I feel proud in informing that your Company is now accredited with internationally recognized Management Systems of Quality, Environment & Occupational Health & Safety in O&M and Projects wings. It is now certified by ISO 19001:2015, ISO 14001:2015 & OHSAS 18001:2007 standards for O&M and Projects.

Maintaining its industry-leading performance across operations, your company achieved system availability of more than 99% for the second consecutive year of operation. Your company is committed to deliver the most reliable transmission networks across the future, thereby serving its customers with the best-in-class O&M practices.

Our quest for excellence helped us ensure a robust financial performance in 2016-17. We are pleased to report a top line and bottom line performance of ₹2901.55 crores and ₹416.43 crores, respectively for the year. We operated at an EBIDTA margin of 93.34%, which is one of the best in the industry.

We feel that sustainable development is the pathway to the future, a framework for economic growth, social justice, environmental

stewardship and strengthen governance. At Adani Transmission, we believe in continuous growth of not only the company but also the larger community, people and environment surrounding it. With the relentless efforts of employees, we successfully completed and accomplished the release of our First Sustainability Report (FY2015-16) in accordance with CORE requirement of the GRI G4 guidelines.

Our CSR programs were implemented through the Adani Foundation, which fosters grass-roots economic growth in the regions we operate. Through the Adani Foundation, we empower communities at the ground level by implementing impactful development initiatives across education, healthcare, sustainable livelihoods and rural infrastructure segments.

The days ahead are exciting and we foresee robust growth in the transmission sector. With industrial corridors and Smart Cities turning into reality, this sector will see another round of growth. I would like to take this opportunity to thank our customers, shareholders, employees and the Board for their continued support and trust.

Laxmi Narayana Mishra  
Whole-time Director



# Corporate Social Responsibility



## Overview

Adani Transmission'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, Udipi, 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, Bhadrashwar (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 Bhadreswar, comprised 394 students, out of which 134 students belonged to the fishing communities. Since most of the students were first-generation 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

More than 5061 focus group discussions and 5,049 family counselling sessions were conducted covering 51,800 women and adolescent girls.



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, Bhadreswar, 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 23<sup>rd</sup> November, 2016. Some 708 candidates have been

### 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.

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 19<sup>th</sup> December, 2016. ASDC also signed an MoU with the Government of Gujarat on 12<sup>th</sup> January 2017 during Vibrant Gujarat 8<sup>th</sup> 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.

The Foundation transformed women from rural areas in Mundra into entrepreneurs through vocational training.

## 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

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.

in Dhruv & 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 Safaika 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.



# 4<sup>TH</sup> ANNUAL REPORT 2016-17

## Company Information

### Board of Directors

Mr. Gautam S. Adani, Chairman  
Mr. Rajesh S. Adani, Director  
Mr. Deepak Bhargava, Whole-time Director  
(upto 31<sup>st</sup> March, 2017)  
Mr. Laxmi Narayana Mishra, Whole-time Director  
(w.e.f. 4<sup>th</sup> April, 2017)  
Mr. K. Jairaj, Director  
Mr. V. Subramanian, Director (upto 24<sup>th</sup> August, 2016)  
Dr. Ravindra H. Dholakia, Director  
Ms. Meera Shankar, Director

### Company Secretary

Mr. Jaladhi Shukla

### Auditors

M/s Dharmesh Parikh & Co.  
Chartered Accountants  
Ahmedabad

### Registered Office

"Adani House", Nr. Mithakhali Six Roads,  
Navrangpura, Ahmedabad-380009, Gujarat (INDIA)  
CIN: L40300GJ2013PLC077803

### Bankers

Axis Bank Limited  
IndusInd Bank Limited  
IDBI Bank Limited  
HDFC Bank Limited  
IDFC Bank Limited  
ICICI Bank Limited  
State Bank of India  
Punjab National Bank  
L&T Infrastructure Finance Company Limited  
PTC India Financial Services Limited  
IFCI Limited  
Mizuho Bank Limited

### Registrar and Transfer Agent

M/s Link Intime India Private Limited  
5<sup>th</sup> Floor, 506-508, Amarnath Business Centre – 1 (ABC-1),  
Beside Gala Business Centre, Off C. G. Road,  
Navrangpura, Ahmedabad – 380 009.  
Phone: +91-79-26465179  
Fax: +91-79-26465179

## Contents

Directors' Report .....	21
Management Discussion and Analysis Report .....	41
Corporate Governance Report .....	51
Business Responsibility Report.....	69
Independent Auditors' Report.....	78
Balance Sheet .....	84
Statement of Profit and Loss .....	85
Cash Flow Statement .....	86
Notes to Financial Statements .....	89
Independent Auditors' Report on Consolidated Financial Statements.....	125
Consolidated Balance Sheet .....	130
Consolidated Statement of Profit and Loss .....	131
Consolidated Cash Flow Statement.....	132
Notes to Consolidated Financial Statements .....	135
Salient features of the financial statements of subsidiaries /associate / joint ventures.....	173
Notice .....	174

### 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 are pleased to present the 4<sup>th</sup> Annual Report along with the audited financial statements of your Company for the financial year ended on 31<sup>st</sup> March, 2017.

## Financial performance summary

The summarized financial highlight is depicted below:

(₹ in crores)

Particulars	Consolidated Results		Standalone Results	
	2016-17	2015-16	2016-17	2015-16
<b>FINANCIAL RESULTS</b>				
Total Revenue	2,901.55	2,267.39	1,608.30	421.38
Total Expenditure other than Financial Costs and Depreciation	896.36	270.47	784.63	208.31
Profit before Depreciation, Finance Costs and Tax	2,005.19	1,996.92	823.67	213.07
Finance Costs	904.01	957.29	818.74	269.58
Depreciation, Amortization and Impairment Expense	569.25	559.65	0.05	0.03
Profit / (Loss) for the year before Exceptional Items and Tax	531.93	479.98	4.88	(56.54)
Add / (Less) Exceptional Items	-	-	-	-
<b>Profit / (Loss) for the year before Taxation</b>	<b>531.93</b>	<b>479.98</b>	<b>4.88</b>	<b>(56.54)</b>
Total Tax Expenses	115.50	112.04	1.03	-
Net Profit / (Loss) for the year	416.43	367.94	3.85	(56.54)
Add / (Less) Share in Joint Venture & Associates	-	-	-	-
<b>Net Profit / (Loss) after Joint Venture &amp; Associates (A)</b>	<b>416.43</b>	<b>367.94</b>	<b>3.85</b>	<b>(56.54)</b>
Other Comprehensive Income				
- Items that will not be reclassified to profit or loss	0.75	3.17	0.16	2.92
- Items that will be reclassified to profit or loss	(157.83)	-	(143.35)	-
<b>Other Comprehensive Income (After Tax) (B)</b>	<b>(157.08)</b>	<b>3.17</b>	<b>(143.19)</b>	<b>2.92</b>
<b>Total Comprehensive Income for the year (C) = (A+B)</b>	<b>259.35</b>	<b>371.11</b>	<b>(139.34)</b>	<b>(53.62)</b>
Add / (Less) Share of Minority Interest (D)	-	-	-	-
<b>Net Profit / (Loss) for the year after Minority Interest (C+D)</b>	<b>259.35</b>	<b>371.11</b>	<b>(139.34)</b>	<b>(53.62)</b>
<b>Balance carried to Balance Sheet</b>	<b>259.35</b>	<b>371.11</b>	<b>(139.34)</b>	<b>(53.62)</b>

**Note** – The financial results of the Company have been prepared in accordance with Indian Accounting Standards (IND AS) from 1<sup>st</sup> April, 2016. Consequently, the results for the previous period have also been restated as per IND AS.

There are no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of this report.

## Performance of your Company

### Consolidated Financial Results

The audited consolidated financial statements of your Company as on 31<sup>st</sup> March, 2017, prepared in accordance

with the relevant applicable IND AS and Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2016 ("SEBI Listing Regulations") and provisions of the Companies Act, 2013, forms part of this Annual Report.

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

### Operational Highlights

Your Company is the largest power transmission company operating in the private sector in India and owns, operate and maintain around 5,450 Ckt Kms of transmission lines ranging from 220 KV to 765 KV, with a total transformation capacity of more than 13,500 MVA. Your Company has six fully operational Transmission Systems that primarily serve the Northern and Western regions of India and is also constructing additional projects of around 2400 Ckt Kms in Rajasthan, Chhattisgarh, Madhya Pradesh, Maharashtra, Jharkhand & Bihar, which were awarded through Tariff Based Competitive Bidding process. Constructions of projects won under Tariff Based Competitive Bidding were well ahead of scheduled time of completion and within the budget. With completion of all ongoing projects and acquisitions, the network of the Company is expected to surpass 11,000 Ckt Kms.

Your Company's operating performance in FY17 has set the best benchmark in the country in terms of consistent operational Network availability ranging from 99.09% to 100%. Your Company continues to pursue the organic as well as inorganic growth opportunities. We have a strong & seamless integration of processes, people & technology which has laid a strong foundation for the Company to create the value for its stakeholders.

### Financial Highlights:

- Consolidated total income in FY17 was ₹2,902 Crore as compared to ₹2,267 Crore in FY16.
- Consolidated EBIDTA in FY17 was ₹2,005 Crore as compared to ₹1,997 Crore in FY16.
- Consolidated PAT in FY17 was up by 13% at ₹416 Crore as compared to ₹368 Crore in FY16.

### Standalone Financial Results :

On standalone basis, your Company registered total revenue of ₹1,608 Crore in FY17 as compared to ₹421 Crore in FY16.

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

### Dividend

In view of accumulated losses on standalone basis, your Directors have not recommended any dividend on Equity Shares for the year under review.

### US Bond Issuance - Rule 144A/Regulation S Offerings

During the year under review, your Company priced rule 144A/Regulation S offering of USD 500 million 4.00% Senior Secured Notes due 2026. This was First USD public market international bond by an Indian Investment Grade private sector corporate issuer since July 2015. These Notes are rated Baa3 (Moody's), BBB- (S&P) and BBB- (Fitch).

### Rupee Denominated Bonds – Masala Bonds

During the year under review, your Company priced Rupee Denominated Bond of INR 5000 million 9.10% Senior Secured Notes due 2021. This was first private Power sector issuance from an Indian Investment Grade issuer in international bond markets.

### 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 and the rules made there under.

### Non-convertible debentures

During the year under review, your Company has issued 25,800 Rated, Listed, Taxable, Secured, Redeemable, Non-Convertible Debentures of face value of ₹10 lakhs each aggregating to ₹2,580 Crores on private placement basis listed on the Wholesale Debt Market Segment of BSE Limited.

Further, your Company has bought back 1,650 Zero Coupon Rated, Listed, Taxable, Secured, Redeemable, Non-Convertible Debentures of the face value of ₹10 Lakhs each issued on private placement basis.

As on 31<sup>st</sup> March, 2017, 34,150 Rated, Listed, Taxable, Secured, Redeemable, Non-Convertible Debentures of face value of ₹10 lakhs each aggregating to ₹3,415 Crores were outstanding issued on private placement basis listed on the Wholesale Debt Market Segment of BSE Limited.



### Particulars of loans, guarantees or Investments

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

### Subsidiaries, Joint Ventures and Associate Companies

Your Company had 6 direct subsidiaries as on 31<sup>st</sup> March, 2016. During the year under review, the following companies were acquired -

- North Karanpura Transco Limited from REC Transmission Projects Company Limited.
- Maru Transmission Service Company Limited and Aravali Transmission Service Company Limited from GMR Energy Limited.

In view of the above, the total number of subsidiaries as on 31<sup>st</sup> March, 2017 was 9.

There are no associate companies or joint venture companies within the meaning of Section 2(6) of the Companies Act, 2013 ("Act"). There has been no material change in the nature of the business of the subsidiaries.

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 Regulations, the Company had prepared consolidated financial statements of the company and its subsidiaries and a separate statement containing the salient features of financial statement of subsidiaries, joint ventures and associates in Form AOC-1 which forms part of the Annual Report.

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 for inspection by any shareholder/s during working hours at the Company's registered office and that of the respective subsidiary companies concerned. 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 accounts of each of its subsidiaries, are available on our website, [www.adanitransmission.com](http://www.adanitransmission.com). Details of developments of subsidiaries of the Company are covered in the Management's Discussion and Analysis Report forms part of this Report.

### Directors and Key Managerial Personnel

Mr. Laxmi Narayana Mishra (DIN: 01952408) was appointed as an Additional Director by the Board at its meeting held on 4<sup>th</sup> April, 2017. He was also appointed as a Whole-time Director of the Company subject to approval of members at the ensuing Annual General Meeting. As an Additional Director, he holds office upto the ensuing Annual General Meeting. The Company has received notice from a member under Section 160 of the Companies Act, 2013 proposing his appointment as a Director of the Company.

Pursuant to the provisions of Section 149 of the Companies Act, 2013, Mr. K. Jairaj, Dr. Ravindra H. Dholakia and Ms. Meera Shankar were appointed as Independent Directors at the Annual General Meeting of the Company held on 10<sup>th</sup> August, 2016. The terms and conditions of appointment of Independent Directors are as per Schedule IV of the Act. The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and the SEBI Listing Regulations and there has been no change in the circumstances which may affect their status as independent director during the year.

Pursuant to the requirements of the Companies Act, 2013 and Articles of Association of the Company, Mr. Gautam S. Adani (DIN: 00006273) is liable to retire by rotation and being eligible offers himself for re-appointment.

The Board recommends the appointment/re-appointment of above directors for your approval.

Brief details of Directors proposed to be appointed / re-appointed as required under Regulation 36 of the SEBI Listing Regulations are provided in the Notice of Annual General Meeting.

During the year under review, Mr. V. Subramanian (DIN: 00357727) resigned from the Directorship of the Company with effect from 24<sup>th</sup> August, 2016 due to his pre occupation. Mr. Deepak Bhargava, Whole-time Director (DIN: 05247943) of the Company resigned w.e.f. closure

of business hours on 31<sup>st</sup> March, 2017 on attaining the age of superannuation. The Board places on record its sincere appreciation for the valuable contribution and guidance rendered by Mr. Deepak Bhargava and Mr. V. Subramanian during their tenure with the Company.

### **Directors' Responsibility Statement**

Pursuant to Section 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 statements, 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 31<sup>st</sup> March, 2017 and of the profit 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 statements have been prepared on a going concern basis;
- e. that proper internal financial controls were in place and that the financial control were adequate and were operating effectively;
- f. that proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

### **Number of Board Meetings**

The Board of Directors met 4 (four) 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.

### **Independent Directors' Meeting**

The Independent Directors met on 13<sup>th</sup> February, 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 Chairperson 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.

### **Board Evaluation**

The Board adopted a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Boards 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.

### **Policy on Directors' Appointment and Remuneration**

The Company's policy on directors' appointment and remuneration and other matters provided in Section 178(3) of the Companies Act, 2013 is made available on the Company's website (<http://www.adanitransmission.com/Investor-relation/investor-download>).

### **Internal Financial Control System and Their Adequacy**

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

### **Risk Management**

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.

### **Committees of the Board**

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

### **Corporate Social Responsibility & Sustainability**

The Company has constituted a Corporate Social Responsibility & Sustainability (CSR&S) Committee and

has framed a CSR Policy. The brief details of (CSR&S) Committee are provided in the Corporate Governance Report. The Annual Report on CSR activities is annexed to this Report. The CSR Policy is available on the website (<http://www.adanitransmission.com/Investor-relation/investor-download>) of the Company.

### Corporate Governance and Management Discussion and Analysis Report

Separate reports on Corporate Governance compliance and Management Discussion and Analysis as stipulated by the SEBI Listing Regulations forms part of this Annual Report along with the required Certificate from Statutory Auditors of the Company regarding compliance of the conditions of Corporate Governance as stipulated.

In compliance with Corporate Governance requirements as per the SEBI Listing Regulations, your Company has formulated and implemented a Code of Business Conduct and Ethics for all Board members and senior management personnel of the Company, who have affirmed the compliance thereto.

### Business Responsibility Report

The Business Responsibility Report for the year ended 31<sup>st</sup> March, 2017 as stipulated under Regulation 34 of the SEBI Listing Regulations is annexed which forms part of this Annual Report.

### Prevention of Sexual Harassment at Workplace

As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and rules made thereunder, your Company has constituted Internal Complaints Committee (ICC) which is responsible for redressal of complaints related to sexual harassment. During the year under review, there were no complaints pertaining to sexual harassment.

### Extract of Annual Return

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

### Related Party Transactions

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 party which are material as per Regulation 23 of the SEBI Listing Regulations and the details of the said transactions are provided in the Annexure to Notice of the Annual General Meeting.

### Significant and Material Orders Passed by the Regulators or Courts or Tribunals Impacting the Going Concern Status of the Company

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

### Insurance

The Company has taken appropriate insurance for all assets against foreseeable perils.

### Auditors & Auditors' Report

Pursuant to the provisions of Section 139 of the Companies Act, 2013 read with rules made thereunder, M/s. Dharmesh Parikh & Co., Chartered Accountants (Firm Registration No.: 112054W), were appointed as Statutory Auditors of the Company to hold office till conclusion of the 5<sup>th</sup> Annual General Meeting (AGM) of the Company to be held in the calendar year 2018, subject to ratification of their appointment at every AGM. Accordingly, the appointment of M/s. Dharmesh Parikh & Co., Chartered Accountants as Statutory Auditors of the Company is placed for ratification by the Shareholders. In this regard, the Company has received a certificate from the auditors to the effect that if they are re-appointed, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

The Notes to the financial statements referred in the Auditors Report are self-explanatory and therefore do not call for any comments under Section 134 of the Companies Act, 2013. The Auditors' Report is enclosed with the financial statements in this Annual Report.

### Secretarial Audit Report

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the rules made thereunder, the Company has appointed M/s. Samdani Shah & Kabra, Company Secretaries 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 Auditors of the Company.

**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.

**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.

**Acknowledgement**

Your Directors are highly grateful for all the guidance, support and assistance received from the Government of India, various State Governments, Financial Institutions and Banks. Your Directors thank all shareowners, esteemed customers, suppliers and business associates for their faith, trust and confidence reposed in the Company.

Your Directors also 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

Place: Ahmedabad

Date: 27<sup>th</sup> May, 2017

**Gautam S. Adani**

Chairman

(DIN: 00006273)

\*\*\*\*\*

# Annexure – A to the Directors' Report

## Form No. MGT-9

### EXTRACT OF ANNUAL RETURN

as on the financial year ended 31<sup>st</sup> 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	: L40300GJ2013PLC077803
Registration Date	: 9 <sup>th</sup> December, 2013
Name of the Company	: Adani Transmission Limited
Category / Sub-Category of the Company	: Company limited by shares
Address of the Registered office and contact details	: Adani House, Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad-380009, Gujarat, India Phone No. +91-79-26565555
Whether listed company	: Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any	: M/s. Link Intime India Private Limited 5 <sup>th</sup> Floor, 506-508, Amarnath Business Centre – 1 (ABC-1), Beside Gala Business Centre, Off C. G. Road, Navrangpura, Ahmedabad – 380 009. Tel: +91-79-26465179 Fax : +91-79-26465179 E-mail: ahmedabad@linkintime.co.in

#### 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 Products/Services	NIC Code of the Product/ service	% to total turnover of the company
Transmission of electric energy	35107	6.68%
Trading of Agri Commodities	46309	93.32%

#### III. Particulars of Holding, Subsidiary and Associate Companies:

Sr No	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Adani Transmission (India) Limited Adani House, Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad – 380 009	U40101GJ2013PLC077700	Subsidiary	100	2(87)
2.	Maharashtra Eastern Grid Power Transmission Company Limited Adani House, Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad – 380 009	U40100GJ2010PLC059593	Subsidiary	100	2(87)

Sr No	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
3.	Chhattisgarh-WR Transmission Limited Adani House, Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad – 380 009	U40105GJ2014GOI094187	Subsidiary	100	2(87)
4.	Raipur-Rajnandgaon-Warora Transmission Limited Adani House, Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad – 380 009	U40300GJ2014GOI094189	Subsidiary	100	2(87)
5.	Sipat Transmission Limited Adani House, Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad – 380 009	U40300GJ2014GOI094190	Subsidiary	100	2(87)
6.	Adani Transmission (Rajasthan) Limited 31 (A), 6 <sup>th</sup> Floor, Plot No. 5, Swej Farm, Mahima Trinity, New Sanganer Road, Jaipur – 302019	U40105RJ2016PLC049663	Subsidiary	99.99	2(87)
7.	North Karanpura Transco Limited Adani House, Nr. Mithakhali Six Roads Navrangpura, Ahmedabad – 380 009	U40103GJ2015GOI094910	Subsidiary	100	2(87)
8.	Aravali Transmission Service Company Limited First Floor, Lotus Towers, No.34, Devaraja URS Road, Race Course, Bangalore – 560001	U40109KA2009PLC060589	Subsidiary	74*	2(87)
9.	Maru Transmission Service Company Limited First Floor, Lotus Towers, No.34, Devaraja URS Road, Race Course, Bangalore – 560001	U40109KA2009PLC059547	Subsidiary	74*	2(87)

\* The balance 26% of Equity Shares are pledged in favour of the Company.

#### IV. Share Holding Pattern (Equity Share Capital breakup as Percentage of Total Equity) as on 31<sup>st</sup> March, 2017

##### i) Category-wise Share Holding

Sr No	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	
<b>A.</b>	<b>Promoter</b>									
<b>1</b>	<b>Indian</b>									
a)	Individuals/HUF	894080	-	894080	0.08	-	-	-	-	(0.08)
b)	Central Government	-	-	-	-	-	-	-	-	-
c)	State Government(s)	-	-	-	-	-	-	-	-	-
d)	Bodies Corporate	99491719	-	99491719	9.05	99491719	-	99491719	9.05	0.00
e)	Banks/FI	-	-	-	-	-	-	-	-	-
f)	Any Others									
	Family Trust	630034660	-	630034660	57.29	630034660	-	630034660	57.29	0.00
	<b>Sub Total(A)(1)</b>	<b>730420459</b>	<b>-</b>	<b>730420459</b>	<b>66.41</b>	<b>729526379</b>	<b>-</b>	<b>729526379</b>	<b>66.33</b>	<b>(0.08)</b>
<b>2</b>	<b>Foreign</b>									
a)	NRIs-Individuals	90749100	-	90749100	8.25	-	-	-	-	(8.25)
b)	Other-Individuals	-	-	-	-	-	-	-	-	-
c)	Bodies Corporate	3688000	-	3688000	0.34	94437100	-	94437100	8.59	8.25

Sr No	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	
d)	Banks/FI	-	-	-	-	-	-	-	-	-
e)	Any Other	-	-	-	-	-	-	-	-	-
	<b>Sub Total(A)(2)</b>	<b>94437100</b>	-	<b>94437100</b>	<b>8.59</b>	<b>94437100</b>	-	<b>94437100</b>	<b>8.59</b>	<b>0.00</b>
	<b>Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)</b>	<b>824857559</b>	-	<b>824857559</b>	<b>75.00</b>	<b>823963479</b>	-	<b>823963479</b>	<b>74.92</b>	<b>(0.08)</b>
	<b>B. Public shareholding</b>									
	<b>1 Institutions</b>									
a)	Mutual Funds/ UTI	2213988	-	2213988	0.20	5797543	-	5797543	0.53	0.33
b)	Banks/FI	29246932	-	29246932	2.66	29389925	-	29389925	2.67	0.01
c)	Central Govt.	-	-	-	-	-	-	-	-	-
d)	State Govt.	-	-	-	-	-	-	-	-	-
e)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
f)	Insurance Companies	-	-	-	-	-	-	-	-	-
g)	FII	111893239	-	111893239	10.17	1580230	-	1580230	0.14	(10.03)
h)	Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i)	Any Other									
	Foreign Portfolio Investor (Corporate)	-	-	-	-	187527431	-	187527431	17.05	17.05
	<b>Sub-Total (B)(1)</b>	<b>143354159</b>	-	<b>143354159</b>	<b>13.03</b>	<b>224295129</b>	-	<b>224295129</b>	<b>20.39</b>	<b>7.36</b>
	<b>2 Non-institutions</b>									
a)	Bodies Corporate	-	-	-	-	-	-	-	-	-
i)	Indian	13123278	4000	13127278	1.19	8860601	-	8860601	0.81	(0.39)
ii)	Overseas	-	-	-	-	-	-	-	-	-
b)	Individuals									
I)	Individuals shareholders holding nominal share capital up to ₹1 lakh	20067124	360901	20428025	1.86	17635889	355101	17990990	1.64	(0.22)
II)	Individual shareholders holding nominal share capital in excess of ₹1 lakh.	17410835	110000	17520835	1.59	14255170	110000	14365170	1.31	(0.29)
c)	Other (specify)									
	Clearing Member	819170	-	819170	0.07	1034143	-	1034143	0.09	0.02
	Non Resident Indian (Repatriation)	6045951	-	6045951	0.55	6590002	-	6590002	0.60	0.05
	Non Resident Indian (Non Repatriation)	387681	-	387681	0.04	331544	-	331544	0.03	(0.01)
	Foreign National	10000	-	10000	0.00	10000	-	10000	0.00	0.00
	Corp. Body - Foreign Bodies	73259425	-	73259425	6.66	-	-	-	-	(6.66)
	Hindu Undivided Family	-	-	-	-	2368525	-	2368525	0.22	0.22
	Trust	-	-	-	-	500	-	500	0.00	0.00
	<b>Sub-Total (B)(2)</b>	<b>131123464</b>	<b>474901</b>	<b>131598365</b>	<b>11.97</b>	<b>51086374</b>	<b>465101</b>	<b>51551475</b>	<b>4.69</b>	<b>(7.28)</b>
	<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	<b>274477623</b>	<b>474901</b>	<b>274952524</b>	<b>25.00</b>	<b>275381503</b>	<b>465101</b>	<b>275846604</b>	<b>25.08</b>	<b>0.08</b>
	<b>C. Shares held by Custodians for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
	<b>Grand Total (A)+(B)+(C)</b>	<b>1099335182</b>	<b>474901</b>	<b>1099810083</b>	<b>100.00</b>	<b>1099344982</b>	<b>465101</b>	<b>1099810083</b>	<b>100.00</b>	<b>-</b>

**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	% shares pledged/ encumbered to total shares	No. of Shares	% of total shares of the company	% shares pledged/ encumbered to total shares	
1	Shri Gautam S. Adani/Smt. Priti G. Adani (on behalf Gautam S. Adani Family Trust)	8836750	0.80	0.00	8836750	0.80	0.00	Nil
2	Shri Gautam S. Adani/Shri Rajesh S. Adani (on behalf S.B. Adani Family Trust)	621197910	56.48	15.03	621197910	56.48	23.22	Nil
3	Adani Properties Pvt. Ltd.	99491719	9.05	1.96	-	-	-	(9.05)
4	Shri Vinod Shantilal Adani	90749100	8.25	0.00	-	-	-	(8.25)
5	Ventura Power Investments Pvt. Ltd., Mauritius <sup>1</sup>	3688000	0.34	0.00	-	-	-	(0.34)
6	Parsa Kente Rail Infra LLP	-	-	-	99491719	9.05	-	9.05
7	Pan Asia Trade & Investment Pvt. Ltd., Mauritius <sup>1</sup>	-	-	-	3688000	0.34	-	0.34
8	Afro Asia Trade And Investments Ltd., Mauritius	-	-	-	30249700	2.75	-	2.75
9	Universal Trade And Investments Ltd., Mauritius	-	-	-	30249700	2.75	-	2.75
10	Worldwide Emerging Market Holding Ltd., Mauritius	-	-	-	30249700	2.75	-	2.75
11	Shri Bhavik B. Shah <sup>2</sup>	37000	0.00	0.00	-	-	-	(0.00)
12	Shri Rakesh R. Shah <sup>2</sup>	611080	0.06	0.01	-	-	-	(0.06)
13	Smt. Surekha B. Shah <sup>2</sup>	34000	0.00	0.00	-	-	-	(0.00)
14	Smt. Priti R. Shah <sup>2</sup>	196000	0.02	0.02	-	-	-	(0.02)
15	Shri Vinod N. Sanghvi <sup>2</sup>	16000	0.00	0.00	-	-	-	(0.00)
	<b>Total</b>	<b>824857559</b>	<b>75.00</b>	<b>17.02</b>	<b>823963479</b>	<b>74.92</b>	<b>23.22</b>	<b>(0.08)</b>

1. Pan Asia Trade & Investment Pvt. Ltd. has acquired Equity Shares of the Company pursuant to amalgamation of Ventura Power Investments Private Limited with Pan Asia Trade & Investment Pvt. Ltd. w.e.f. 24<sup>th</sup> March, 2017.
2. Reclassified the status from "Promoter Group" category to the "Public" category w.e.f. 15<sup>th</sup> March, 2017.

**iii) Change in Promoters' /Promoters' Group Shareholding:**

Particulars	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	824857559	75.00	-	-
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 the shareholding status from "Promoter Group" category to the "Public" category w.e.f. 15.03.2017.	(8,94,080)	(0.08)	823963479	74.92
At the end of the year	-	-	823963479	74.92



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

Name of Shareholder	Shareholding at the beginning of the year		Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc)		Shareholding at the end of the year	
	No. of Shares	% of total shares of the Company	Purchase	Sell	No. of Shares	% of total shares of the Company
Elara India Opportunities Fund Limited	30477433	2.77	16385321	-	46862754	4.26
Cresta Fund Ltd	41168859	3.74	983076	-	42151935	3.83
Life Insurance Corporation Of India	28750103	2.61	-	-	28750103	2.61
Emerging India Focus Funds	25196129	2.29	1996885	-	27193014	2.47
Albula Investment Fund Ltd	18206131	1.65	-	-	18206131	1.65
Vespera Fund Limited	13038374	1.18	-	-	13038374	1.18
EM Resurgent Fund	10344676	0.94	2500000	-	12844676	1.17
Letko Brosseau Emerging Markets Equity Fund	-	-	3883287	-	3883287	0.35
HDFC Trustee Company Limited - HDFC Prudence Fund	-	-	3727543	-	3727543	0.34
Dimensional Emerging Markets Value Fund	3440779	0.31	-	-	3440779	0.31

1. The shares of the Company are traded on a daily basis and hence the date wise increase / decrease in shareholding is not indicated. Shareholding is consolidated based on Permanent Account Number (PAN) of the shareholder.

#### v) Shareholding of Directors and Key Managerial Personnel

For each of the Directors and KMP	Shareholding at the beginning of the year		Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc)	Shareholding at the end of the year	
	No. of Shares	% of total shares of the Company		No. of Shares	% of total shares of the Company
<b>Directors:</b>					
Mr. Gautam S. Adani <sup>1</sup> & <sup>2</sup>	-	-	-	-	-
Mr. Rajesh S. Adani <sup>1</sup>	-	-	-	-	-
Mr. Deepak Bhargava <sup>3</sup>	-	-	-	-	-
Mr. K. Jairaj	-	-	-	-	-
Mr. V. Subramanian <sup>4</sup>	-	-	-	N.A.	N.A.
Dr. Ravindra H. Dholakia <sup>5</sup>	-	-	-	-	-
Ms. Meera Shankar	-	-	-	-	-
<b>Key Managerial Personnel</b>					
Mr. Kaushal G. Shah, Chief Financial Officer	-	-	-	-	-
Mr. Jaladhi Shukla Company Secretary	49	-	-	49	-

- Gautam S. Adani/ Rajesh S. Adani (on behalf of S.B. Adani Family Trust) holds 62,11,97,910 (56.48%) shares of the Company. During the year under review, there was no increase / decrease in the same.
  - Gautam S. Adani/ Priti G. Adani (on behalf of Gautam S. Adani Family Trust) holds 88,36,750 (0.80%) shares of the Company. During the year under review, there was no increase / decrease in the same.
  - Resigned as a Director of the Company w.e.f. 31<sup>st</sup> March, 2017.
  - Resigned as a Director of the Company w.e.f. 24<sup>th</sup> August, 2016.
  - Appointed as a Director of the Company w.e.f. 26<sup>th</sup> May, 2016.
- N.A.= Not Applicable

#### 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
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	2835.66	2468.31	-	5303.97
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	32.17	17.09	-	49.26
<b>Total (i+ii+iii)</b>	<b>2867.83</b>	<b>2485.40</b>	<b>-</b>	<b>5353.23</b>
<b>Change in Indebtedness during the financial year</b>				
• Addition	6520.08	5332.71	-	11852.79
• Reduction	2300.27	6880.74	-	9181.01
<b>Net Change</b>	<b>4219.81</b>	<b>(1548.03)</b>	<b>-</b>	<b>2671.78</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	7055.47	920.28	-	7975.75
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	281.99	65.04	-	347.03
<b>Total (i+ii+iii)</b>	<b>7337.46</b>	<b>985.32</b>	<b>-</b>	<b>8322.78</b>

**VI. Remuneration of Directors and Key Managerial Personnel****A. Remuneration to Managing Director and Whole-time Directors:**

(₹ in Crores)

Sr No	Particulars of Remuneration	Deepak Bhargava Whole-time Director <sup>1</sup>	Total Amount
1	Gross salary		
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1.75	1.75
	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	-	-
	- others, specify	-	-
5	Others, please specify - contribution towards PF, super annuation, etc.	0.08	0.08
	<b>Total (A)</b>	<b>1.83</b>	<b>1.83</b>
	Ceiling as per the Act	₹5.20 Crores (calculated as per Schedule V of the Companies Act, 2013)	

1. Resigned w.e.f. 31<sup>st</sup> March, 2017.

2. Mr. Gautam S. Adani, Chairman and Mr. Rajesh S. Adani, Director are not drawing any remuneration from the Company.

**B. Remuneration to other Directors:**

## 1. Independent Directors

(₹ in Lacs)

Particulars of Remuneration	K. Jairaj	V. Subramanian <sup>1</sup>	Ms. Meera Shankar	Dr. Ravindra H. Dholakia <sup>2</sup>	Total
a) Fee for attending board, committee meetings	2.20	1.00	1.80	0.80	5.80
b) Commission	-	-	-	-	-
c) Others, please specify	-	-	-	-	-
<b>Total (1)</b>	<b>2.20</b>	<b>1.00</b>	<b>1.80</b>	<b>0.80</b>	<b>5.80</b>

## 2. Other Non-Executive Directors

Particulars of Remuneration	Total
a) Fee for attending board, committee meetings	-
b) Commission	-
c) Others, please specify	-
<b>Total (2)</b>	<b>-</b>
<b>Total (1+2)</b>	
	<b>5.80</b>

1. Resigned as a Director w.e.f. 24<sup>th</sup> August, 2016.2. Appointed as a Director of the Company w.e.f. 26<sup>th</sup> May, 2016.

**C. Remuneration to key managerial personnel other than MD/Manager/WTD**

(₹ in Lacs)

Sr No	Particulars of Remuneration	Kaushal G. Shah, CFO	Total Amount
1.	Gross salary		
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	96.14	96.14
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	c) Profits in lieu of salary u/s 17(3) Income-tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit	-	-
5	Others- contribution towards PF etc.	3.82	3.82
	<b>Total</b>	<b>99.96</b>	<b>99.96</b>

1. Mr. Jaladhi Shukla, Company Secretary is not drawing any remuneration from the Company.

**VII. Penalties / Punishment/ Compounding of Offences:**

Type	Section of the Companies Act	Brief Description	Details of penalty/ punishment/ compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give details)
<b>A. Company</b>					
Penalty			None		
Punishment					
Compounding					
<b>B. Directors</b>					
Penalty			None		
Punishment					
Compounding					
<b>C. Other Officers in default</b>					
Penalty			None		
Punishment					
Compounding					

# Annexure – B to the Directors' Report

## Form No. MR-3

### SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2017

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To

The Members

#### Adani Transmission Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by ADANI TRANSMISSION 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 Company (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 31<sup>st</sup> 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 the Company for the financial year ended on 31<sup>st</sup> March, 2017 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made hereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under 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) 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 (Not Applicable to the Company during the Audit Period).
  - (d) The 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 to the Company during the Audit Period);
- (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) The Grid Code, the grid connectivity standards applicable to the Transmission Line and the sub-station as per the Central Electricity Authority (Technical Standards for Connectivity to the Grid) Regulations, 2007, Central Electricity Authority (Technical Standards for Construction of Electrical Plants and Electric Lines) Regulations, 2010.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015.

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, if any, 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** during the audit period, the Company has passed the following Special Resolutions -

- i. Waiver of the recovery of the excess remuneration paid to Mr. Deepak Bhargava, Whole-time Director for the Financial Year 2015-16.
- ii. Approval of offer or invitation to subscribe to Securities for an amount not exceeding ₹8500 Crores.
- iii. Approval of offer or invitation to subscribe to Non-Convertible Debentures on private placement basis.
- iv. Alteration of Articles of Association of the Company.

Place: Ahmedabad

Date: 27<sup>th</sup> May, 2017

**Chirag Shah**

Samdani Shah & Kabra

FCS No. 5545

C. P. No. 3498

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 SECRETARIAL AUDIT REPORT

To  
The Members  
Adani Transmission Limited

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: 27<sup>th</sup> May, 2017

**CS Chirag Shah**  
Partner  
**Samdani Shah & Kabra**  
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:

Name of Directors/KMP	Ratio of remuneration to median remuneration of Employees	% increase in remuneration in the financial year
<b>Executive Directors:</b>		
Mr. Gautam S. Adani	-	-
Mr. Rajesh S. Adani	-	-
Mr. Deepak Bhargava <sup>1</sup>	30.40:1	7.29
<b>Non-Executive Directors</b>		
Mr. K. Jairaj	0.37:1	37.50
Mr. V. Subramanian <sup>2</sup>	0.17:1	-
Ms. Meera Shankar	0.30:1	28.57
Dr. Ravindra H. Dholakia <sup>3</sup>	0.13:1	-
<b>Key Managerial Personnel</b>		
Mr. Kaushal G. Shah	16.60:1	Refer Note 4
Mr. Jaladhi Shukla	-	-

1. Resigned w.e.f. 31<sup>st</sup> March, 2017

2. Resigned as a Director w.e.f. 24<sup>th</sup> August, 2016

3. Appointed as a Director of the Company w.e.f. 26<sup>th</sup> May, 2016.

4. Details of Mr. Kaushal G. Shah is not given as he was appointed as Chief Financial Officer for the part of Financial Year 2015-16 i.e. w.e.f. 20<sup>th</sup> October, 2015.

5. Mr. Laxmi Narayana Mishra was appointed as a Whole-time Director of the Company w.e.f. 4<sup>th</sup> April, 2017.

- ii) The percentage increase in the median remuneration of employees in the financial year: 8.29%

- iii) The number of permanent employees on the rolls of Company: 24 as on 31<sup>st</sup> March, 2017.

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

- Average increase in remuneration of employees excluding KMPs: 7.00%
- Average increase in remuneration of KMPs: 7.29%
- KMP Salary increases are decided based on the Company's performance, individual performance, inflation, prevailing industry trends and benchmarks.

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

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



## Annexure – D to the Directors' Report

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

#### A. Conservation of Energy:

##### i) Steps taken or impact on conservation of energy:

- Exploring use of renewable energy
- Power factor improvement
- High Efficiency Lighting control, Motors, Pumps and Fans
- Use of Silicon rubber insulator for less breakdown of lines
- Voltage regulations through reactive power compensation

##### (ii) Steps taken by the company for utilizing alternate sources of energy:

We are exploring the renewable source of Power like Solar for alternate source of energy.

(iii) Capital investment on energy conservation equipment:

Nil

#### B. Technology Absorption:

Nil

#### C. Foreign Exchange Earnings and Outgo:

The particulars relating to foreign exchange earnings and outgo during the year under review are as under:

(₹ in Crores)

Particulars	2016-17	2015-16
Foreign exchange earned	-	-
Foreign exchange outgo	193.71	2.81

\*\*\*\*\*

## Annexure to the Directors' Report

### ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES AS PER SECTION 135 OF THE COMPANIES ACT, 2013

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

The Company has framed Corporate Social Responsibility (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 CSR Policy has been uploaded on the website of the Company at <http://www.adanitransmission.com/Investor-relation/investor-download>.

2. **Composition of Corporate Social Responsibility & Sustainability (CSR&S) Committee:**

- Mr. Rajesh S. Adani, Chairman
- Mr. Deepak Bhargava, Member (upto 31<sup>st</sup> March, 2017)
- Mr. Laxmi Narayana Mishra, Member (w.e.f. 4<sup>th</sup> April, 2017)
- Mr. K. Jairaj, Member

3. **Average net profit/(loss) of the Company for last three financial years:**

Average net loss: ₹23.87 Crore on standalone basis.

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

In view of average losses, the Company was not required to make mandatory CSR expenditure during the year 2016-17 as per Section 135 of the Companies Act, 2013.

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

- a) Total amount spent for the financial year: Not Applicable
- b) Amount unspent, if any: Nil
- c) Manner in which the amount spent during the financial year is detailed below: Not Applicable

During FY 2016-17, the Company's subsidiaries have spent ₹4.73 Crores towards CSR activities.

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

8. **Details of CSR programme (on Consolidated basis)**

Adani Foundation is the CSR arm of the Adani Group. Since its inception in 1996, the Foundation has been working in four core areas of Education, Community Health, Sustainable Livelihood Development and Rural Infrastructure Development to extend its support to communities. Working closely with the communities, it has been able to assume the role of a facilitator by creating an enabling environment for numerous families. Adani Foundation is currently operational in 12 states reaching out to 400,000 plus families from 1470 villages and towns of India with a human-centric approach to make the processes sustainable, transparent and replicable. The Company as a business entity firmly believes in the notion of sustainable community development. Assuming the role of a responsible corporate, it strives to create an environment of coexistence where there is an equitable sharing of resources followed by sustained growth and development of the community around. Hence, the Company has been promoting CSR activities through the Adani Foundation.

Education is believed to be the stepping stone to improve the quality of life, especially for the poor and the most vulnerable. The ideology behind all the education initiatives undertaken lies in the very essence of transforming lives through the continuous generation of knowledge and empowerment. To take forward this ideology Adani Foundation established Adani Vidya Mandir, Ahmedabad (AVM-A) with a unique concept which provides cost free education, transportation facilities, uniform, textbooks and notebooks, breakfast, lunch and refreshments to meritorious students coming from under-privileged backgrounds. Today, it has reached the zenith of success with more than 1000 students on roll and has been universally acknowledged for being one of its kinds for providing quality education completely free of cost. It is a day boarding CBSE affiliated co-educational school catering to children from standard 3<sup>rd</sup> to 12<sup>th</sup> (Science and Commerce). They have excelled in education, sports, art and culture.

Laxmi Narayana Mishra  
Whole-time Director  
(DIN: 01952408)

K. Jairaj  
Director  
(DIN: 01875126)

## Annexure to the Directors' Report

# MANAGEMENT DISCUSSION AND ANALYSIS

### 1. Economic Outlook:

#### Global Economy

The global economy is in the midst of a decade long slow growth environment characterized by an imminent productivity growth crisis. The looming labor shortage in mature economies and availability of skills in emerging markets will add further challenges to global economic prospect. Global growth lacks demand drivers and potential output is likely shrinking while uncertainty is increasing. The GDP growth rate is expected to be more or less muted over next few years with economies such as India and China are also expected to cool off in near term.

As per the World Bank, global growth is projected to accelerate to 2.7 percent in FY 18<sup>1</sup> and further expected to strengthen to 2.9 percent in FY 19<sup>1</sup>, in line with previous projections. However, the world economy continues to face a number of downside risks. These include increased protectionism, heightened policy uncertainty, the possibility of financial market turbulence and over the longer run weaker potential growth. These risks highlight the urgency for policymakers in emerging market and developing economies to rebuild macroeconomic policies and implement policies that support investment and trade.

#### Indian Economy

The Indian economy is growing strongly and remains a bright spot in the global landscape. The halving of global oil prices that began in late 2014 boosted economic activities in India and helped improve the current account and fiscal position and aided in lowering the inflation. In addition, continued fiscal consolidation by reducing government deficits and debt accumulation and an anti-inflationary monetary policy stance have helped cement macroeconomic stability.

The government has made significant progress on important

economic reforms, which will support strong and sustainable growth going forward. In particular, the upcoming implementation of the goods and services tax will help raise India's medium-term growth to above 8 percent.

And, over the past few months, the economy has been hit by cash shortages, and accordingly, growth forecasts reduced to 6.6 percent for fiscal year 2016-17<sup>2</sup> and to 7.2 percent in 2017-18<sup>2</sup>.

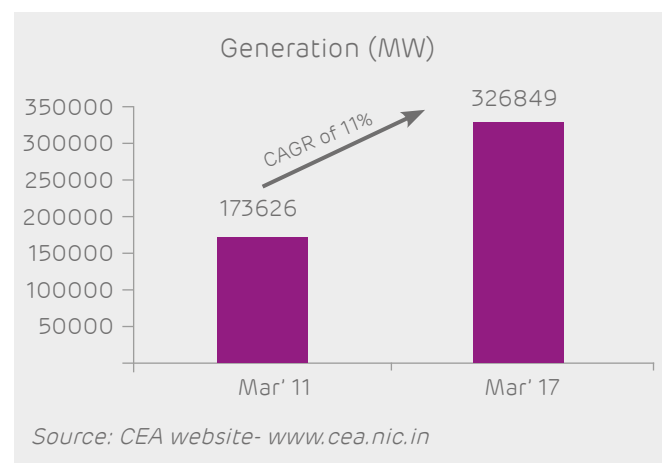
Source:

1. <http://www.worldbank.org/en/publication/global-economic-prospects>
2. <http://www.imf.org/en/News/Articles/2017/02/21/NA022217-For-India-strong-growth-persists-despite-new-challenges>

### 2. Power Sector Outlook:

#### Power Generation Sector:

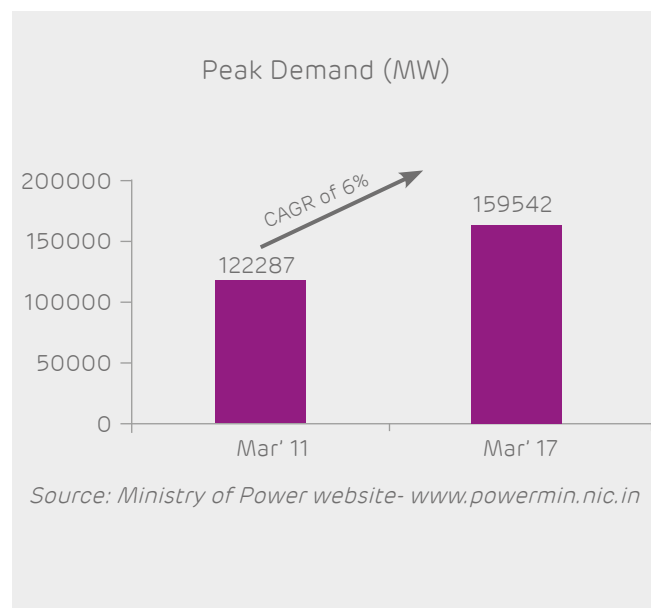
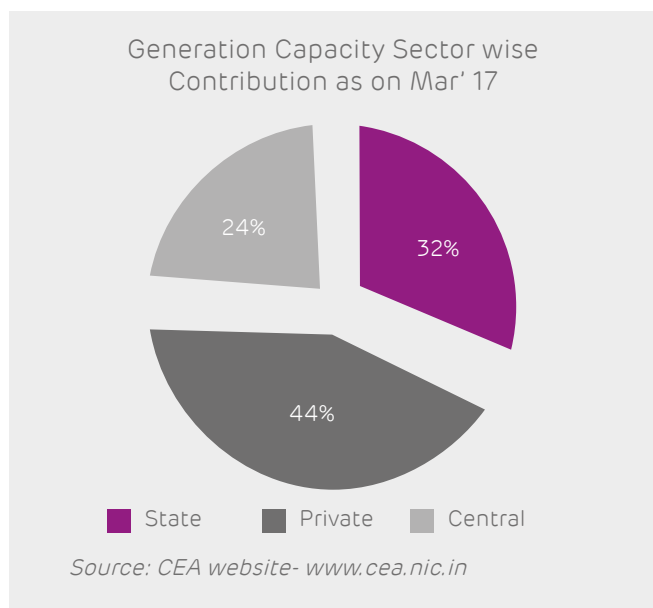
India has seen the generation capacity addition of nearly 153GW in last 6 years and coal-based power plants has contributed nearly 75% (~115 GW) of total capacity addition.



Currently, total power generation installed capacity of the country stands to 326GW, and details of which are as follows:

Sector	THERMAL Coal	Gas	Diesel	Total	Nuclear	Hydro	RES	Grand Total
State	64686	7258	364	72307	0	29683	1977	103967
Private	73142	10581	474	84197	0	3144	55283	142624
Central	54335	7491	0	61826	6780	11651	0	80257
All India	192163	25329	838	218330	6780	44478	57260	326849

Source: CEA website- [www.cea.nic.in](http://www.cea.nic.in)



However, demand growth has not kept pace with such capacity addition and that is evident from the differential between the expected growth rate of 18th EPS and the actual demand. This has put pressure on the PLFs of coal-based thermal power plants. Approximately, 45 GWs of coal-based capacity with a debt of nearly INR 1.9 trillion<sup>3</sup> have been running between 50 – 60 per cent PLF which in-turn makes them unviable in nature. This has multiplier negative impact on economy & has the propensity of increasing the NPAs of Banks.

<sup>3</sup>Source: <http://energy.economictimes.indiatimes.com/news/power/outlook-for-indias-power-sector-negative-in-fy18-india-ratings/57187204>

According to Central Electricity Authority estimates, 50 GWs of generation capacity is expected to be commissioned during next five years. Out of these 50 GWs, Central and state power utilities would contribute ~60% of the capacity addition and private sector would contribute approx. 40 per cent of total capacity addition. This capacity addition will put additional pressure on the existing power plants and PLF may go south unless there is an uptick in the power demand.

**Power Transmission Sector:**

India's Power Transmission networks constitute the vital arteries of the entire power value chain. It goes without saying that the growth of power sector is contingent to development of a robust and a non collapsible transmission network.

As on 31<sup>st</sup> March 2017, total transformation capacity and transmission line length of the country are as below:

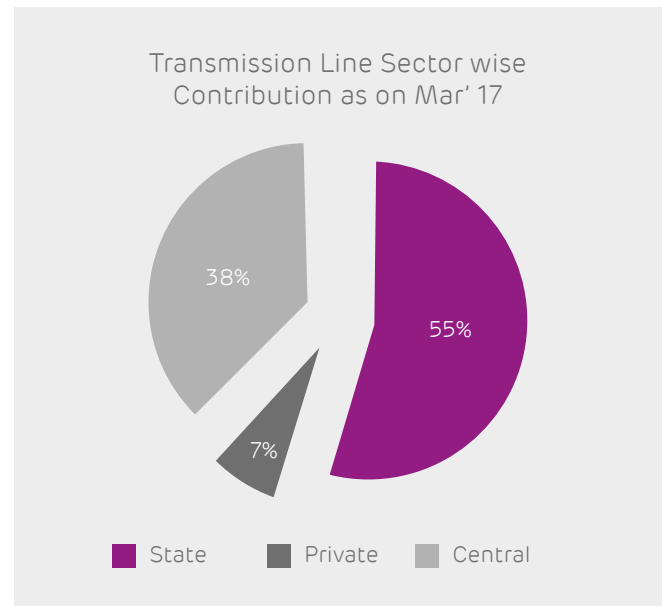
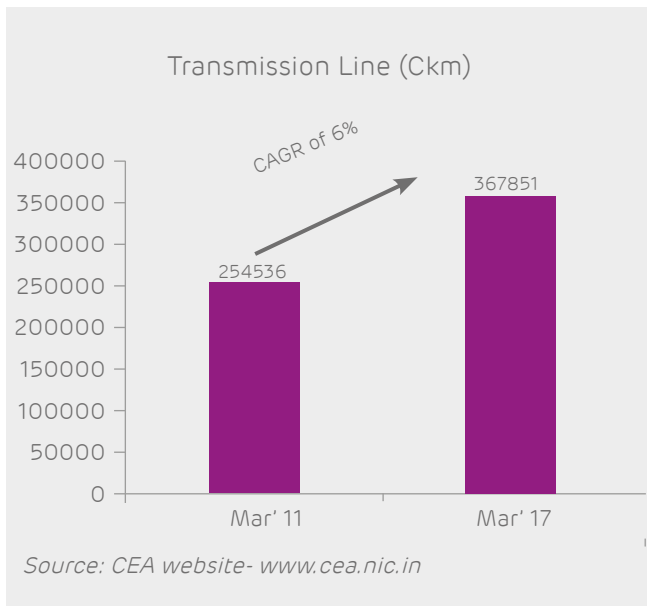
in MVA

	+– 800 kV HVDC	+– 500 kV HVDC	765 kV	400 kV	220 kV	Total
Central	6000	9500	138000	116170	9046	278716
State		1500	15000	119117	302345	437962
JV/Private		2500	14500	5520	1567	24087
<b>Total</b>	<b>6000</b>	<b>13500</b>	<b>167500</b>	<b>240807</b>	<b>312958</b>	<b>740765</b>

in CKMs

	+– 800 kV HVDC	+– 500 kV HVDC	765 kV	400 kV	220 kV	Total
Central	6124	5948	25465	92482	11014	141033
State		1504	1177	48240	151276	202197
JV/Private		1980	4598	17065	978	24621
<b>Total</b>	<b>6124</b>	<b>9432</b>	<b>31240</b>	<b>157787</b>	<b>163268</b>	<b>367851</b>

Source: CEA website- [www.cea.nic.in](http://www.cea.nic.in)



Over the past decades, the total power generation capacity addition has witnessed commendable growth; however, transmission has not kept pace with generation and has grown with CAGR of 6% as against generation which has grown at a CAGR of 11%. As on 31<sup>st</sup> March, 2017 approx. 7% of total transmission network is owned by private players which showcases the need of more private sector participation in this space. India has been underinvested as far as transmission is concerned, however; recently Govt. has been

encouraging investments in transmission with approximately projects worth INR 30,000 crs. being awarded in last 2 years.

**Key Drivers for Transmission Sector in India**

Regional demand supply mismatch, large renewable energy push and up-gradation of existing lines driving requirement for transmission capacity. Few of the reasons have been detailed as below:

**i. Widening Gap between demand and supply across regions**

- As per Ministry of Power (perspective Transmission Plan for 20 years, 2014-34), it is estimated that NR would have deficit of 18.5-22 GW and SR would have deficit -13-19.1 GW. In order to meet this demand deficit, SR and NR shall import power from surplus power regions such as NER and WR.
- To cater the import/export requirement of various regions, CEA has planned number of inter-regional transmission corridors which would result in availability of inter-regional transmission capacity of 118 GW by March 22. As on March 17, the inter-regional transmission capacity stands at 75 GW and therefore provides an opportunity for the transmission project developers.

**ii. Large Renewable Energy Capacity addition plans**

- India has planned to ramp up renewable energy capacity addition from 38.8 GW in FY16 to 175 GW by 2022. Due to its infirm nature and to provide stability to grid there is a requirement of dedicated corridors for renewable energy evacuation, which would lead to new projects in the pipeline.
- Green Energy Corridors are being setup by the government which includes solar pooling stations, integrated solar-wind projects onto a single network along with other flexible sources of generation.

**iii. Up gradation of Existing Lines**

- In past, there has been emphasis to use Aluminum Core Steel Reinforced (ACSR) conductors for construction of transmission lines and these conductors largely contribute to India's ~0.34 million ckm network (March 2016). However, ACSR conductors have lower current carrying capacity, lower temperature withholding capacity & lower efficiency as compared to other substitutes such as Aluminum Conductors Composite Core and Copper Clad Composite Conductors.
- A recent World Bank study noted that T&D losses in FY12 was ~1% of the India GDP and upgradation / re-conducting is expected to augment capacity with lower investment, RoW issues, result in higher transmission efficiency.

**Investment spending in next five years:**

India has been underinvested as far as transmission is concerned; however, future looks bright when one looks at the Govt. plans. Central and State's planning documents were evaluated to estimate the total market size of transmission projects. The expected market size is approx. INR 2.6 Lac Crs in next 5 years.

*Source: Draft National Electricity Plan*

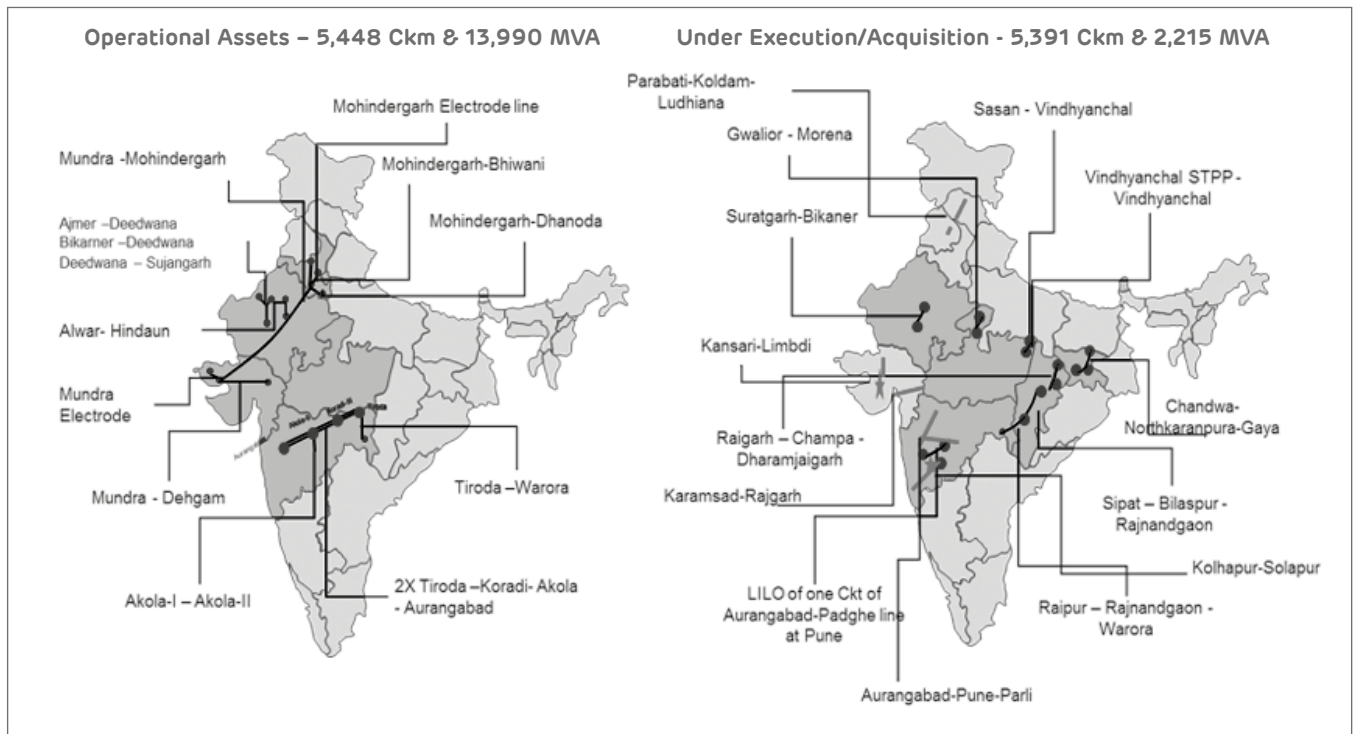
**Business Highlights**

Adani Transmission Ltd. (ATL) is the largest power transmission company operating in the private sector in India and owns, operate and maintain around ~5450 ckt kms of transmission lines ranging from 220 KV to 765 KV, with a total transformation capacity of more than 13,500 MVA. ATL has six fully operational Transmission Systems that primarily serve

the Northern and Western regions of India and is developing additional projects of more than 2400 ckm in Rajasthan, Chhattisgarh, Madhya Pradesh, Jharkhand and Maharashtra, which, were awarded through Tariff based Competitive Bidding process. ATL has successfully executed many EHV Sub Stations (HVDC. 765kV 8- 400kV sub stations) along with transmission lines in India.

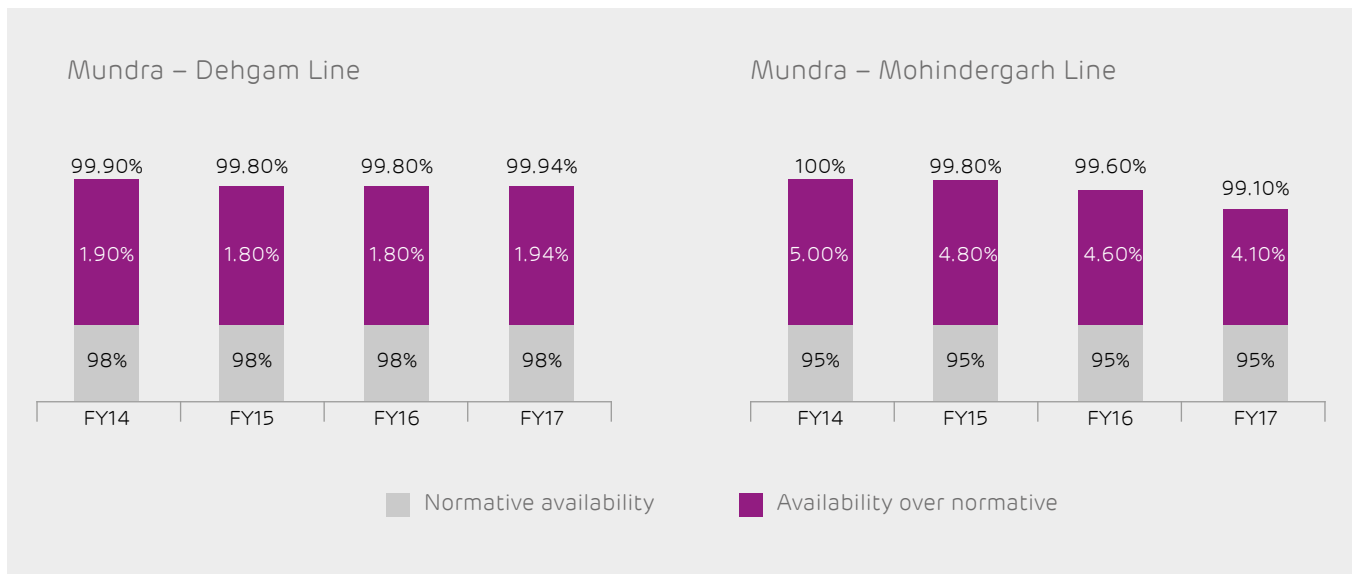
### A. Pan India Portfolio

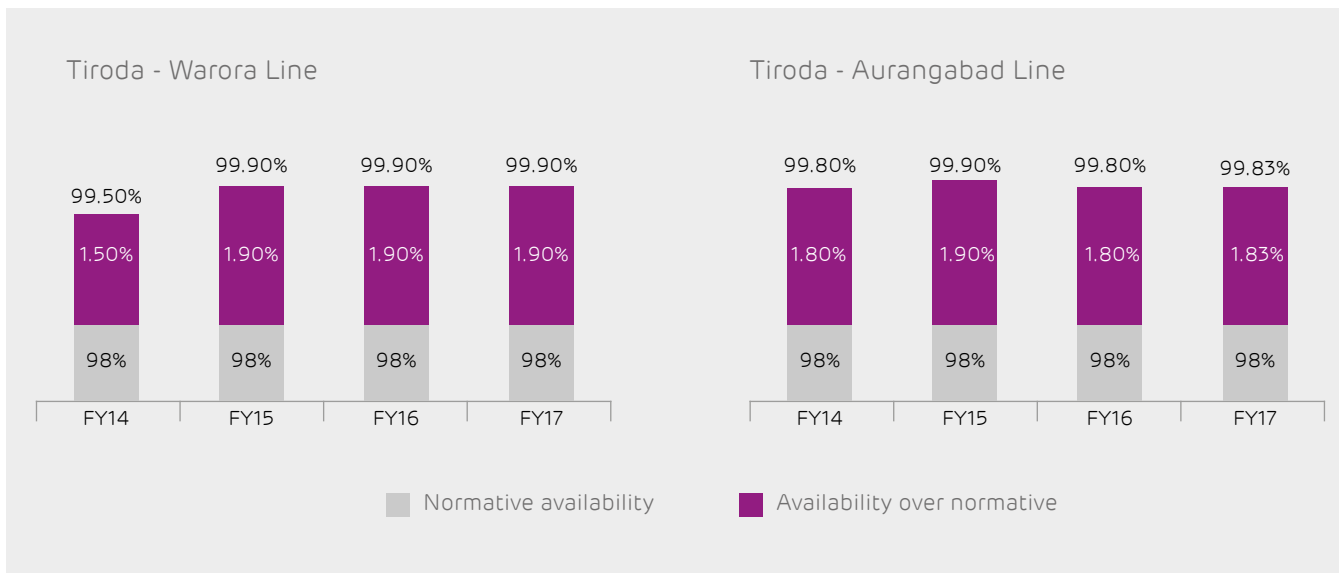
ATL is truly a Pan India player with projects located in Gujarat, Rajasthan, Haryana, Maharashtra, Chhattisgarh, Madhya Pradesh, Jharkhand, Bihar, Punjab and Himachal Pradesh.



### A. Operating History

ATL has excellent operating history with track record of receiving incentive payments for maintaining availability above regulatory requirements i.e. 98% for AC system and 95% for HVDC System.





**C. Key Achievements of the Company**

- i. ATL is the First Private Sector Company in India to execute 765 KV Transmission lines & Substations.
- ii. ATL has established India's only private HVDC transmission system (more than 1,000 km) for efficient transmission of power to the State of Haryana with maximum evacuation capacity of 2500 MW.
- iii. ATL has obtained approval for the Transmission line methodology under CDM (Clean Development Mechanism) from United Nations Framework Convention on Climate Change (UNFCCC).
- iv. ATL had won the bid to establish transmission system under the scheme "Immediate evacuation of Power from North Karanpura (3x660 MW) generation project of NTPC along with establishment of 400/220 KV Dhanbad Substation".
- v. ATL have been awarded three (03) projects in Rajasthan through tariff based competitive bidding to establish transmission system comprising of 220kV and 132kV Substations along with associated transmission works under PPP-08, 09 and 10.

**D. Particulars of project execution**

**i. Additional System Strengthening of Sipat STPS:**

The project has been awarded on build, own, operates & maintain (BOOM) basis and involves two transmission lines of length 346 Ckt Kms. and bay at Sipat. The project will provide transmission system strengthening benefits to 7 beneficiaries viz Gujarat Urja Vikas Nigam Ltd (GUVNL), Maharashtra State Electricity Distribution Co Ltd (MSEDCL), MP Power

Management Company Ltd (MPPMCL), Chhattisgarh State Power Distribution Co Ltd (CSPDCL), Electricity Department, Govt. of Goa, Electricity Department, Daman and Diu, Electricity Department, DNH Power Distribution Corp, Ltd. Administration of Dadra and Nagar Haveli.

- Transmission License has already been granted by CERC for 25 years.
- Approval under Section 68 of Electricity Act 2003 obtained from MoP and other clearances are under process.
- Transmission Service Agreement has been signed with all the beneficiaries.
- The project progress is satisfactory.

**ii. Additional System Strengthening Scheme for Chhattisgarh IPPS Part-B**

The project has awarded on build, own, operate, and maintain (BOOM) basis involves two transmission lines of length 612 Ckt Kms. and switching station at Rajnandgaon. The project will provide transmission system strengthening benefits to 7 beneficiaries viz Gujarat Urja Vikas Nigam Ltd (GUVNL), Maharashtra State Electricity Distribution Co Ltd (MSEDCL), MP Power Management Company Ltd (MPPMCL), Chhattisgarh State Power Distribution Co Ltd (CSPDCL), Electricity Department, Govt of Goa, Electricity Department, Daman and Diu, Electricity Department, DNH Power Distribution Corp. Ltd. Administration of Dadra and Nagar Haveli.

- Transmission License has already been granted



- by CERC for 25 years.
- Transmission Service Agreement has been signed with all the beneficiaries.
- Approval under Section 68 of Electricity Act 2003 obtained from MoP and other clearances are under process.
- The project progress is satisfactory.

### iii. System Strengthening for IPPS in Chhattisgarh and Other Generation Projects in Western Region

The project has awarded on build, own, operate and maintain (BOOM) basis involves six transmission lines of length 427 Ckt Kms. sub-station at Morena and bays at two locations. The project will provide transmission system strengthening benefits to 7 beneficiaries viz Gujarat Urja Vikas Nigam Ltd (GUVNL), Maharashtra State Electricity Distribution Co Ltd (MSEDCL), MP Power Management Company Ltd (MPPMCL), Chhattisgarh State Power Distribution Co Ltd (CSPDCL), Electricity Department, Govt of Goa, Electricity Department, Daman and Diu, Electricity Department, DNH Power Distribution Corp. Ltd. Administration of Dadra and Nagar Haveli.

- Transmission License has already been granted by CERC for 25 years.
- Approval under Section 68 of Electricity Act 2003 obtained from MoP and other clearances are under process.
- Transmission Service Agreement has been signed with all the beneficiaries.
- The project progress is satisfactory.

### iv. Development of 400kV D/C Suratgarh to Bikaner Transmission Line

The Project has awarded on design, build, finance, operate, and transfer (DBFOT) basis involves 400 KV transmission lines of length appx. 278 Ckt Kms. The project will provide transmission system strengthening benefits to Rajasthan Rajya Vidyut Prasaran Nigam Ltd.

- Transmission License has already been granted by CERC for 25 years.
- Approval under Section 68 of Electricity Act 2003 obtained from Govt. of Rajasthan and other clearances are under process.
- Transmission Service Agreement has been signed with all the beneficiaries.
- The project progress is satisfactory.

### v. Establishment of transmission system under the scheme "Immediate evacuation of Power from North Karanpura (3x660 MW) generation project of NTPC along with establishment of 400/220 KV Dhanbad Substation"

The Project has been awarded on build, own, operate, and maintain (BOOM) basis, involves three transmission Lines of length 251 Ckt Kms. and a 400/220 KV sub-station at Dhanbad with 1000MVA transformation capacity. The project will provide transmission system strengthening benefits to South Bihar Distribution Company Limited and North Bihar Distribution Company Limited of Bihar, Jharkhand Urja Vikas Nigam Ltd, GRIDCO Ltd of Odisha and West Bengal State Electricity Distribution Company Ltd.

### vi. Development of 220kV and 132kV Substations along with associated transmission system under three projects PPP-08, 09 and 10 in Rajasthan

The Project has awarded on build, own, operate & maintain (BOOM) basis involves 16 Nos of 220kV and 132kV Substations comprising of total transmission lines length of more than 455 Ckt Kms and transformation capacity of 585 MVA. The project will provide transmission system strengthening benefits to distribution companies of Rajasthan.

## 3. Conservation of Energy

We continue to strengthen our energy conservation efforts right from the planning to the execution stage and subsequently throughout the O&M period. While finalizing transmission elements/equipment, low loss elements/system are given top priority. We have adopted higher voltage levels like 765kV AC, +500kV HVDC, in its transmission development which result in lower losses in the system.

At design stage, optimization of various equipment parameters is done so that losses in the transmission system are optimized. During evaluation of transformer & shunt reactor packages, equipment with minimum losses are given weightage.

Further, to minimize the auxiliary power consumption the company is monitoring the auxiliary power consumption pattern month to month basis and taking steps to reduce the auxiliary power consumption.

## 4. Technology Absorption

The company has undergone major shift in policy, by establishing full fledged in-house engineering

department. we have procured the state of art software like BOCAD for 3 D modelling of towers and PLS – Tower for analysis and design of towers. With highly skilled and experienced manpower, we are in a position to absorb this technology fully.

By developing in house designs of transmission towers and foundations, over and above cost optimization, we are in a position to carry out our engineering much in advance, allowing more time for the execution of the project.

We have procured 2 licenses of BOCAD software in the year 2016 – 2017, and we have procured 2 licenses of PLS Tower software.

## 5. Financial Performance

Highlight of the company's consolidated performance for the year are as under :

The financial statements of Adani Transmission Limited and its subsidiaries (collectively referred to as ATL or the Company) are prepared in compliance with the Companies Act, 2013 and Indian Accounting Standards, Rules 2015 (Ind AS).

In accordance with the Companies (Indian Accounting Standards), Rules, 2015 of the Companies Act, 2013, read with Section 133 of the Companies Act, 2013, ATL has adopted the Indian Accounting Standards (Ind AS) for preparation of its financial statements with effect from 1<sup>st</sup> April, 2016, with comparative financials for the earlier period beginning 1<sup>st</sup> April, 2015. ATL had been earlier publishing its financial statements prepared under the Indian GAAP.

(₹ in crores)		
Particulars	2016-17	2015-16
Transmission Tariff	2,041.62	1,909.13
Incentive	32.44	58.77
<b>Income from Operations</b>	<b>2,074.06</b>	<b>1,967.90</b>
<b>Less:</b>		
O&M Expenses	130.46	107.19
<b>EBIDTA from Operation</b>	<b>1,943.60</b>	<b>1,860.71</b>
<b>EBIDTA Margin (Operations)</b>	<b>93.34%</b>	<b>94.55%</b>
<b>Add:</b>		
Sale of Traded Goods/EPC	755.69	151.68
Construction income	6.40	-
Carrying Cost Income	43.30	77.42
Delayed Payment Surcharge	-	56.34
Other Income	22.10	14.05
Less: Purchase of Traded material/EPC	755.40	161.61
Less : CSR Exp	4.73	1.67
Less: Construction cost	5.77	-
<b>EBIDTA with Other Income</b>	<b>2,005.19</b>	<b>1,996.92</b>
Less: Finance Cost#	904.01	957.29
Less: Depreciation	569.25	559.65
<b>PBT</b>	<b>531.93</b>	<b>479.98</b>
Less : Tax (MAT @21.34)	115.50	112.04
<b>PAT</b>	<b>416.43</b>	<b>367.94</b>
Other Comprehensive Income	(157.08)	3.17
<b>Total Comprehensive Income</b>	<b>259.35</b>	<b>371.11</b>

#Includes one time expenses of ₹31.09 Crores related to prepayment penalties and unamortized upfront fees due to refinance at the lower rate of interest.

Clarification Note: The Company acquired its subsidiaries namely Maru Transmission Service Company Ltd. and Maru Transmission Service Company Ltd. in the month of October 2016, In view of the same, the results of the current year reported FY 2016-17 are not comparable with the previous year numbers.

## 6. Human Resources

We at ATL have grown exponentially and have seen a drastic change in the way our people are performing. We firmly believe that people are the biggest strength. It is the display of our Values of Courage, Trust and Commitment by our employees that provides us the ability to expand our horizons at this place.

We go beyond the boundaries of Talent Acquisition, compensation, performance reviews etc. and look at employee's well-being holistically. We partner with our employees to ensure timely interventions that help build a career that is long lasting. We nurture employees by putting great emphasis on learning & development, career progression and employee welfare. Towards this end, we have developed and implemented a gamut of employee-centric policies and interventions

We put more focus 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 engage with our employees and offer opportunities to help build successful careers.

Besides this, we have HR policies of the group which are uniform across all the business verticals, which gives us the flexibility to internally transfer the workforce and quickly meet the requirement from within the organization. A number of initiatives are taken to ensure that care and support is extended to the employees through policies which help us improve quality of life of our employees.

We believe that constant feedback on performance and career development helps our workforce perform with greater efficiency. We have rolled out an initiative which ensures a structured appraisal feedback. We recognize that for creating a sustainable organization Identifying Hi – Potential employees and training them for future organizational needs plays a very critical role. Training needs of these high potentials are identified by carrying out Assessment/ development plans. Development of these identified employees is monitored by the Management of the organization.

We have established multiple channels to engage with our employees across all levels. A healthy, happy and engaged workforce is essential for organizational

success. We work in close partnership with our people to understand their health and wellbeing needs and we offer a range of progressive services designed to improve their quality of life.

Training and education has always been considered as an integral part of Human Resource development. We provide extensive training and learning opportunities to our employees through well-designed and customized training programs which are carried out through the year. The training and development requirements of the employees are identified through a structured competency framework. Performance management system provides inputs for the Training Need Identification (TNI)

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

## 7. Risks Management Plan

The Company is exposed to various risks such as Indian economy risk, legislative and regulatory risk, currency risk, etc. It is important to have a risk management system to mitigate the risk. The Company's risk management system enables it to recognize and analyze risks early and helps take the appropriate action.

### Indian Economy Risk

We derive and expect to continue to derive in the foreseeable future, most of our revenues and operating profits from India. Changes in macroeconomic conditions generally impact the power industry and could negatively impact our power transmission business as far as new projects pipeline is concerned. However, our existing assets have little impact due to very nature of contracts, wherein we have take-or-pay clause with our customers. Accordingly, our operations would be not be impacted much as far as business environment in India is concerned.

### Legislative and Regulatory Risks

Changes to the regulatory environment and the laws, rules and directives of the Government of India, including as they impact statutory payment pooling bodies and dispatch bodies, may negatively impact the management of our operations and our ability to secure required approvals, permits or licenses. We have a team which continuously monitor the changes in regulatory and statutory environment and take corrective steps as and when required.

### Currency Risk

The Company maintains its accounts and reports its financial results in rupees. However, the Company is exposed to risks relating to exchange rate fluctuations. For mitigation of the risk company has in place the foreign exchange hedging strategy, wherever required.

### Technological Risk

Changes in technology may render our current technologies obsolete or require us to make substantial capital investments. We strive to keep our technology up to date with the latest international technological standards. Our success will depend in part on our ability to respond to technological advances and emerging industry standards and practices on a cost-effective and timely basis.

## 8. Internal Control System

The Company has put in place strong internal control systems and best in class processes commensurate with its size and scale of operations.

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

- Adequate documentation of Policies & Guidelines.
- Preparation & monitoring of Annual Budgets thru monthly review for all operating & service functions.
- Management Audit department prepares Risk Based Internal (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.
- The entire internal audit processes are web enabled and managed on-line by Audit Management System (AMS).
- The Company has a strong Compliance Management System which runs on an online monitoring system.

- Company has a well-defined Delegation of Power with authority limits for approving revenue & capex expenditure.
- Company uses ERP system to record data for accounting, consolidation and management information purposes and connects to different locations for efficient exchange of information.
- Apart from having all policies, procedures and internal audit mechanism in place, Company periodically engages outside experts to carry out an independent review of the effectiveness of various business processes and invites suggestions for process improvement.
- 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.

The audit committee of the Board of directors regularly reviews the adequacy & effectiveness of various components of internal controls system, including internal audit effectiveness and monitor implementation of internal audit recommendations.

## 9. Cautionary Note

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations and others may constitute "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results may differ from those expressed or implied. Several factors that could significantly impact the Company's operations include economic conditions affecting demand, supply and price conditions in the markets, changes in technology, changes in the Government regulations, tax laws and other statutes, climatic conditions and such incidental factors over which the Company does not have any direct control. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

## Annexure to the Directors' Report

# CORPORATE GOVERNANCE REPORT

### 1. Company's Philosophy on Corporate Governance

Corporate Governance is based on the principles of integrity, fairness, equity, transparency, accountability and commitment to values. The Company continues to focus on good Corporate Governance, in line with the best practices in the areas of Corporate Governance. We are firm in the belief that Corporate Governance means commitment for achievement of value based growth and meeting the commitment within the predefined time frame without compromising with ethical standards, set paradigms, transparency in transactions and fixing of accountability.

**Courage, Trust and Commitment** are the main tenets of our Corporate Governance Philosophy -

- **Courage:** we shall embrace new ideas and businesses. Take calculated risks in pursuing new and big business opportunities.
- **Trust:** we shall stand by our promises and adhere to high standards of business.
- **Commitment:** we shall believe in our employees and other stakeholders.

The Company is in compliance with the conditions of corporate governance as required under the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as applicable.

### 2. Board of Directors

The "Board", being the trustee of the Company, responsible for the establishment of cultural, ethical and accountable growth of the Company, is constituted with a high level of integrated, knowledgeable and committed professionals. The Board provides strategic guidance and independent views

to the Company's senior management while discharging its fiduciary responsibilities.

### 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 currently comprises 6 (Six) Directors out of which 3 (Three) Directors (50%) are Executive Directors and remaining 3 (Three) are Independent Directors. Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations. 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 Regulations 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 31<sup>st</sup> March, 2017.

The composition of the Board of Directors and the number of Directorships and Committee positions held by them as on 31<sup>st</sup> March, 2017 are as under:

Name and Designation (DIN) of Director	Category	No. of other Directorships held <sup>1</sup> (Other than ATL)	No. of Board Committees <sup>2</sup> (other than ATL) in which Chairman / Member.	
			Chairman	Member
Mr. Gautam S. Adani Chairman (DIN: 00006273)	Promoter Executive	4	-	-
Mr. Rajesh S. Adani Director (DIN: 00006322)	Promoter Executive	7	3	4
Mr. Deepak Bhargava <sup>4</sup> Whole-time Director (DIN: 05247943)	Executive Director	1	-	-
Mr. K. Jairaj Director (DIN: 01875126)	Non Executive (Independent)	3	-	-
Dr. Ravindra H. Dholakia Director (DIN: 00069396)	Non Executive (Independent)	2	1	-
Ms. Meera Shankar Director (DIN: 06374957)	Non Executive (Independent)	3	-	1

**Notes:**

1. The Directorships held by the Directors, as mentioned above excludes alternate directorships, directorships in foreign companies, Companies under Section 8 of the Companies Act, 2013 and Private Limited Companies which are not the subsidiaries of Public Limited Companies.
2. Represents Membership / Chairmanship of two Committees viz. Audit Committee and Stakeholders' Relationship Committee as per Regulation 26 of the SEBI Listing Regulations.
3. As on 31<sup>st</sup> March, 2017, none of the Directors of the Company were related to each other except Mr. Rajesh S. Adani, Director being brother of Mr. Gautam S. Adani, Chairman.
4. Mr. Deepak Bhargava resigned as a Director of the Company w.e.f. closure of business hours on 31<sup>st</sup> March, 2017 on attaining the age of superannuation.
5. Mr. V. Subramanian resigned as a Director of the Company w.e.f. 24<sup>th</sup> August, 2016 due to his pre-occupation.
6. The Board approved the appointment of Mr. Laxmi Narayana Mishra as a Whole-time Director of the Company for a period of 3 years w.e.f. 4<sup>th</sup> April, 2017 subject to the approvals of members and such other approvals as may be required.

**Board Meetings and Procedure**

The internal guidelines for 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 informations 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.

Minimum 4 (four) pre-scheduled Board meetings are held every year. Apart from the above, additional Board meetings are convened by giving appropriate notice to address the specific needs of the Company. In case of business exigencies or urgency of matters, resolutions are also passed by way of

circulation. The meetings are usually held at the Company's Registered Office at Adani House, Near Mithakhali Six Roads, Navrangpura, Ahmedabad – 380 009, Gujarat.

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 Meetings. 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.

4 (Four) Board Meetings were held during the Financial Year 2016-17. The Company has held at least one Board meeting in every quarter and the gap between two meetings did not exceed one hundred and twenty days. The necessary quorum was present in all the meetings. Leave of absence was granted to the concerned directors who could not attend the respective board meeting on request. The dates on which the Board Meetings were held during FY 2016-17 are as follows:

26<sup>th</sup> May, 2016, 10<sup>th</sup> August, 2016, 24<sup>th</sup> October, 2016 and 13<sup>th</sup> February, 2017.

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.

The details of attendance of Directors at the Board Meetings and at the last Annual General Meeting are as under:

Name of Director(s)	Number of Board Meetings held and attended during FY 2016-17		Attended Last AGM
	Held during the tenure	Attended	
Mr. Gautam S. Adani	4	4	Yes
Mr. Rajesh S. Adani	4	3	Yes
Mr. Deepak Bhargava <sup>1</sup>	4	3	Yes
Mr. K. Jairaj	4	3	No
Mr. V. Subramanian <sup>2</sup>	2	2	Yes
Dr. Ravindra H. Dholakia <sup>3</sup>	3	3	Yes
Ms. Meera Shankar	4	4	Yes

1. Resigned as a Director of the Company w.e.f. 31<sup>st</sup> March, 2017.

2. Resigned as a Director of the Company w.e.f. 24<sup>th</sup> August, 2016.

3. Appointed as a Director of the Company w.e.f. 26<sup>th</sup> May, 2016.

### Notes on Directors appointment / re-appointment

Brief resume(s) of the Directors proposed to be appointed / re-appointed are given in the Explanatory Statement annexed to the Notice convening the Annual General Meeting.

### 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 the diverse matters. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles under 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. Corporate Social Responsibility & Sustainability (CSR&S) Committee

- E. Risk Management Committee
- F. Securities Transfer 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.

#### Terms of Reference:

The powers, role and terms of reference of the Audit Committee covers the areas as contemplated under 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(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 the 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 utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
7. Review and monitor 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, the 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, if any, 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 Chief Financial Officer 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.

#### Meetings, Attendance & Composition of the Audit Committee

During the financial year 2016-17, four meetings of the Audit Committee were held on 26<sup>th</sup> May, 2016, 9<sup>th</sup> August, 2016, 24<sup>th</sup> October, 2016 and 13<sup>th</sup> February, 2017. The intervening gap between two meetings did not exceed one hundred and twenty days.

The details of the Audit Committee meetings attended by its members as on 31<sup>st</sup> March, 2017 are given below:

Sr. No	Name	Designation(s)	Category	Number of meetings held during FY 2016-17	
				Held during the tenure	Attended
1	Mr. K. Jairaj	Chairman	Non-Executive & Independent Director	4	3
2	Mr. Rajesh S. Adani	Member	Executive & Non Independent Director	4	3
3	Mr. V. Subramanian <sup>1</sup>	Member	Non-Executive & Independent Director	2	2
4	Dr. Ravindra H. Dholakia <sup>2</sup>	Member	Non-Executive & Independent Director	1	1
5	Ms. Meera Shankar	Member	Non-Executive & Independent Director	4	4

1. Resigned as a Director of the Company w.e.f. 24<sup>th</sup> August, 2016. Accordingly, he also ceased as Member of the Audit Committee with effect from the said date.
2. Appointed as Member of the Audit Committee w.e.f. 24<sup>th</sup> October, 2016.

All members of the Audit Committee have accounting and financial management knowledge and expertise / exposure. The Audit Committee meetings are attended by the Internal Auditors, Statutory Auditors, Chief Financial Officer and head of finance. The Company Secretary acts as the Secretary of the Audit Committee.

Mr. Jaladhi Shukla, Company Secretary and Compliance Officer act as a Secretary of the Committee. The Chairman of the Audit Committee attended the last Annual General Meeting (AGM) held on 10<sup>th</sup> August, 2016 to answer the shareholders' queries.

#### B. Nomination and Remuneration Committee

The constitution and terms of reference of Nomination and Remuneration Committee of the Company are in compliance

with provisions of Companies Act, 2013 and the SEBI Listing Regulations.

#### Terms of reference:

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 Independent Directors and the Board of directors.
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) 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.

**Meeting, Attendance & Composition of the Nomination & Remuneration Committee**

During FY 2016-17, one meeting of the Nomination & Remuneration Committee was held on 26<sup>th</sup> May, 2016.

The details of the Nomination & Remuneration Committee meeting attended by its members as on 31<sup>st</sup> March, 2017 are given below:

Sr. No	Name	Designation(s)	Category	Number of meetings held during FY 2016-17	
				Held during the tenure	Attended
1	Mr. K. Jairaj <sup>1</sup>	Chairman	Non-Executive & Independent Director	1	1
2	Mr. V. Subramanian <sup>2</sup>	Chairman (upto 24.08.2016)	Non-Executive & Independent Director	1	1
3	Dr. Ravindra H. Dholakia <sup>3</sup>	Member	Non-Executive & Independent Director	-	-
4	Ms. Meera Shankar	Member	Non-Executive & Independent Director	1	1

1. Appointed as Chairman of the Nomination and Remuneration Committee w.e.f. 24<sup>th</sup> October, 2016.
2. Resigned as a Director of the Company w.e.f. 24<sup>th</sup> August, 2016. Accordingly, he also ceased as Member of the Nomination and Remuneration Committee with effect from the said date.
3. Appointed as Member of the Nomination and Remuneration Committee w.e.f. 24<sup>th</sup> October, 2016.

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.

**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.

**i) Remuneration to Non-Executive Directors**

Non-Executive Directors are paid ₹20,000/- as sitting fees and actual reimbursement of expenses incurred for attending each meeting of the Board and Committee.

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

The Executive and Promoter group Directors are not being paid sitting fees for attending meetings of the Board of Directors and its committees. 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.

The details of sitting fees paid to Non-Executive and Independent Directors for the Financial Year 2016-17 are as under:  
(₹ in Lacs)

Name of the Directors	Sitting Fees paid during FY 2016-17		Total	No. of Shares held as on 31 <sup>st</sup> March, 2017
	Board Meeting	Committee Meeting		
Mr. K. Jairaj	0.60	1.60	2.20	-
Mr. V. Subramanian <sup>1</sup>	0.40	0.60	1.00	-
Dr. Ravindra H. Dholakia <sup>2</sup>	0.60	0.20	0.80	-
Ms. Meera Shankar	0.80	1.00	1.80	-

1. Resigned as a Director of the Company w.e.f. 24<sup>th</sup> August, 2016.

2. Appointed as a Director of the Company w.e.f. 26<sup>th</sup> May, 2016.

#### Performance Evaluation Criteria for Independent Directors:

The performance evaluation criteria for independent directors is 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 behavior and judgement.

#### ii) Remuneration to Executive Directors.

The remuneration of the Executive Directors is recommended

by the Nomination and Remuneration Committee based on criteria such as industry benchmarks, the Company's performance vis-à-vis the industry, responsibilities shouldered, performance/track record, macro economic review on remuneration packages of heads of other organisations and is decided by the Board of Directors.

The Company pays remuneration by way of salary, perquisites and allowances (fixed component), incentive remuneration and/or commission (variable components) to its Executive Directors within the limits prescribed under the Companies Act, 2013 and approved by the shareholders.

Details of the remuneration paid to the Executive Directors of the Company during the year 2016-17 are as under:

(₹ in Crores)

Name & Designation of Directors	Salary	Perquisites & Allowances	Commission	Total
Mr. Deepak Bhargava, Whole-time Director <sup>1</sup>	0.66	1.17	-	1.83

1. Ceased to be a Whole-time Director w.e.f 31<sup>st</sup> March, 2017.

Mr. Gautam S. Adani, Chairman and Mr. Rajesh S. Adani, Director are not drawing any remuneration from the Company.

There is no separate provision for payment of severance fees under the resolutions governing the appointment of Chairman and Whole-time Director.

The Company has not granted stock options to the Executive Directors or Employees of the Company.

The aforesaid Executive Directors, so long as they function as such shall not be entitled to any sitting fees for attending any meetings of Board or Committees thereof.

#### C. Stakeholders' Relationship Committee

The constitution and terms of reference of Stakeholders' Relationship Committee of the Company are in compliance

with provisions of Companies Act, 2013 and the SEBI Listing Regulations.

#### Terms of Reference:

1. Oversee and review all matters connected with the transfer of the Company's securities.
2. Monitor redressal of investors' / shareholders' / security holders' grievances.
3. Oversee the performance of the Company's Registrar and Transfer Agents.
4. Recommend methods to upgrade the standard of services to investors.
5. Carry out any other function as is referred by the Board from time to time or enforced by any statutory notification / amendment or modification as may be applicable.

### Composition, Meetings and Attendance of Stakeholders' Relationship Committee

During the financial year 2016-17, four meetings of the said Committee were held on 26<sup>th</sup> May, 2016, 9<sup>th</sup> August, 2016, 24<sup>th</sup> October, 2016 and 13<sup>th</sup> February, 2017.

The details of the Stakeholders' Relationship Committee meetings attended by its members as on 31<sup>st</sup> March, 2017 are given below:

Sr. No.	Name	Designation(s)	Category	Number of meetings held during FY 2016-17	
				Held during the tenure	Attended
1	Mr. K. Jairaj	Chairman	Independent, Non-Executive	4	3
2	Mr. Rajesh S. Adani	Member	Executive Director	4	3
3	Ms. Meera Shankar	Member	Executive Director	4	3

1. Resigned as a Director of the Company w.e.f. 31<sup>st</sup> March, 2017. Accordingly, he also ceased as Member of the Stakeholders' Relationship Committee with effect from the said date.
2. Mr. Laxmi Narayana Mishra was appointed as Member of the Stakeholders' Relationship Committee w.e.f. 4<sup>th</sup> April, 2017.

The Company Secretary is the Compliance Officer of the Company as per the requirements of the SEBI Listing Regulations.

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

#### Redressal of Investor Grievances

The Company and its Registrar and Share Transfer Agent addresses all complaints, suggestions and grievances expeditiously and replies are sent usually within 7-10 days except in case of dispute over facts or other legal impediments and procedural issues. The Company endeavours to implement suggestions as and when received from the investors.

During the year under review, 1 (one) investors' complaint / correspondence was received and resolved. There was no unattended or pending investor grievance as on 31<sup>st</sup> March, 2017.

#### D. Corporate Social Responsibility & Sustainability (CSR&S) Committee

The Company has constituted CSR&S Committee as required under Section 135 of the Companies Act, 2013 and rules framed there under.

#### Terms of reference of the Committee, inter alia, includes the following:

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

2. To recommend the amount of expenditure to be incurred on CSR activities.
3. To monitor the implementation of framework of CSR Policy.
4. Approval and review of the Company's sustainability policy.
5. Overseeing management processes and standards designed to manage the Company's Sustainability performance (together "Sustainable Development").
6. Reviewing the Company's Annual Sustainability Report assurance process and signing off the Sustainability Report for public disclosure.
7. Sub-delegation of authority and recommending the positioning to manage relevant sustainability issues and sharing information.
8. Regularly updating its competency on the subject of Sustainable Development and reviewing its own performance and effectiveness including its terms of reference for overseeing the Company's Sustainability performance.
9. 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.

#### CSR Policy

The CSR Policy of the Company is available on its website (<http://www.adanitransmission.com/Investor-relation/investor-download>).

### Composition, Meetings and Attendance of CSR Committee

During the year under review, CSR&S Committee Meeting was held on 26<sup>th</sup> May, 2016.

The details of the CSR&S Committee meetings attended by its members during FY 2016-17 are given below:

Sr. No.	Name	Designation(s)	Category	Number of meetings held during FY 2016-17	
				Held during the tenure	Attended
1	Mr. Rajesh S. Adani	Chairman	Executive Director	1	-
2	Mr. K. Jairaj	Member	Independent, Non-Executive	1	1
3	Mr. Deepak Bhargava <sup>1</sup>	Member	Executive Director	1	1

1. Resigned as a Director of the Company w.e.f. 31<sup>st</sup> March, 2017. Accordingly, he also ceased as Member of the CSR&S Committee with effect from the said date.
2. Mr. Laxmi Narayana Mishra was appointed as Member of the CSR&S Committee w.e.f. 4<sup>th</sup> April, 2017.

The Quorum of the Committee is of two members.

The Board of Directors review the Minutes of the CSR&S Committee Meetings at subsequent Board Meetings.

The Company Secretary acts as a Secretary to the Committee.

### E. Risk Management Committee:

The Risk Management Committee of the Company is constituted in line with the provisions of Regulation 21 of the SEBI Listing Regulations.

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.

### Composition, Meetings and Attendance of Risk Management Committee

During the year under review, one Risk Management Committee Meeting was held on 13<sup>th</sup> February, 2017.

The details of the Risk Management Committee meeting attended by its members as are given below:

Sr. No.	Name	Designation(s)	Category	Number of meetings held during FY 2016-17	
				Held during the tenure	Attended
1	Mr. Deepak Bhargava <sup>1</sup>	Chairman	Executive Director	1	1
2	Mr. Rajesh S. Adani	Member	Executive Director	1	1

1. Resigned as a Director of the Company w.e.f. 31<sup>st</sup> March, 2017. Accordingly, he also ceased as Member of the Risk Management Committee with effect from the said date.
2. Mr. Laxmi Narayana Mishra was appointed as Chairman of the Risk Management Committee w.e.f. 4<sup>th</sup> April, 2017.

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.

### F. Securities Transfer Committee

In order to provide efficient and timely services to investors, the Board of Directors has delegated the power of approving transfer/transmission of Company's Securities, issue of duplicate share / debenture certificates, split up / sub-division, and consolidation of shares, issue of new certificates on re-materialization, sub-division and other related formalities to the Securities Transfer Committee.

No requests for transfers of any Securities are pending as on 31<sup>st</sup> March, 2017 except those that are disputed and / or sub-judiced.

**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.adanitransmission.com/Investor-relation/investor-download>. During the year under review, there were no cases of whistle blower.

**Investor Services**

M/s Sharepro Services (India) Private Limited acted as a Registrar & Share Transfer Agent of the Company upto 19<sup>th</sup> June, 2016, thereafter, pursuant to SEBI Ex Parte-Ad-Interim Order No. WTM/RKA/MIRSD2/41/2016 dated

22<sup>nd</sup> March, 2016, the Company has appointed M/s. Link Intime India Private Limited as its Registrar & Share Transfer Agent in place of Sharepro Services (India) Private Limited w.e.f. 20<sup>th</sup> June, 2016. They have adequate infrastructure and VSAT connectivity with both the depositories, which facilitate better and faster services to the investors.

**a) Name, Designation and Address of the Compliance Officer:**

Mr. Jaladhi Shukla, Company Secretary and Compliance Officer  
 Adani Transmission Limited  
 "Adani House", Near Mithakhali Six Roads,  
 Navarangpura, Ahmedabad – 380 009  
 Gujarat, India,  
 Tel No.(079) 25555 555, 26565 555,  
 Fax No. (079) 26565 500, 25555 500,  
 E-mail ID: jaladhi.shukla@adani.com

**4. Annual General Meetings**

Location, day, date and time of Annual General Meetings (AGMs) and Special Resolutions passed thereat:

Financial Year	Day & Date	Location of Meeting	Time	No. of Special resolutions passed
2013-14	Friday, 8 <sup>th</sup> August, 2014	Adani House, Near Mithakhali Six Roads, Navrangpura, Ahmedabad – 380 009	11.30 a.m.	1
2014-15	Monday, 1 <sup>st</sup> June, 2015	Adani House, Near Mithakhali Six Roads, Navrangpura, Ahmedabad – 380 009	1.30 p.m.	4
2015-16	Wednesday, 10 <sup>th</sup> August, 2016	J. B. Auditorium, Ahmedabad Management Association, AMA Complex, ATIRA, Dr. Vikram Sarabhai Marg, Ahmedabad – 380 015	9.30 a.m.	3

**Whether Special Resolutions were put through postal ballot last year, details of voting pattern:** No

**Whether any resolutions are proposed to be conducted through postal ballot:** No Resolution is proposed to be passed by way of Postal Ballot at the ensuing Annual General Meeting.

**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.

**5. Subsidiary Companies**

None of the subsidiaries of the Company other than Adani Transmission (India) Limited and Maharashtra Eastern Grid Power Transmission Company Limited comes under the

purview of the Material Non-Listed Indian Subsidiary as per criteria given in the SEBI Listing Regulations. The Company has nominated Mr. K. Jairaj, Independent Director of the Company as Director on the Board of Adani Transmission (India) Limited and Maharashtra Eastern Grid Power Transmission Company Limited. The Company is not required to nominate an Independent Director on the Board of any other Subsidiary Companies. The subsidiaries of the Company function with an adequately empowered Board of Directors and sufficient resources.

For more effective governance, the Company monitors performance of subsidiary companies, interalia, by following means:

- a) Financial statements, in particular investments made by unlisted subsidiary companies, are reviewed quarterly by the Company's Audit Committee.

- b) Minutes of unlisted subsidiary companies are placed before the Board of the Company regularly.
- c) A statement, wherever applicable, of all significant transactions and arrangements entered into by the Company's subsidiaries is presented to the Board of the Company at its meetings.

The risk factors and project reports of the Subsidiary Companies are also reviewed by the Audit Committee of the Company.

The Company has a policy for determining 'material subsidiaries' which is uploaded on the website of the Company at <http://www.adanitransmission.com/Investor-relation/investor-download>.

## 6. Other Disclosures

### a) Disclosure on materially significant related party transactions:

The details of materially significant related party transactions entered by the Company during the FY 2016-17 are as per notice calling Annual General Meeting of the Company. The details of Related Party Transactions are disclosed in the financial section of this Annual Report. The Company has developed a policy on materiality of Related Party Transactions and also on dealing with Related Party Transactions.

The Company has developed a Related Party Transaction Policy which is uploaded on the website of the Company at <http://www.adanitransmission.com/Investor-relation/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) Details of compliance

The Company has complied with all the requirements of the Stock Exchanges as well as the regulations and guidelines prescribed by the Securities and Exchange Board of India (SEBI). There were no penalties or strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.

### d) ADANI Code of Conduct

The ADANI Code of Conduct for the Directors and Senior Management of the Company has been laid down by the Board and the same is posted on the website of the Company.

A declaration signed by the Whole-time Director affirming the compliance with the ADANI Code of Conduct by the Board Members and Senior Management Personnel of the Company is as under:

#### Declaration as required under the SEBI Listing Regulations

All Directors and senior management of the Company have affirmed compliance with the ADANI Code of Conduct for the financial year ended 31<sup>st</sup> March, 2017.

Place: Ahmedabad

**Laxmi Narayana Mishra**

Date: 27<sup>th</sup> May, 2017

Whole-time Director

### Adani Code of Conduct for Prevention of Insider Trading

ADANI Code of Conduct for Prevention of Insider Trading, as approved by the Board of Directors, inter alia, prohibits purchase / sale of securities of the Company by Directors and employees while in possession of unpublished price sensitive information in relation to the Company.

### e) CEO / CFO Certificate

The CEO and CFO have certified to the board with regard to the financial statements and other matters as required by the SEBI Listing Regulations. The certificate is appended as an Annexure to this report.

They have also provided quarterly certificates on financial results while placing the same before the Board pursuant to Regulation 33 of the SEBI Listing Regulations.

### f) Proceeds from public issues, rights issues, preferential issues etc.

The Company discloses to the Audit Committee, the uses / application of proceeds / funds raised from Rights Issue, Preferential Issue as part of the quarterly review of financial results.

- g) 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.

- h) The Company has adopted Material Events Policy, which is uploaded on the website of the Company at <http://www.adanitransmission.com/Investor-relation/investor-download>.

- i) Details of the familiarization programmes imparted to the independent directors are available on the website of the company at <http://www.adanitransmission.com/Investor-relation/investor-download>.
- j) 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.
- k) The Company has put in place succession plan for appointment to the Board and to senior management.
- l) 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 Regulations. It has obtained a certificate affirming the compliances from Statutory Auditors and the same is attached to this Report.
- m) As required under Regulation 36(3) of the SEBI Listing Regulations, particulars of Directors seeking appointment / re-appointment at the forthcoming AGM are given herein and in the Annexure to the Notice of the 4<sup>th</sup> AGM to be held on 10<sup>th</sup> August, 2017.

## 7. Means of Communication

### a) Financial Results:

The quarterly/half-yearly and annual results of the

Company are normally published in the Indian Express (English) and Financial Express (a regional daily published from Gujarat). These results are not sent individually to the shareholders but are put on the website of the Company.

The quarterly/half-yearly and annual results and other official news releases are displayed on the website of the Company – [www.adanitransmission.com](http://www.adanitransmission.com) shortly after its submission to the Stock Exchanges.

### b) Intimation to Stock Exchanges:

The Company also regularly intimates to the Stock Exchanges all price sensitive and other information which are material and relevant to the investors.

### c) Earnings Calls and Presentations to Analysts:

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.

## 8. General Shareholder 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 L40300GJ2013PLC077803.

### B. Annual General Meeting:

Day and Date	Time	Venue
Thursday, 10 <sup>th</sup> August, 2017	10.30 a.m.	J.B. Auditorium, Ahmedabad Management Association, AMA Complex, ATIRA, Dr. Vikram Sarabhai Marg, Ahmedabad – 380 015

### C. Registered Office:

“Adani House”, Near Mithakhali Six Roads, Navrangpura, Ahmedabad – 380009, Gujarat.

### D. Financial Calendar for 2017-18: (tentative schedule, subject to change)

Period	Approval of Quarterly results
Quarter ending 30 <sup>th</sup> June, 2017.	Mid August, 2017
Quarter and half year ending 30 <sup>th</sup> September, 2017.	Mid November, 2017
Quarter ending 31 <sup>st</sup> December, 2017.	Mid February, 2018
The year ending 31 <sup>st</sup> March, 2018.	End May, 2018

### E. Date of Book Closure:

Thursday, 3<sup>rd</sup> August, 2017 to Thursday, 10<sup>th</sup> August, 2017 (both days inclusive) for the purpose of 4<sup>th</sup> Annual General Meeting.



**F Listing on Stock Exchanges:**

(a) The Equity Shares of the Company are listed with the following stock exchanges.

<b>BSE Limited (BSE)</b> P. J. Towers, Dalal Street, Fort, Mumbai - 400 001	(Stock Code : 539254)
<b>National Stock Exchange of India Limited (NSE)</b> "Exchange Plaza", Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051.	(Stock Code : ADANITRANS)

(b) Depositories :	1.	<b>National Securities Depository Limited (NSDL)</b> Trade World, 4 <sup>th</sup> Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013.
	2.	<b>Central Depository Services (India) Limited (CDSL)</b> Phiroze Jeejeebhoy Towers, 28 <sup>th</sup> Floor, Dalal Street, Mumbai – 400 001.

The Equity Shares of the Company are traded compulsorily in Demat Segments. The ISIN allotted to the Company's Equity Shares under the depository system is **INE931S01010**.

Annual Listing fee has been paid to the BSE & NSE and Annual Custody / Issuer fee for the year 2017-18 will be paid by the Company to NSDL & CDSL on receipt of the invoices.

**G. 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.adanitransmission.com/Investor-relation/investor-download>.

**H. Market Price Data: High, Low during each month in Financial Year 2016-17. :**

Monthly share price movement during the year 2016-17 at BSE & NSE:

Month	BSE			NSE		
	High (₹)	Low (₹)	Volume (No. of shares)	High (₹)	Low (₹)	Volume (No. of shares)
April, 2016	36.40	31.25	7073065	36.50	31.25	26159368
May, 2016	33.25	28.35	4382830	33.25	28.50	22738207
June, 2016	40.40	30.30	4640747	40.50	30.75	19128953
July, 2016	42.75	36.00	5642261	42.80	36.00	27448237
August, 2016	42.60	37.15	7769742	42.60	37.15	37277701
September, 2016	42.80	34.00	3003990	42.80	36.35	17619908
October, 2016	46.35	38.25	6782051	46.35	38.10	29735251
November, 2016	66.00	40.00	8945529	66.25	39.85	44856537
December, 2016	62.40	51.10	7762038	62.30	51.15	30908630
January, 2017	68.40	56.30	3787149	68.50	56.30	18601859
February, 2017	69.70	60.95	3099494	69.70	59.00	12223893
March, 2017	67.40	60.50	2813549	67.20	61.35	13843546

[Source: This information is compiled from the data available from the websites of BSE and NSE]

**I. Performance in comparison to broad-based indices such as BSE Sensex.**



**J. Registrar and Transfer Agents:**

M/s. Link Intime India Private Limited is appointed as Registrar and Transfer (R&T) Agents of the Company for both Physical and Demat Shares. The address is given below:

M/s. Link Intime India Private Limited  
 5<sup>th</sup> Floor, 506-508,  
 Amarnath Business Centre – 1 (ABC-1),  
 Beside Gala Business Centre, Off C. G. Road,  
 Navrangpura, Ahmedabad – 380 009.  
 Tel: +91-79-26465179  
 Fax : +91-79-26465179  
 Contact Person: Mr. Anand Padh

Shareholders are requested to correspond directly with the R&T Agent for transfer / transmission of shares, change of address, queries pertaining to their shares, dividend etc.

**K. Share Transfer System:**

The Company's shares are compulsorily traded in the demat segment on stock exchanges, bulk of the transfers take place in the electronic form. The share transfers received in physical form are processed through R&T Agent, within seven days from the date of receipt, subject to the documents being valid and complete in all respects. The Board has delegated the authority for approving transfer, transmission, issue of duplicate share certificate, dematerialization etc. to the Securities

Transfer Committee. All the physical transfers received are processed by the R&T Agent and are approved by the Securities Transfer Committee well within the statutory period of one month. The securities transfer committee meets every fortnight for approval of the transfer, transmission, issue of duplicate share certificate, dematerialization / rematerialization of shares etc. and all valid share transfers received during the year ended 31<sup>st</sup> March, 2017 have been acted upon. The share certificates duly endorsed are returned immediately to the shareholders by the R&T Agent.

The Company obtained following certificate(s) from a Practising Company Secretary and submitted the same to the stock exchanges within stipulated time

1. Certificate confirming due compliance of share transfer formalities by the Company pursuant to Regulation 40(9) of the SEBI Listing Regulations for half year ended 30<sup>th</sup> September, 2016 and 31<sup>st</sup> March, 2017 respectively with the Stock Exchanges and
2. Certificate regarding reconciliation of the share capital audit of the Company on quarterly basis.

All share transfer and other communication regarding share certificates, change of address, dividend etc. should be addressed to R&T Agents of the Company at the address given above.

**L. Dematerialization of Shares and Liquidity:**

The Equity Shares of the Company are tradable in compulsory dematerialized segment of the Stock Exchanges and are available in depository system of National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The demat security (ISIN) code for the Equity Share is INE931S01010.

As on 31<sup>st</sup> March, 2017, 109,93,44,982 (constituting 99.96%) were in dematerialized form.

The Company's Equity Shares are frequently traded on the BSE Limited and National Stock Exchange of India Limited.

**M. The Distribution of Shareholding as on 31<sup>st</sup> March, 2017 is as follows:**

Number of shares	Number of shareholders		Equity Shares held in each category	
	Holders	% of Total	Total Shares	% of Total
1 to 500	48726	85.23	52,24,104	0.48
501 to 1000	3683	6.44	31,06,964	0.28
1001 to 2000	1974	3.46	30,82,632	0.28
2001 to 3000	762	1.33	19,84,928	0.18
3001 to 4000	379	0.66	13,92,363	0.13
4001 to 5000	356	0.62	16,95,488	0.15
5001 to 10000	626	1.10	46,40,846	0.42
10001 & Above	662	1.16	107,86,82,758	98.08
<b>TOTAL</b>	<b>57168</b>	<b>100.00</b>	<b>109,98,10,083</b>	<b>100.00</b>

**N. Shareholding Pattern as on 31<sup>st</sup> March, 2017 is as follows:**

	No. of Shares held	(%) of total
Promoters and Promoter Group	82,39,63,479	74.92
Foreign Portfolio Investors / Institutional Investors	18,91,07,661	17.19
Mutual Funds, Financial Institutions / Banks	3,51,87,468	3.20
N.R.I. and Foreign National	69,31,546	0.63
Private Bodies Corporate	88,60,601	0.81
Indian Public and others	3,47,25,185	3.16
Clearing Members (Shares in Transit)	10,34,143	0.09
<b>Total</b>	<b>109,98,10,083</b>	<b>100.00</b>

**O. Listing of Debt Securities.**

The Rated, Listed, Taxable, Secured, Redeemable, Non-Convertible Debentures issued on private placement basis by the Company are listed on the Wholesale Debt Market (WDM) of BSE Limited.

**P. Debenture Trustees (for privately placed debentures):**

IDBI Trusteeship Services Limited  
Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai - 400 001  
Phone No. +91 22 4080 7000 Fax: +91 22 6631 1776  
E-mail ID: itsl@idbitrustee.com  
Website: www.idbitrustee.com

**Q. Outstanding GDRs/ADRs/Warrants or any convertible instruments conversion date and likely impact on equity.**

There were no outstanding GDRs/ADRs/Warrants or any convertible instruments as at 31<sup>st</sup> March, 2017.

**R. Commodity Price Risk/Foreign Exchange Risk and Hedging:**

In the ordinary course of business, the Company is exposed to risks resulting from exchange rate fluctuation and interest rate movements. It manages its exposure to these risks through derivative financial instruments. The Company's risk management activities are subject to the management, direction and control of Treasury Team of the Company under the framework of Risk Management Policy for Currency and Interest rate risk as approved by the Board of Directors of the Company. The Company's Treasury Team ensures appropriate financial risk governance framework for the Company through appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken.

The decision of whether and when to execute derivative financial instruments along with its tenure can vary from period to period depending on market conditions and the relative costs of the instruments. The tenure is

linked to the timing of the underlying exposure, with the connection between the two being regularly monitored.

**S. Plant Locations:**

Not Applicable

**T. Address for correspondence:**

The shareholders may address their communications / suggestions / grievances / queries to:

<p>1 Mr. Jaladhi Shukla Company Secretary and Compliance Officer Adani Transmission Limited "Adani House", Near Mithakhali Six Roads, Navarangpura, Ahmedabad 380 009 Tel No. (079) 25555 555, 26565 555. Fax No. (079) 26565 500, 25555 500. Email id: jaladhi.shukla@adani.com</p>	<p>2 M/s. Link Intime India Private Limited 5<sup>th</sup> Floor, 506-508, Amarnath Business Centre – 1 (ABC-1), Beside Gala Business Centre, Off C. G. Road, Navrangpura, Ahmedabad – 380 009. Tel: +91-79-26465179 Fax : +91-79-26465179 E-mail: ahmedabad@linkintime.co.in Contact Person : Mr. Anand Padh</p>
--	---

**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:

**1. The Board:**

The Company has an Executive Chairman and hence, the need for implementing this non-mandatory requirement does not arise.

**2. Shareholders Right:**

The quarterly, half-yearly and annual financial results of the Company are published in newspapers and posted on Company's website, [www.adanitransmission.com](http://www.adanitransmission.com). The same are also available on the websites of stock exchanges where the shares of the Company are listed i.e. [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com).

**3. Modified opinion(s) in audit report:**

The Company already has a regime of un-qualified financial statements. Auditors have raised no qualification on the financial statements.

**4. Separate posts of Chairperson and CEO:**

Mr. Gautam S. Adani is the Chairman and Mr. Laxmi Narayana Mishra is a Whole-time Director of the Company.

**5. 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.

\*\*\*\*\*

## Auditors' Certificate Regarding Compliance of conditions of Corporate Governance

To,  
The Members,  
**Adani Transmission Limited**

1. We, Dharmesh Parikh & Co, Chartered Accountants, the Statutory Auditors of Adani Transmission Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31<sup>st</sup> March, 2017, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

### Managements' Responsibility

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the SEBI Listing Regulations.

### Auditors' Responsibility

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the books of account and other relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

### Opinion

7. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI Listing Regulations during the year ended 31<sup>st</sup> March, 2017.
8. We state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **Dharmesh Parikh & Co.**  
Chartered Accountants  
Firm Reg No: 112054W

Place: Ahmedabad  
Date: 27<sup>th</sup> May, 2017

**(Chirag Shah)**  
Partner  
(Membership No. 122510)

## CERTIFICATION BY CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO)

We have reviewed the financial statements and the cash flow statements for the year ended 31<sup>st</sup> March, 2017 and that 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 31<sup>st</sup> March, 2017 which are fraudulent, illegal or violation 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, efficiencies 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 system during the year;
  - b) There are changes in accounting policies during the year on account of Ind AS adoption and the same have been disclosed in the notes to the financial statements; 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.

Place: Ahmedabad  
Date: 27<sup>th</sup> May, 2017

**Laxmi Narayana Mishra**  
Whole-time Director

**Kaushal G. Shah**  
Chief Financial Officer

# BUSINESS RESPONSIBILITY REPORT

## Section A: General Information about the Company

1. **Corporate Identity Number (CIN):** L40300GJ2013PLC077803
2. **Name of the Company:** Adani Transmission Limited
3. **Registered Address:** 'Adani House', Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad - 380 009, Gujarat, India
4. **Website:** www.adanitransmission.com
5. **Email id:** investor.atl@adani.com
6. **Financial Year reported:** 01.04.2016 to 31.03.2017
7. **Sector(s) that the Company is engaged in (industrial activity code-wise):**

Group	Class	Sub-class	Description
351	3510	35107	Transmission of electric energy
463	4630	46309	Wholesale of other basic/ manufactured food stuffs

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):

The Company does not manufacture any product, but is involved in the business activities listed in the table above.

### 9. Total number of locations where business activity is undertaken by the Company:

The total number of locations of the Company is as follows:

- (i) Number of international locations: N.A.
- (ii) Number of national locations: 28 (including offices)

### 10. Markets served by the Company: State, National

## Section B: Financial Details of the Company

1. **Paid up capital (INR):** 1099.81 Crores
2. **Total turnover (INR):** 809.65 Crores
3. **Total Profit /(Loss) After Taxes (INR):** 3.85 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, the Company's subsidiaries have spent ₹4.73 Crores towards CSR activities.

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

The major CSR activities are in the Sectors of Education, Health Care Support, Project "Udaan", skill development initiatives etc.

## Section C: Other Details

### 1. Does the Company have any Subsidiary Company / Companies?

Yes, the Company has 9 subsidiary companies as on 31<sup>st</sup> 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.

**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:**

Details of the Director / Directors responsible for implementation of the BR policy/ policies:

- **DIN:** 01952408
- **Name:** Mr. Laxmi Narayana Mishra
- **Designation:** Whole-time Director

a) Details of the BR head:

Sr. No	Particulars	Details
1.	DIN (if applicable)	01952408
2.	Name	Mr. Laxmi Narayana Mishra
3.	Designation	Whole-time Director
4.	Telephone Number	(079) 2555 5166
5.	E mail Id	ln.mishra@adani.com

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

Sr. No.	Questions	Business Ethics	Product Life Responsibility	Employee Well-being	Stakeholder Engagement	Human Rights	Environment	Policy Advocacy	Inclusive Growth	Customer Value
		P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy / policies for...	Y	Y*	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy conform to any national /international standards? If yes, specify? (The policies are based on the NVG-guidelines in addition to conformance to the spirit of international standards like ISO 9000, ISO 14000, OHSAS 18000)	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	-	-	-	-	-	-	-	-



Sr. No.	Questions	Business Ethics	Product Life Responsibility	Employee Well-being	Stakeholder Engagement	Human Rights	Environment	Policy Advocacy	Inclusive Growth	Customer Value
		P1	P2	P3	P4	P5	P6	P7	P8	P9
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?	<a href="http://www.adanitransmission.com/Investor-relation/investor-download">http://www.adanitransmission.com/Investor-relation/investor-download</a>								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	The policies have been communicated to key internal stakeholders. The communication is an ongoing process to cover all internal & external shareholders.								
8	Does the Company have in-house structure to implement the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	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
10	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	-	-	Y	-	-	-

\*While the Company does not manufacture any products, the policy addresses the aspects of environmental protection in the Company's transactions as activities.

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

Sr. No	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The Company has not understood the principle									
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 month									
5	It is planned to be done within next one year									
6	Any other reason (please specify)									

Not Applicable

**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/Whole-time Director 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?

This report comprises the Company's Business Responsibility Report as per the National Voluntary Guidelines on Social, Environmental and Economic Responsibility of Business (NVEG) which is published as a part of Annual Report. The Company has published its first sustainability report FY 2015-16. The report link is <http://adanitransmission.com/docs/SustainabilityReport>.

**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 personnel. Additionally, the Policy on Code of Conduct for Employees applies to all employees across Adani Group of companies. These do not extend to any 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.

Not applicable since the Company does not manufacture any products.

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:

Not applicable since the Company does not manufacture any products.

**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)?**

No specific procedures have been adopted for sustainable sourcing.

**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?**

Not applicable

**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.**

Not applicable

**Principle 3: Business should promote the wellbeing of all employees**

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

The Company has a total of 24 employees as of 31<sup>st</sup> March 2017.

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

The Company has a total of 2 employees hired on contractual basis as of 31<sup>st</sup> March 2017.

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

The Company has no women employees as of 31<sup>st</sup> March 2017.

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

The Company has no permanent employees with disabilities as of 31<sup>st</sup> March 2017.

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

The Company does not have an employee association.

**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 Learning & Development is crucial for organisational success and this is an integral part of whole organisation wide Human Resources Strategy.

The organisation has clearly defined Training & Development Policy – which cut across the organisational Vision & Mission and Values. The entire employees irrespective of their grade and status have been provided with opportunity to hone their skills & competencies.

A special attention was given to conduct a well-structured training need identification across all categories of employees and through which a detailed TNIs were prepared. With this outcome the employees were trained reinforcing – Job related Skills; Competencies and desired behavioral improvement etc.

In the current year the organisation has achieved around 5 man-days of training.

**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, the Company's key stakeholders include employees, suppliers, customers, business partners, regulatory agencies and 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. Key initiatives include:

**Education:**

The Foundation believes that Education is the stepping stone to improve the quality of life, especially for the poor and the most vulnerable. The ideology behind all the education initiatives undertaken is to uplift the communities by providing 'quality' education to the children from the economically challenged backgrounds.

Adani Vidya Mandir (AVM), a school under the aegis of Adani Foundation is developed with a unique concept which aims at providing cost free quality education to meritorious students coming from underprivileged backgrounds. Adani Vidya Mandir, Ahmedabad - established in the year 2008 is a CBSE affiliated English medium school and is the first of its kind initiative. The concept of Adani Vidya Mandir is an exemplary initiative by the Adani Foundation and is a ray of hope in the lives of meritorious children coming from economically challenged section of our society. The students are provided with free of cost transportation, uniform, textbooks, notebooks, breakfast, lunch and refreshments. Today, it has reached the zenith of success with more than 1000 students on roll and has been universally acknowledged for being a one of its kind school for providing quality education completely free of cost. The students of AVM-A have excelled in education, sports, art and culture.

Some of the latest achievements by students include a Gold medal won by Master Kushal Shah of Standard XI, in Karate championship; Master Adhyan Tripathi and Master Kushal Purohit of standard X won the Gold medals in Tae kwan do Championship organized by School Games Federation of India. In the field of literature, Master Arya Goswami, of class XII received the Young Authors' Award as his story was published in the book "Pens of Fame". There are umpteen other students who have got accolades and awards at various platforms in various curricular & extra-curricular fields.

Adani Foundation at Tirora 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 and about 600 senior, middle and junior levels Government officers and teachers had undergone training under this programme. It has also provided e-learning kits and training to teachers for its utilization to the government schools.

**Community Health:**

The major objective behind the health initiatives of Adani Foundation is to provide "affordable and accessible health care to all" and to provide good medical facilities even to the remotest of the villages. Adani Foundation has provided community health care at Kawai site - 28 villages (Baran), Rajasthan and in 45 villages at Tirora site (Gondia), Maharashtra. Mobile Healthcare Unit (MHCU) provides free consultancy & medicine at door step, home visit treatment for weak & old age patients; regular check-up and follow up for treatments at Tirora site (Gondia), Maharashtra, During the FY, the MHCUs have provided nearly 80,000 treatments. 34486 patients were treated through MHCU in Kawai, Rajasthan.

**Sustainable Livelihood Development:**

Livelihood is one of the major components that need to be focused upon to bring about a holistic development in the communities. The Foundation has been working towards providing the beneficiaries with a number of livelihood and income generating initiatives.

Adani Foundation firmly believes in making communities sustainable. In order to empower farmers by adopting methods like SRI – Systematic Rise Intensification was encouraged which resulted in better yield and reduction in production cost in Tiroda, Maharashtra. This financial year, Adani Foundation has roped in 950 farmers from 42 villages who have adopted the SRI technique covering a total of 2684 acres of land.

Animal Husbandry and agriculture are still a major livelihood options for rural communities. In order to uplift the communities from their current stagnant position in this area, a preparatory fee was initiated for integrated livestock development Centre in Baran district- Rajasthan. This initiative benefitted the people from 28 villages. To augment income generation capacity of needy women sewing and garment making training was provided to 60 needy women from the area.

**Rural Infrastructure Development:**

Rural Infrastructure Development projects aim at bridging the gap in existing infrastructure needs without duplicating the Government efforts and thus creating better living conditions. This includes projects in areas of Water conservation/recharge, Drinking Water availability; Education, Health & Hygiene and Community Development related infrastructures in Rural India.

Adani Foundation has carried out various village development initiatives like construction of individual household toilets and installation of clean drinking water facilities. Adani Foundation has taken steps to improve the Rural infrastructure in remote villages of Maharashtra and Rajasthan. Since water scarcity has become a really worrisome issue, Adani Foundation has worked towards pond deepening and widening of 39 ponds in Gondia, Maharashtra and a large pond at Baran, Rajasthan. MEGPTCL has also taken up work of road construction directly near its operations.

**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?**

The Company has put in place a Human Rights Policy applicable to all Adani Group of Companies. The Company's commitment to follow the basic principles of human rights is embedded in "Code of Conduct" adopted by the Company. The Company strictly adheres to all applicable labor laws and other statutory requirements in order to uphold the human rights within its organizational boundary.

**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?**

Environment policy of the Company does not extend to any other entities.

**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 webpage etc.**

Yes, the Company is committed to addressing the global environmental issues such as climate change and global warming through energy conservation, efficient natural resource utilization and adoption of cleaner energy sources such as solar power.

**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.

**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?**

Not Applicable

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

Not Applicable

**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**

There are no show cause / legal notices received from CPCB/SPCB which are pending as of end of financial year.

**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 association :

1. Electric Power Transmission Association (EPTA)

**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 Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others):

Yes, through membership in the above industry body, the Company has advocated on the key issues impacting energy security, including but not limited to transmission evacuation, logistics and grant of clearances, environment and the community we work in.

**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 through Adani Foundation promotes notions of equitable and inclusive growth and development. Adani Foundation (AF) is the CSR arm of the Adani group of companies. Since its inception in 1996, the Foundation has been working in a number of prominent areas to extend its support to people in need. Working closely with the communities, AF has been able to assume the role of a facilitator by creating an enabling environment for many. With its human-centric approach, AF always strived to make processes sustainable, transparent and replicable. Adani foundation is currently operational in 12 states of India and is working towards an integrated development of the communities with its core focus on Education, Community Health, Sustainable Livelihoods Development and Rural Infrastructure Development.

It lays a special focus on the marginalized sections of the communities. Through its activities in the above areas, the Adani Foundation has been able to reach out to more than 1470 villages/towns and over 4,00,000 families touching their lives to make a positive difference.

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. The foundation has an in-house dedicated experienced team of professionals that comprises of experts in domains of education, healthcare, infrastructure development, livelihood and other related fields to carry out the development work for the communities. The programs are carried out by the Adani Foundation across regions. But

AF has entered few resource & knowledge partnerships with several government agencies, non-governmental organizations and other corporations.

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

Yes, regular impact assessment studies are carried out by the foundation team to evaluate its various on-going programs and to analyze the quantum of transformation the programs are able to make on the lives of the communities. Also regular monthly, quarterly and yearly reviews of the programs are also carried out by the different levels of management.

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

There was no direct monetary contribution of the Company to community development projects in FY 2016-17. The focus areas of the Company's community development projects are outlined in response to Question 5 under Section B.

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

Community participation is encouraged at all stages of our community development / CSR initiatives, including program planning, monitoring, implementation and assessment / evaluation. For example Adani Vidya Mandir project has been one such project that has been successfully adopted by the community. A comprehensive process of social mobilisation and awareness was carried out with the communities to encourage them to send their wards to schools. Over a period of time, we have been able to bring about a positive change in mind set and attitudes of the community regarding education.

Project "Uddan" is a multi-stake holder project where besides AF team, Dept. of Education office, education, institutions/schools, parents, students, contractors, Adani employees etc. are deeply involved.

Our community engagement is strengthened through conducting third-party need assessment surveys, participatory rural appraisals as well as formation of Village Development Committees (VDCs) and Cluster Development Advisory Committee (CDAC), and Advisory Council with representation from the community, the government and the Company. This high level of engagement and 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 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)**

Not applicable.

**3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior 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?**

The Company has not carried out a formal consumer survey, however there is a continuous improvement process through which periodic feedback is taken on a regular basis from customers/stakeholders and immediate action is taken on any issues that they are facing.

\*\*\*\*\*

## Independent Auditor's Report

To  
The Members of  
**ADANI TRANSMISSION LIMITED**

### Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of Adani Transmission Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss (Including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (herein after referred to as "Standalone Ind AS Financial Statements").

### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these 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 applicable Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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.

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 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 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 financial statements.

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

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affair of the Company as at March 31, 2017, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

- As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the



matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

2. As required by section 143(3) of the Act, we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) The Balance Sheet, Statement of Profit and Loss, Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - e) On the basis of the written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act;
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B";
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations which would impact its financial position;
    - ii. The Company has made provision as at March 31, 2017, as required under the applicable law or accounting standard, for material foreseeable losses, if any, on long term contracts including derivative contracts.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
    - iv. The Company did not hold or transact in cash during the entire year. Accordingly requisite disclosure as to holdings as well as dealings in Specified Bank Notes during the period from 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016 in its Ind AS Financial Statements is not done. Refer Note 13 to the Ind AS Financial Statement.

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

**Chirag Shah**  
Partner

Place : Ahmedabad  
Date : 27<sup>th</sup> May' 2017.

Membership No. 122510

## Annexure - A to the Independent Auditor's Report

RE: ADANI TRANSMISSION LIMITED

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

- (i) (a) The company has maintained proper records showing full particulars, including quantitative details and situation of property, plant & equipment.
- (b) As explained to us, property, plant & equipment, according to the practice of the Company, are physically verified by the management, in our opinion, is reasonable looking to the size of the Company and the nature of its assets and no material discrepancies were noticed on such verification.
- (c) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the immovable properties are held in the name of the Company.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals.
- (b) The discrepancies noticed on verification of inventory as compared to book records which have been appropriately dealt with in the books of account were not material.
- (iii) According to the information and explanation given to us and the records produced to us for our verification, the company has not granted loans, 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. Accordingly the provisions of paragraph 3 (iii) (a) to (c) of the Order are not applicable.
- (iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it.
- (v) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and rules framed thereunder are not applicable. Accordingly, paragraph 3 (v) of the Order is not applicable to the Company.
- (vi) As informed to us, the maintenance of cost records under section 148(1) of the Act as prescribed by the Central Government are not applicable to the company. Accordingly the provisions of paragraph 3 (vi) of the Order are not applicable.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the Company is generally regular in depositing the undisputed statutory dues in respect of sales tax including value added tax, service tax, duty of customs, income tax, employees' state insurance, provident fund ,duty of excise and Cess, with the appropriate authorities.
- According to the information and explanations given to us, no undisputed amounts payable in respect of sales tax including value added tax, service tax, duty of customs, income tax, employees' state insurance, provident fund and duty of excise, Cess and other material statutory dues were in arrears as at March 31, 2017 for a period of more than six months from the date they became payable.
- (b) According to the records of the Company and representations made by the Management, there are no statutory dues as mentioned in paragraph 3(vii) (a) which have not been deposited on account of any dispute.
- (viii) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of dues of loans or borrowings to any bankers, financial institutions and dues to debenture holders as at the balance sheet date. The Company has not taken any loans or borrowings from the Government.
- (ix) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer. The Company has raised money by way of debt instrument. The term Loans have been applied for the purpose for which they were obtained.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

- (xi) According to the information and explanations given to us and on the basis of our examination of the records of the Company, managerial remuneration has been paid / provided in accordance with the requisite approval mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xii) As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly the provisions of Clause 3 (xii) of the Order are not applicable.
- (xiii) As per information and explanation given to us and on the basis of our examination of the records of the Company, all the transaction with related parties are in compliance with section 177 and 188 of the Act where applicable and all the details of such transactions have been disclosed in Ind AS financial statements as required by the applicable Ind AS.
- (xiv) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not made any preferential allotment or private placement of security. The Company has issued debenture during the year under review through private placement and raised the fund which were applied for the purpose for which it was raised.
- (xv) According to the information and explanations given to us and on the basis of our examination of the records, Company has not entered into any non-cash transactions with any director or any person connected with him. Accordingly the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- (xvi) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3(xvi) of the Order are not applicable.

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

**Chirag Shah**  
Partner

Place : Ahmedabad  
Date : 27<sup>th</sup> May' 2017.

Membership No. 122510

## Annexure - B to the Independent Auditor's Report

RE: ADANI TRANSMISSION LIMITED

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of section 143 of the Companies Act 2013 (the act).

We have audited the internal financial controls over financial reporting of Adani Transmission Limited (the company) as of March 31, 2017 in conjunction with our audit of the Ind AS financial statements of the company for the year ended on that date.

### Management's Responsibilities for Internal Financial Controls

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

### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by ICAI. Those

Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

### Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 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 issued by ICAI.

For, **DHARMESH PARIKH & CO.**

Chartered Accountants

Firm Reg. No.112054W

**Chirag Shah**

Partner

Membership No. 122510

Place : Ahmedabad

Date : 27<sup>th</sup> May' 2017.

## Balance Sheet as at 31<sup>st</sup> March, 2017

(₹ in Crores)

Particulars	Note	As at		
		31 <sup>st</sup> March, 2017	31 <sup>st</sup> March, 2016	1 <sup>st</sup> April, 2015
<b>ASSETS</b>				
<b>Non-current Assets</b>				
Property, Plant and Equipment	4	0.66	0.70	-
<b>Financial Assets</b>				
(i) Investments	5	3,759.95	3,683.28	3,683.13
(ii) Loans	6	5,515.58	3,511.59	-
(iii) Other Financial Assets	7	0.03	0.06	0.02
Income Tax Assets (Net)	8	7.17	3.39	0.55
Other Non-current Assets	9	0.82	2.16	-
<b>Total Non-current Assets</b>		<b>9,284.21</b>	<b>7,201.18</b>	<b>3,683.70</b>
<b>Current Assets</b>				
Inventories	10	4.69	4.68	-
<b>Financial Assets</b>				
(i) Investments	11	54.75	2.50	-
(ii) Trade Receivables	12	111.05	76.81	25.89
(iii) Cash and Cash Equivalents	13	1.94	2.33	0.44
(iv) Bank balances other than (iii) above	14	336.09	99.38	-
(v) Loans	15	608.12	228.43	0.52
(vi) Other Financial Assets	16	376.86	3.31	-
Other Current Assets	17	1.63	1.95	0.56
<b>Total Current Assets</b>		<b>1,495.13</b>	<b>419.39</b>	<b>27.41</b>
<b>Total Assets</b>		<b>10,779.34</b>	<b>7,620.57</b>	<b>3,711.11</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Equity Share Capital	18	1,099.81	1,099.81	1,090.00
Other Equity	19	1,021.18	1,149.05	(17.93)
<b>Total Equity attributable to Equity Holders of the Company</b>		<b>2,120.99</b>	<b>2,248.86</b>	<b>1,072.07</b>
<b>Liabilities</b>				
<b>Non-current Liabilities</b>				
<b>Financial Liabilities</b>				
(i) Borrowings	20	6,755.47	2,692.28	-
(ii) Other Financial Liabilities	21	246.36	-	-
Provisions	22	0.21	3.03	7.08
<b>Total Non-current Liabilities</b>		<b>7,002.04</b>	<b>2,695.31</b>	<b>7.08</b>
<b>Current Liabilities</b>				
<b>Financial Liabilities</b>				
(i) Borrowings	23	920.28	2,468.31	2,627.26
(ii) Trade Payables	24	11.04	3.36	0.99
(iii) Other Financial Liabilities	25	719.05	194.16	-
Provisions	22	0.29	1.15	0.65
Other Current Liabilities	26	5.65	9.42	3.06
<b>Total Current Liabilities</b>		<b>1,656.31</b>	<b>2,676.40</b>	<b>2,631.96</b>
<b>Total Equity and Liabilities</b>		<b>10,779.34</b>	<b>7,620.57</b>	<b>3,711.11</b>
Summary of significant accounting policies	2			

The accompanying notes forms an integral part of the Standalone financial statements.

As per our attached report of even date

For and on behalf of the Board of Directors

**ADANI TRANSMISSION LIMITED**

For **DHARMESH PARIKH & CO.,**

**GAUTAM S. ADANI**

**LAXMI NARAYANA MISHRA**

Chartered Accountants

Chairman

Whole-time Director

Firm Registration Number: 112054W

DIN: 00006273

DIN: 01952408

**CHIRAG SHAH**

**KAUSHAL SHAH**

**JALADHI SHUKLA**

Partner

Chief Financial Officer

Company Secretary

Membership No. 122510

Place: Ahmedabad

Place: Ahmedabad

Date: 27<sup>th</sup> May, 2017

Date: 27<sup>th</sup> May, 2017

**Statement of Profit & Loss** for the year ended 31<sup>st</sup> March, 2017

(₹ in Crores)

Particulars	Note	For the year ended 31 <sup>st</sup> March, 2017	For the year ended 31 <sup>st</sup> March, 2016
<b>Income</b>			
Revenue from Operations	27	809.65	274.45
Other Income	28	798.65	146.93
<b>Total Income</b>		<b>1,608.30</b>	<b>421.38</b>
<b>Expenses</b>			
Purchase of Traded Goods	29	755.40	148.51
Employee Benefit Expenses	30	13.44	27.17
Finance Costs	31	818.74	269.58
Depreciation and Amortisation Expense	4	0.05	0.03
Other Expenses	32	15.79	32.63
<b>Total Expenses</b>		<b>1,603.42</b>	<b>477.92</b>
<b>Profit/(Loss) before exceptional items and tax</b>		<b>4.88</b>	<b>(56.54)</b>
Exceptional items		-	-
<b>Profit/(Loss) before tax</b>		<b>4.88</b>	<b>(56.54)</b>
<b>Tax Expense:</b>			
Current Tax	33	1.03	-
		<b>1.03</b>	-
<b>Profit/(Loss) after tax</b>	<b>Total (A)</b>	<b>3.85</b>	<b>(56.54)</b>
<b>Other Comprehensive Income</b>			
(a) Items that will not be reclassified to Profit or Loss			
- Remeasurement of defined benefit plans		0.16	2.92
(b) Items that will be reclassified to Profit or Loss			
- Cash flow Hedge Reserve		(143.35)	-
<b>Other Comprehensive Income (After Tax)</b>	<b>Total (B)</b>	<b>(143.19)</b>	<b>2.92</b>
<b>Total Comprehensive Income for the year</b>	<b>Total (A+B)</b>	<b>(139.34)</b>	<b>(53.62)</b>
<b>Earnings Per Share (EPS) (in ₹)</b>			
<b>(Face Value ₹10 Per Share)</b>			
Basic & Diluted Earnings per Share	34	0.03	(0.51)
Summary of significant accounting policies	2		

The accompanying note forms an integral part of the Standalone financial statements.

As per our attached report of even date

For **DHARMESH PARIKH & CO.**,  
Chartered Accountants  
Firm Registration Number: 112054W

**CHIRAG SHAH**  
Partner  
Membership No. 122510

Place: Ahmedabad  
Date: 27<sup>th</sup> May, 2017

For and on behalf of the Board of Directors  
**ADANI TRANSMISSION LIMITED**

**GAUTAM S. ADANI**  
Chairman  
DIN: 00006273

**KAUSHAL SHAH**  
Chief Financial Officer

**LAXMI NARAYANA MISHRA**  
Whole-time Director  
DIN: 01952408

**JALADHI SHUKLA**  
Company Secretary

Place: Ahmedabad  
Date: 27<sup>th</sup> May, 2017

**Statement of Cash Flow** for the year ended 31<sup>st</sup> March, 2017

(₹ in Crores)

Particulars	For the year ended 31 <sup>st</sup> March, 2017	For the year ended 31 <sup>st</sup> March, 2016
<b>A. Cash flow from operating activities</b>		
Profit/(Loss) before tax from operations	4.88	(56.54)
Adjustments for:		
Depreciation and Amortisation	0.05	0.03
Income from Mutual Funds	(2.89)	(2.89)
Finance Costs	818.74	269.58
Liabilities no longer required	(0.19)	(1.54)
Interest income	(794.86)	(142.49)
<b>Operating profit before working capital changes</b>	<b>25.73</b>	<b>66.15</b>
Changes in Working Capital:		
(Increase) / Decrease in Operating Assets :		
Loans and Other financial assets and other assets	1.62	30.58
Inventories	(0.01)	(2.16)
Trade Receivables	(34.24)	(33.24)
Increase / (Decrease) in Operating Liabilities :		
Other Financial Liabilities, Other Liabilities and provision	(8.37)	(0.70)
Trade Payables	5.17	(0.34)
<b>Cash generated from operations</b>	<b>(10.10)</b>	<b>60.29</b>
Direct Taxes (paid) / refund (net)	(4.81)	(2.84)
<b>Net cash flow from / (used in) operating activities (A)</b>	<b>(14.91)</b>	<b>57.45</b>
<b>B. Cash flow from investing activities</b>		
Receipt / (Payment) of Capital expenditure on Property, Plant and Equipment, including capital advance	0.99	(1.47)
Purchase of Transmission Business	(89.52)	(0.15)
Payment for non-current investment	(62.45)	-
Investment in Mutual Fund	(52.21)	(2.50)
Proceed from / (Deposit in) Fixed Deposits with a maturity period of more than 90 days (net)	(236.71)	(99.38)
Inter-Company deposits (net)	(2,294.26)	(3,739.62)
Interest received	420.43	93.23
Income from Mutual Fund	2.85	2.89
<b>Net cash flow from / (used in) investing activities (B)</b>	<b>(2,310.88)</b>	<b>(3,747.00)</b>



**Statement of Cash Flow** for the year ended 31<sup>st</sup> March, 2017

(₹ in Crores)

Particulars	For the year ended 31 <sup>st</sup> March, 2017	For the year ended 31 <sup>st</sup> March, 2016
<b>C. Cash flow from financing activities</b>		-
Proceeds from Long-term borrowings	6,621.91	2,850.00
Repayment of Long-term borrowings	(2,215.00)	-
Proceeds from Short-term borrowings	5,349.54	2,543.85
Repayment of Short-term borrowings	(6,923.05)	(1,466.65)
Finance cost	(508.00)	(235.78)
<b>Net cash flow from / (used in) financing activities (C)</b>	<b>2,325.40</b>	<b>3,691.42</b>
<b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	<b>(0.39)</b>	<b>1.87</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>2.33</b>	<b>0.44</b>
<b>Cash balance acquired on account of Merger</b>	<b>-</b>	<b>0.02</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>1.94</b>	<b>2.33</b>

**Notes to Cash Flow Statement:**

- The Cash Flow Statement has been prepared under the Indirect method as set out in Ind AS 7 on Cash Flow Statements notified under Section 133 of The Companies Act 2013, read together with Paragraph 7 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended).
- Previous year's figures have been regrouped wherever necessary, to conform to this year's classification.

The accompanying notes forms an integral part of the Standalone financial statements.

As per our attached report of even date

For **DHARMESH PARIKH & CO.**,  
Chartered Accountants  
Firm Registration Number: 112054W

**CHIRAG SHAH**  
Partner  
Membership No. 122510

Place: Ahmedabad  
Date: 27<sup>th</sup> May, 2017

For and on behalf of the Board of Directors  
**ADANI TRANSMISSION LIMITED**

**GAUTAM S. ADANI**  
Chairman  
DIN: 00006273

**KAUSHAL SHAH**  
Chief Financial Officer

**LAXMI NARAYANA MISHRA**  
Whole-time Director  
DIN: 01952408

**JALADHI SHUKLA**  
Company Secretary

Place: Ahmedabad  
Date: 27<sup>th</sup> May, 2017

## Statement of Changes in Equity for the year ended 31<sup>st</sup> March, 2017

### A. Equity Share Capital

Particulars	No. Shares	(₹ in Crores)
Balance as at 1 <sup>st</sup> April, 2015	1,09,00,00,000	1,090.00
<b>Changes in equity share capital during the year :</b>		
i) Less : Cancellation of the shares due to Composite scheme of arrangement (Refer note 37)	(1,09,00,00,000)	(1,090.00)
ii) Issued on account of Composite scheme of Arrangement	1,09,98,10,083	1,099.81
<b>Balance as at 31<sup>st</sup> March, 2016</b>	<b>1,09,98,10,083</b>	<b>1,099.81</b>
<b>Changes in equity share capital during the year:</b>		
i) Issue of shares during the year	-	-
<b>Balance as at 31<sup>st</sup> March, 2017</b>	<b>1,09,98,10,083</b>	<b>1,099.81</b>

### B. Other Equity

For the year ended 31<sup>st</sup> March, 2016

(₹ in Crores)

Particulars	General Reserve	Retained Earnings	Capital Reserve	Total
Balance as at 1 <sup>st</sup> April, 2015	-	(17.93)	-	(17.93)
Profit / (Loss) for the year	-	(56.54)	-	(56.54)
Other comprehensive income	-	2.92	-	2.92
On Account of Demerger	1,220.60	-	-	1,220.60
<b>Total Comprehensive Income for the year</b>	<b>1,220.60</b>	<b>(71.55)</b>	<b>-</b>	<b>1,149.05</b>
<b>Balance as at 31<sup>st</sup> March, 2016</b>	<b>1,220.60</b>	<b>(71.55)</b>	<b>-</b>	<b>1,149.05</b>

For the year ended 31<sup>st</sup> March, 2017

(₹ in Crores)

Particulars	General Reserve	Retained Earnings	Capital Reserve	Total
Balance as at 1 <sup>st</sup> April, 2016	1,220.60	(71.55)	-	1,149.05
Profit / (Loss) for the year	-	3.85	-	3.85
Other comprehensive income	-	(143.19)	-	(143.19)
On Account of Acquisition	-	-	11.47	11.47
<b>Total Comprehensive Income for the year</b>	<b>1,220.60</b>	<b>(210.89)</b>	<b>11.47</b>	<b>1,021.18</b>
<b>Balance as at 31<sup>st</sup> March, 2017</b>	<b>1,220.60</b>	<b>(210.89)</b>	<b>11.47</b>	<b>1,021.18</b>

The accompanying notes forms an integral part of the Standalone financial statements.

As per our attached report of even date

For and on behalf of the Board of Directors

**ADANI TRANSMISSION LIMITED**

For **DHARMESH PARIKH & CO.**,

Chartered Accountants

Firm Registration Number: 112054W

**GAUTAM S. ADANI**

Chairman

DIN: 00006273

**LAXMI NARAYANA MISHRA**

Whole-time Director

DIN: 01952408

**CHIRAG SHAH**

Partner

Membership No. 122510

**KAUSHAL SHAH**

Chief Financial Officer

**JALADHI SHUKLA**

Company Secretary

Place: Ahmedabad

Date: 27<sup>th</sup> May, 2017

Place: Ahmedabad

Date: 27<sup>th</sup> May, 2017

## Notes to Financial Statement for the year ended 31<sup>st</sup> March, 2017

### 1 CORPORATE INFORMATION

Adani Transmission Limited ("The Company") to carry on in India or abroad the business of establishing, commissioning, setting up, operating and maintaining electric power transmission systems/ networks, power systems, generating stations based on conventional / non-conventional resources for evacuation, transmission, distribution or supply of power through establishing or using stations, tie-lines, sub-stations and transmission or distribution lines in any manner including build, own and transfer (BOT), and/or build, own and operate (BOO) and/or build, own, lease and transfer (BOLT) and/or build, own, operate and transfer (BOOT) basis or otherwise, and to acquire in any manner power transmission systems/networks, power systems, generation stations, tielines, sub-stations and transmission or distribution systems from State Electricity Boards, Vidyut Boards, Power Utilities, Generating Companies, Transmission Companies, Distribution Companies, Central or State Government Undertakings, Licensees, other local authorities or statutory bodies, other captive or independent power producers and distributors and to do all the ancillary, related or connected activities as may be considered necessary or beneficial or desirable for or along with any or all of the aforesaid purposes which can be conveniently carried on these systems, networks or platforms.

The company also deals in business of purchase, sale, supply, import, distribute, export, or transfer / exchange and to deal as trader, agent, broker, representative or otherwise deal in all forms of electricity and in other forms of energy from any source whatsoever, both conventional and non-conventional and any other commodities, products, goods etc.

### 2 SIGNIFICANT ACCOUNTING POLICIES

#### a Basis of Preparation

The Financial Statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The Financial Statements up to and for the year ended 31<sup>st</sup> March, 2016 were prepared in accordance with Companies (Accounting Standards) Rules, 2006, notified under Section 133 of the Act and other relevant provisions of the Act.

As these are the Company's first Financial Statements prepared in accordance with Ind AS, Ind AS 101, First-time Adoption of Indian Accounting Standards has been applied. An explanation of how the transition to Ind AS has affected the previously reported financial position and financial performance is provided in note 3.

The financial statements are presented in INR and all values are rounded to the nearest crores (Transactions below ₹50,000.00 denoted as ₹0.00), unless otherwise indicated.

#### b Current versus Non Current Classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle; or
- Held primarily for the purpose of trading; or
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

## Notes to Financial Statement for the year ended 31<sup>st</sup> March, 2017

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

### c Foreign Currency Transactions

#### i) Initial Recognition :

Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction.

#### ii) Conversion :

At the year-end, monetary items denominated in foreign currencies, if any, are converted into rupee equivalents at exchange rate prevailing on the balance sheet date.

#### iii) Exchange Differences :

All exchange differences arising on settlement and conversion of foreign currency transaction are included in the Statement of Profit and Loss.

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

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

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 or by selling it to another market participant that would use the asset in its highest and best use.

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

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

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

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

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

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

## Notes to Financial Statement for the year ended 31<sup>st</sup> March, 2017

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.

### e Revenue Recognition

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

#### 1) Income from Services

Revenues are recognised immediately when the service is provided. The Company collects the tax on behalf of the government and therefore, these are not economic benefits flowing to the company. Hence they are excluded from revenue.

#### 2) Interest revenues from loans and advances are recognized on time proportion basis taking into account the amount outstanding and the rate applicable.

#### 3) Sale of Goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer.

#### 4) Profit/Loss on sale of Current investments are recognised on the contract date.

### f Taxes On Income

#### i) Current Tax :

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

#### ii) Deferred Tax :

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

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

Net outstanding balance in Deferred Tax account is recognized as deferred tax liability/asset. The deferred tax account is used solely for reversing timing difference as and when crystallized.

### g Property, Plant and Equipment (PPE)

#### Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its Property, Plant and Equipment recognised as at 1<sup>st</sup> April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the Property, Plant and Equipment.

#### Tangible Fixed Assets

Fixed assets are stated at cost of acquisition or construction. They are stated at historical cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing cost relating to acquisition / construction of fixed assets which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

#### Depreciation and amortisation

i) Depreciation on fixed assets is calculated on straight-line method (SLM) using the rates arrived at based on the Useful Life as specified in Schedule II of the Companies Act, 2013.

ii) Depreciation on Assets acquired or disposed off during the year is provided on pro-rata basis with reference to the date of acquisition or disposal.

## Notes to Financial Statement for the year ended 31<sup>st</sup> March, 2017

### h Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are recognised in the Statement of Profit and loss in the period they occur.

### i Inventories

- (i) Stores and spares are valued at cost. Cost is determined on Weighted Average basis.
- (ii) Costs includes all non refundable duties and all charges incurred in bringing the goods to the their present location and condition.

### j Impairment of non-financial assets

The carrying amount of assets, other than inventories, is reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the assets recoverable amount is estimated.

The impairment loss is recognised whenever the carrying amount of an asset or its cash generation unit exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in the uses which is determined based on the estimated future cash flow discounted to their present values. All impairment losses are recognised in the Statement of Profit and Loss.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount and is recognised in the Statement of Profit and Loss.

### k Retirement and other employee benefits

#### Short Term Employee Benefits

Short term employee benefits are recognised as an expense on accrual basis. Short term Project related employee benefits are recognized as an expenses at the undiscounted amount in the statement of profit and loss of the year in which the related service is rendered.

#### Post Employment Benefits

##### i) Defined Benefit Plan

Gratuity being a defined benefit scheme is accrued based on actuarial valuations, carried out by an independent actuary as at the balance sheet date using the projected unit credit method. These contributions are covered through Group Gratuity Scheme with Life Insurance Corporation of India and are charged against revenue.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling (excluding net interest) and the return on plan assets (excluding net interest), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods. Net interest is calculated by applying the discount rate to the net balance of defined benefit liability or asset.

The Company recognises the following changes in the net defined benefit obligation as an expense in the Standalone Financial statement of profit and loss in the line item "Employee Benefits Expense":

- > Service cost including current service cost, past service cost, gains and losses on curtailments and non-routine settlements; and
- > Net interest expense or income

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

##### ii) Defined Contribution Plans

Company's contribution to Provident Fund, Employees' State Insurance Fund and labour welfare fund which are defined contribution plans determined under the relevant schemes and/or statute are charged to the Statement of Profit and Loss when incurred. There are no other obligations other than the contribution payable to the respective funds.

## Notes to Financial Statement for the year ended 31<sup>st</sup> March, 2017

Termination Benefits, if any, are recognized as an expense as and when incurred.

Provision is made for compensated absence based on actuarial valuation, carried out by an independent actuary as at the balance sheet date, the allocation between short term and long term provisions has been made as determined by an actuary.

### I Financial instruments

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

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

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 a Company entity are recognised at the proceeds received, net of direct issue costs.

#### (A) Financial assets

All financial assets, except investment in subsidiaries are recognised initially at fair value.

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

##### 1) At amortised cost

A financial asset is measured at the amortised cost if both the following conditions are met :

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

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

##### 2) At Fair Value through Other Comprehensive Income (FVTOCI)

A financial asset is classified as at the FVTOCI if both of the following criteria are met:

- (a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- (b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI) and on derecognition, cumulative gain or loss previously recognised in OCI is reclassified to statement of profit and loss. For equity instruments, the Company may make an irrevocable election to present subsequent changes in the fair value in OCI. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment.

##### 3) At Fair Value through Profit & Loss (FVTPL)

FVTPL is a residual category for debt instruments and default category for equity instruments. Financial assets

## Notes to Financial Statement for the year ended 31<sup>st</sup> March, 2017

included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

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

### Derecognition

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

### Impairment of financial assets

The Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets and credit risk exposure. The Company follows 'Simplified Approach' for recognition of impairment loss allowance on all trade receivables or contractual receivables.

Under the simplified approach the Company does not track changes in credit risk, but it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. If credit risk has not increased significantly, 12 month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used.

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

### (B) Financial liabilities

Financial liabilities are classified, at initial recognition as at amortised cost or fair value through profit or loss. The measurement of financial liabilities depends on their classification, as described below:

#### At amortised cost

This is the category most relevant to the Company. After initial recognition, financial liabilities are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

#### At fair value through profit or loss (FVTPL)

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as such. Subsequently, any changes in fair value are recognised in the statement of profit or loss.

#### Derecognition of Financial Liability

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

### m Derivative financial instruments and hedge accounting

#### Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as foreign exchange forward, Principal only swap (POS) and options contracts to hedge its foreign currency risks. The Company does not use derivatives for trading or speculative purposes. Such derivative financial instruments are initially recognised at fair value through profit or loss (FVTPL) on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried



## Notes to Financial Statement for the year ended 31<sup>st</sup> March, 2017

as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivative financial instrument are recognised in the statement of profit and loss.

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

### Cash flow hedges

The Company designates foreign currency derivatives as hedges of foreign currency risk associated with firm commitments on its borrowings. These instruments meet the Management's foreign exchange risk management objectives and also qualify for hedge accounting as per the principles of hedge accounting. MTM gains/losses in respect of effective hedges is carried to "other comprehensive income" (OCI) and ineffectiveness, if any, is recognized immediately in the statement of profit & loss. If the hedging relationship ceases to be effective, hedge accounting is discontinued and the fair value changes arising from the derivative financial instruments are recognised in the statement of profit & loss.

### n Cash & Cash Equivalents (for purpose of cash flow statement)

Cash comprises cash on hand and demand deposit with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of creation).

### o Cash Flow Statement

Cash flows are reported using indirect method, whereby profit/ (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the company are segregated based on the available information.

### p Segment Accounting

The company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

As per Ind AS 108 "Operating Segment", if a single financial report contains both consolidated financial statements and separate financial statements of the parent, segment information need be presented only on the basis of consolidated financial statements of the Company.

### q Provision, Contingent Liabilities and Contingent Assets

Provision are recognised for when the company has at present, legal or contractual obligation as a result of past events, only if it is probable that an outflow of resources embodying economic outgo or loss will be required and if the amount involved can be measured reliably.

Contingent liabilities being a possible obligation as a result of past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more future events not wholly in control of the company are not recognised in the accounts. The nature of such liabilities and an estimate of its financial effect are disclosed in notes to the Financial Statements.

Contingent assets are neither recognised nor disclosed in the financial statements.

### r Earnings Per Share

The Basic EPS has been computed by dividing the income available to equity shareholders by the weighted average number of equity shares outstanding during the accounting year.

The Diluted EPS has been computed using the weighted average number of equity shares and dilutive potential equity shares outstanding at the end of the year.

### s Estimates, Judgements and assumptions

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

## Notes to Financial Statement for the year ended 31<sup>st</sup> March, 2017

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

### i. **Impairment of non-financial assets**

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance being tested. The recoverable amount is sensitive to the discount rate used for the Discounted Cash Flow (DCF) model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognised by the Company.

### ii. **Taxes**

Deferred tax assets are recognised for unused tax credits to the extent that it is probable that taxable profit will be available against which the credits can be utilised. Significant management judgment 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.

### iii. **Defined benefit plans (gratuity benefits)**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

### iv. **Fair value measurement of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments 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.

## Notes to Financial Statement for the year ended 31<sup>st</sup> March, 2017

### 3 FIRST-TIME ADOPTION OF IND-AS

The Company has adopted Ind AS from 1<sup>st</sup> April, 2016 and the date of transition to Ind AS is 1<sup>st</sup> April, 2015. This 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 1<sup>st</sup> April, 2015 and 31<sup>st</sup> March, 2016 and of the total comprehensive income for the year ended 31<sup>st</sup> March, 2016 as required by Ind AS 101.

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

#### Exemption Availed

##### i) 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 1<sup>st</sup> April, 2015 measured as per the previous GAAP and use that carrying value as its deemed cost on transition date.

##### ii) Estimates

The estimates at 31<sup>st</sup> 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) apart from the following items where application of Indian GAAP did not require estimation

> Impairment of Financial assets based on risk exposure and application of ECL model.

The estimates used by the company to present this amounts in accordance with IndAS reflect conditions as of 31<sup>st</sup> March, 2016.

##### iii) 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.

##### iv) 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.

##### v) 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.

## Notes to Financial Statement for the year ended 31<sup>st</sup> March, 2017

### 3.2 Effects of Ind AS adoption on the Balance Sheet as at 31<sup>st</sup> March, 2016 and 1<sup>st</sup> April, 2015

(₹ in Crores)

Particulars	As on 31/3/2016 (Last period presented under Previous GAAP)			As on 01/04/2015 (Date of Transition)		
	Previous GAAP	Effect of Transition to Ind AS	Ind AS Balance Sheet	Previous GAAP	Effect of Transition to Ind AS	Ind AS Balance Sheet
<b>ASSETS</b>						
<b>Non-current Assets</b>						
Property, Plant and Equipment	0.70	-	0.70	-	-	-
Financial Assets						
(i) Investments	3,683.28	-	3,683.28	3,683.13	-	3,683.13
(ii) Loans	3,511.59	-	3,511.59	-	-	-
(iii) Other Non-current Financial Assets	0.06	-	0.06	0.02	-	0.02
Income Tax Assets (Net)	3.39	-	3.39	0.55	-	0.55
Other Non-current Assets	13.86	(11.70)	2.16	-	-	-
<b>Total Non-current Assets</b>	<b>7,212.88</b>	<b>(11.70)</b>	<b>7,201.18</b>	<b>3,683.70</b>	<b>-</b>	<b>3,683.70</b>
<b>Current Assets</b>						
Inventories	4.68	-	4.68	-	-	-
Financial Assets						
(i) Investments	2.50	-	2.50	-	-	-
(ii) Trade Receivables	76.81	-	76.81	25.89	-	25.89
(iii) Cash and Cash Equivalents	2.33	-	2.33	0.44	-	0.44
(iv) Bank balances other than (iii) above	99.38	-	99.38	-	-	-
(v) Loans	228.43	-	228.43	0.52	-	0.52
(vi) Other Financial Assets	3.31	-	3.31	-	-	-
Other Current Assets	46.87	(44.92)	1.95	0.56	-	0.56
<b>Total Current Assets</b>	<b>464.31</b>	<b>(44.92)</b>	<b>419.39</b>	<b>27.41</b>	<b>-</b>	<b>27.41</b>
<b>Total Assets</b>	<b>7,677.19</b>	<b>(56.62)</b>	<b>7,620.57</b>	<b>3,711.11</b>	<b>-</b>	<b>3,711.11</b>
<b>EQUITY AND LIABILITIES</b>						
<b>Equity</b>						
Equity Share Capital	1,099.81	-	1,099.81	1,090.00	-	1,090.00
Other Equity	1,149.01	0.04	1,149.05	(17.93)	-	(17.93)
<b>Total Equity attributable to Equity Holders of the Company</b>	<b>2,248.82</b>	<b>0.04</b>	<b>2,248.86</b>	<b>1,072.07</b>	<b>-</b>	<b>1,072.07</b>
<b>Liabilities</b>						
<b>Non-current Liabilities</b>						
Financial Liabilities						
(i) Borrowings	2,706.63	(14.35)	2,692.28	-	-	-
Provisions	3.03	-	3.03	7.08	-	7.08
<b>Total Non current Liabilities</b>	<b>2,709.66</b>	<b>(14.35)</b>	<b>2,695.31</b>	<b>7.08</b>	<b>-</b>	<b>7.08</b>
<b>Current Liabilities</b>						
Financial Liabilities						
(i) Borrowings	2,510.62	(42.31)	2,468.31	2,627.26	-	2,627.26
(ii) Trade Payables	3.36	-	3.36	0.99	-	0.99
(iii) Other Financial Liabilities	194.16	-	194.16	-	-	-
Provisions	1.15	-	1.15	0.65	-	0.65
Other Current Liabilities	9.42	-	9.42	3.06	-	3.06
<b>Total Current Liabilities</b>	<b>2,718.71</b>	<b>(42.31)</b>	<b>2,676.40</b>	<b>2,631.96</b>	<b>-</b>	<b>2,631.96</b>
<b>Total Equity and Liabilities</b>	<b>7,677.19</b>	<b>(56.62)</b>	<b>7,620.57</b>	<b>3,711.11</b>	<b>-</b>	<b>3,711.11</b>

## Notes to Financial Statement for the year ended 31<sup>st</sup> March, 2017

### 3.3 Effects of Ind AS adoption on the Statement of Profit and loss for the year ended 31<sup>st</sup> March, 2016

(₹ in Crores)

Particulars	As on 31/3/2016 (Last period presented under Previous GAAP)		
	Previous GAAP	Effect of Transition to Ind AS	Ind AS
<b>Income</b>			
Revenue from Operations	274.45	-	274.45
Other Income	146.93	-	146.93
<b>Total Revenue</b>	<b>421.38</b>	<b>-</b>	<b>421.38</b>
<b>Expenses</b>			
Purchase of Traded Goods	148.51	-	148.51
Employee Benefit Expenses	24.25	2.92	27.17
Finance Costs	269.62	(0.04)	269.58
Depreciation and Amortisation Expenses	0.03	-	0.03
Other Expenses	32.63	-	32.63
<b>Total Expenses</b>	<b>475.04</b>	<b>2.88</b>	<b>477.92</b>
<b>Loss before exceptional items and tax</b>	<b>(53.66)</b>	<b>(2.88)</b>	<b>(56.54)</b>
Exceptional items	-	-	-
<b>Loss before tax</b>	<b>(53.66)</b>	<b>(2.88)</b>	<b>(56.54)</b>
Tax Expense:			
Current Tax	-	-	-
<b>Loss after tax</b>	<b>(53.66)</b>	<b>(2.88)</b>	<b>(56.54)</b>
<b>Other Comprehensive Income</b>			
(a) Items that will not be reclassified to Profit or Loss			
- Remeasurement of defined benefit plans	-	2.92	2.92
(b) Items that will be reclassified to Profit or Loss			
- Cash Flow Hedge Reserve	-	-	-
<b>Other Comprehensive Income (After Tax)</b>	<b>-</b>	<b>2.92</b>	<b>2.92</b>
<b>Total Comprehensive Income / (Loss) for the year</b>	<b>(53.66)</b>	<b>0.04</b>	<b>(53.62)</b>

### 3.4 Reconciliation of total equity as at 31<sup>st</sup> March 2016 and 1<sup>st</sup> April 2015:

(₹ in Crores)

Particulars	As on 31/3/2016 (Last period presented under Previous GAAP)	As on 01/04/2015 (Date of Transition)
<b>Total Equity (shareholders' fund) under previous GAAP</b>	<b>2,248.82</b>	<b>1,072.07</b>
Effect of Measurement of Financial Liabilities at amortised cost	0.04	-
Employee benefits expense - Actuarial Loss reclassified under OCI	(2.92)	-
<b>Total adjustment to equity</b>	<b>(2.88)</b>	<b>-</b>
Employee benefits expense - Actuarial Loss reclassified under OCI	2.92	-
<b>Total equity under Ind AS</b>	<b>2,248.86</b>	<b>1,072.07</b>

## Notes to Financial Statement for the year ended 31<sup>st</sup> March, 2017

### 3.5 Reconciliation of total comprehensive income for the year ended 31<sup>st</sup> March 2016:

(₹ in Crores)

Particulars	For the year ended 31 <sup>st</sup> March, 2016 (Last period presented under Previous GAAP)
Previous GAAP	(53.66)
<b>Ind AS: Adjustments increase (decrease):</b>	
Effect of Measurement of Financial Liabilities at amortised cost	0.04
Employee benefits expense - Actuarial Loss reclassified under OCI	(2.92)
<b>Total adjustment to profit or loss</b>	<b>(2.88)</b>
Profit or loss under Ind AS	(56.54)
Other comprehensive income	2.92
<b>Total comprehensive income / (Loss) under Ind AS</b>	<b>(53.62)</b>

#### Explanation of Key components:

- Remeasurement cost of net defined benefit liability : The remeasurement cost arising primarily due to change in actuarial assumptions has been recognised in Other Comprehensive Income (OCI) under Ind AS compare to Statement of Profit and Loss under previous GAAP.
- Fair value of current investment : Under Ind AS, Non trade investments have been classified as Fair Valuation through Profit and Loss account ("FVTPL") on the date of transition and fair value changes thereafter the date of transition have been recognised in the Statement of Profit & Loss. Under previous GAAP, non trade investments were stated at lower of cost or fair value.
- Mark to Market (MTM) on derivative financial instruments : Derivative financial instruments have been fair valued through profit and loss under Ind-AS. Under Previous GAAP, the net mark to market losses on derivative financial instruments, other than those designated as cash flow hedges, were recognised in profit and loss, and the net gains, if any, were ignored.
- Fair valuation for Financial Assets and Financial Liabilities : The Company has valued certain financial assets and 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 or Other Comprehensive income, as the case may be.

#### 3.6 Effects of Ind AS adoption on the financial statements of comparative periods:

As there is no material reconciliation item between Cash Flow statement prepared under Indian GAAP and those prepared under Ind AS, reconciliation for the same is not presented.

## Notes to Financial Statement for the year ended 31<sup>st</sup> March, 2017

### 4 PROPERTY, PLANT AND EQUIPMENT

(₹ in Crores)

Description of Assets	Tangible Assets							Intangible Assets		
	Land (Free hold)	Building	Plant and Equipment	Furniture and Fixtures	Office Equipments	Computer Equipment	Vehicles	Total	Computer Software	Total
I. Cost or Deemed Cost										
Balance as at 1 <sup>st</sup> April, 2015	-	-	-	-	-	-	-	-	-	-
Additions during the Year	0.04	-	0.41	0.07	0.07	0.00	0.14	0.73	-	-
Disposals during the Year	-	-	-	-	-	-	-	-	-	-
Effect of foreign currency exchange differences	-	-	-	-	-	-	-	-	-	-
<b>Balance as at 31<sup>st</sup> March,2016</b>	<b>0.04</b>	<b>-</b>	<b>0.41</b>	<b>0.07</b>	<b>0.07</b>	<b>0.00</b>	<b>0.14</b>	<b>0.73</b>	<b>-</b>	<b>-</b>
Additions during the Year	0.00	-	-	-	0.00	0.01	-	0.01	-	-
Disposals during the Year	-	-	-	-	-	-	-	-	-	-
Effect of foreign currency exchange differences	-	-	-	-	-	-	-	-	-	-
<b>Balance as at 31<sup>st</sup> March,2017</b>	<b>0.04</b>	<b>-</b>	<b>0.41</b>	<b>0.07</b>	<b>0.07</b>	<b>0.01</b>	<b>0.14</b>	<b>0.74</b>	<b>-</b>	<b>-</b>
II. Accumulated depreciation and impairment										
Balance as at 1 <sup>st</sup> April, 2015										
Depreciation for the year	-	-	0.02	0.00	0.01	0.00	0.00	0.03	-	-
Eliminated on disposal of assets	-	-	-	-	-	-	-	-	-	-
Effect of foreign currency exchange differences	-	-	-	-	-	-	-	-	-	-
<b>Balance as at 31<sup>st</sup> March,2016</b>	<b>-</b>	<b>-</b>	<b>0.02</b>	<b>0.00</b>	<b>0.01</b>	<b>0.00</b>	<b>0.00</b>	<b>0.03</b>	<b>-</b>	<b>-</b>
Depreciation for the year	-	-	0.03	0.00	0.01	0.00	0.01	0.05	-	-
Eliminated on disposal of assets	-	-	-	-	-	-	-	-	-	-
Effect of foreign currency exchange differences	-	-	-	-	-	-	-	-	-	-
<b>Balance as at 31<sup>st</sup> March,2017</b>	<b>-</b>	<b>-</b>	<b>0.05</b>	<b>0.00</b>	<b>0.02</b>	<b>0.00</b>	<b>0.01</b>	<b>0.08</b>	<b>-</b>	<b>-</b>

(₹ in Crores)

Description of Assets	Land (Free hold)	Building	Plant and Equipment	Furniture and Fixtures	Office Equipments	Computer Equipment	Vehicles	Total	Computer Software	Total
Carrying Amount :										
As at 1 <sup>st</sup> April,2015	-	-	-	-	-	-	-	-	-	-
As at 31 <sup>st</sup> March,2016	0.04	-	0.39	0.07	0.06	0.00	0.14	0.70	-	-
As at 31 <sup>st</sup> March,2017	0.04	-	0.36	0.07	0.05	0.01	0.13	0.66	-	-

(Transaction below ₹50,000 is denoted by 0.00)

**Notes to Financial Statement** for the year ended 31<sup>st</sup> March, 2017

**5 NON CURRENT FINANCIAL ASSETS - INVESTMENTS**

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
<b>(a) Investments in Equity Instruments - Unquoted</b>			
Investments in wholly owned Subsidiary Companies: (Face value of ₹10 each)			
11,00,50,000 (31.03.2016 : 11,00,50,000, 01.04.2015 : 11,00,50,000) Equity Shares of Adani Transmission (India) Limited of ₹10 each	343.10	343.10	343.10
70,75,00,000 (31.03.2016 : 70,75,00,000, 01.04.2015 : 70,75,00,000) Equity Shares of Maharashtra Eastern Grid Power Transmission Company Limited of ₹10 each	903.50	903.50	903.50
50,000 (31.03.2016 : 50,000, 01.04.2015 : Nil) Equity Shares of Sipat Transmission Limited of ₹10 each	0.05	0.05	-
4,00,50,000 (31.03.2016 : 50,000, 01.04.2015 : Nil) Equity Shares of Raipur - Rajnandgaon - Warora Transmission Limited of ₹10 each	40.05	0.05	-
2,00,00,000 (31.03.2016 : 50,000, 01.04.2015 : Nil) Equity Shares of Chhattisgarh-WR Transmission Limited of ₹10 each	20.00	0.05	-
24,99,999 (31.03.2016 : Nil) Equity Shares of Adani Transmission (Rajasthan) Limited of ₹10 each	2.50	-	-
50,000 (31.03.2016 : Nil) Equity Shares of North Karanpura Transco Limited of ₹10 each	0.05	-	-
89,40,000 (31.03.2016 : Nil) Equity Shares of Maru Transmission Service Company Limited of ₹10 each	8.94	-	-
52,30,000 (31.03.2016 : Nil) Equity Shares of Aravali Transmission Service Company Limited of ₹10 each	5.23	-	-
<b>Total (a)</b>	<b>1,323.42</b>	<b>1,246.75</b>	<b>1,246.60</b>
<b>(b) Investments in Compulsory Convertible Preference Shares</b>			
Investments in wholly owned Subsidiary Companies (Face value of ₹10 each)			
1,42,50,00,000 (31.03.2016 : 1,42,50,00,000, 01.04.2015 : 1,42,50,00,000) Adani Transmission (India) Limited of ₹10 each	1,425.00	1,425.00	1,425.00
1,01,15,30,000 (31.03.2016 : 1,01,15,30,000, 01.04.2015 : 1,01,15,30,000) Maharashtra Eastern Grid Power Transmission Company Limited of ₹10 each	1,011.53	1,011.53	1,011.53
<b>Total (b)</b>	<b>2,436.53</b>	<b>2,436.53</b>	<b>2,436.53</b>
<b>Total (a + b)</b>	<b>3,759.95</b>	<b>3,683.28</b>	<b>3,683.13</b>
<b>Aggregate carrying value of unquoted Investments</b>			
Investment in Equity Instruments	1,323.42	1,246.75	1,246.60
Investment in Preference Share	2,436.53	2,436.53	2,436.53



## Notes to Financial Statement for the year ended 31<sup>st</sup> March, 2017

### Note

Number of shares pledged with banks against borrowings by the respective companies are as per below :

Particulars	No. of Shares Pledged		
	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
<b>Subsidiary Companies</b>			
Maharashtra Eastern Grid Power Transmission Company Limited	70,74,99,994	70,74,99,994	-
Adani Transmission (India) Limited	11,00,49,994	5,39,24,494	-
Maru Transmission Service Company Limited	26,82,000	-	-
Aravali Transmission Service Company Limited	15,69,000	-	-
Raipur – Rajnandgaon – Warora Transmission Limited	25,500	-	-
Chhattisgarh – WR Transmission Limited	25,500	-	-
Sipat Transmission Limited	25,500	-	-
Adani Transmission (Rajasthan) Limited	12,75,000	-	-

### 6 NON CURRENT FINANCIAL ASSETS - LOANS

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
	<b>(Unsecured, considered good)</b>		
Loans to Related Parties ( Refer Note 45)	5,515.58	3,511.59	-
<b>Total</b>	<b>5,515.58</b>	<b>3,511.59</b>	<b>-</b>

### 7 NON CURRENT FINANCIAL ASSETS - OTHERS

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
	<b>(Unsecured, Considered Good)</b>		
Security Deposit	0.03	0.06	0.02
<b>Total</b>	<b>0.03</b>	<b>0.06</b>	<b>0.02</b>

### 8 INCOME TAX ASSETS (NET)

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
	Advance Income Tax (net)	7.17	3.39
<b>Total</b>	<b>7.17</b>	<b>3.39</b>	<b>0.55</b>

### 9 NON CURRENT ASSETS - OTHERS

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
	<b>(Unsecured, Considered Good)</b>		
Capital Advances	-	1.00	-
Advance recoverable in cash or kind	-	0.05	-
Gratuity Fund	0.82	-	-
Prepaid Expense	-	1.11	-
<b>Total</b>	<b>0.82</b>	<b>2.16</b>	<b>-</b>

## Notes to Financial Statement for the year ended 31<sup>st</sup> March, 2017

### 10 INVENTORIES

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
(Valued at lower of Cost or Net Realisable Value)			
Stores & spares	4.69	4.68	-
<b>Total</b>	<b>4.69</b>	<b>4.68</b>	<b>-</b>

### 11 CURRENT FINANCIAL ASSETS - INVESTMENTS

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
<b>Unquoted Investments</b>			
<b>Investment in Mutual Funds</b>			
44,94,301.23 Units (31.03.2016: 6,03,959.559, 01.04.2015: Nil) JM High Liquidity Fund Direct - Growth Plan	20.01	2.50	-
1,43,015.34 Units (31.03.2016: Nil, 01.04.2015: Nil) DSP Blackrock Liquidity Fund-Direct Plan-Growth	33.26	-	-
7,482.70 Units (31.03.2016: Nil, 01.04.2015: Nil) IDFC Cash Fund - Direct Growth Plan	1.48	-	-
<b>Total</b>	<b>54.75</b>	<b>2.50</b>	<b>-</b>
<b>Aggregate book value of unquoted investments</b>	<b>54.75</b>	<b>2.50</b>	<b>-</b>
<b>Aggregate market value of unquoted investments</b>	<b>54.75</b>	<b>2.50</b>	<b>-</b>

### 12 TRADE RECEIVABLES

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
Considered Good	111.05	76.81	25.89
Considered Doubtful	-	-	-
	<b>111.05</b>	<b>76.81</b>	<b>25.89</b>
Less : Provision for doubtful receivables	-	-	-
<b>Total</b>	<b>111.05</b>	<b>76.81</b>	<b>25.89</b>

### 13 CASH AND CASH EQUIVALENTS

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
Balances with banks			
In current accounts	1.94	2.33	0.44
<b>Total</b>	<b>1.94</b>	<b>2.33</b>	<b>0.44</b>

As per the amendment to Schedule III of the Companies Act, 2013 by MCA notification dated 30<sup>th</sup> March 2017, every company shall disclose the details of Specified Bank Notes (SBN) held and transacted during the period from 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016. Since the company did not hold or transact in any cash during the entire year, the said disclosure is not applicable.

**Notes to Financial Statement** for the year ended 31<sup>st</sup> March, 2017**14 BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS**

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
Balances held as Margin Money	19.59	99.38	-
Fixed Deposits (with original maturity for more than three months) (Lodged Against Bank Guarantee and Debt Service Reserve Account)	316.50	-	-
<b>Total</b>	<b>336.09</b>	<b>99.38</b>	<b>-</b>

**15 CURRENT FINANCIAL ASSETS - LOANS**

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
<b>(Unsecured, Considered Good)</b>			
Loans to Related Parties (Refer note 45)	608.07	228.33	0.30
Loans to Employees	0.05	0.10	0.22
<b>Total</b>	<b>608.12</b>	<b>228.43</b>	<b>0.52</b>

**16 CURRENT FINANCIAL ASSETS - OTHERS**

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
<b>(Unsecured, Considered Good)</b>			
Interest receivable	374.83	0.40	-
Unbilled Revenue	-	2.90	-
Security deposit	-	0.01	-
Forward Cover Receivables	2.03	-	-
<b>Total</b>	<b>376.86</b>	<b>3.31</b>	<b>-</b>

**17 OTHER CURRENT ASSETS**

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
<b>(Unsecured, Considered Good)</b>			
Advance to Suppliers	1.55	1.81	0.02
Balances with Government authorities	0.06	0.01	0.54
Prepaid Expenses	0.02	0.13	-
<b>Total</b>	<b>1.63</b>	<b>1.95</b>	<b>0.56</b>

## Notes to Financial Statement for the year ended 31<sup>st</sup> March, 2017

### 18 EQUITY SHARE CAPITAL

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
<b>Authorised Share Capital</b>			
1,10,00,00,000 (As at 31 <sup>st</sup> March 2016 - 1,10,00,00,000 and As at 1 <sup>st</sup> April 2015 -1,10,00,00,000 ) Equity shares of ₹10 each	1,100.00	1,100.00	1,100.00
<b>Total</b>	<b>1,100.00</b>	<b>1,100.00</b>	<b>1,100.00</b>
<b>Issued, Subscribed and Fully paid-up Equity shares</b> (Refer note 37)			
1,09,98,10,083 (As at 31 <sup>st</sup> March 2016 - 1,09,98,10,083 and As at 1 <sup>st</sup> April 2015 -1,09,00,00,000) fully paid up equity shares of ₹10 each	1,099.81	1,099.81	1,090.00
<b>Total</b>	<b>1,099.81</b>	<b>1,099.81</b>	<b>1,090.00</b>

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

Equity Shares	As at 31 <sup>st</sup> March, 2017		As at 31 <sup>st</sup> March, 2016		As at 1 <sup>st</sup> April, 2015	
	No. Shares	(₹in Crores)	No. Shares	(₹in Crores)	No. Shares	(₹in Crores)
At the beginning of the Year	1,09,98,10,083	1,099.81	1,09,00,00,000	1,090.00	1,09,00,00,000	1,090.00
Less : Cancellation of the shares due to Composite Scheme of Arrangement (Refer note 37)	-	-	(1,09,00,00,000)	(1,090.00)	-	-
Add : Issued on account of Composite Scheme of Arrangement	-	-	1,09,98,10,083	1,099.81	-	-
<b>Outstanding at the end of the year</b>	<b>1,09,98,10,083</b>	<b>1,099.81</b>	<b>1,09,98,10,083</b>	<b>1,099.81</b>	<b>1,09,00,00,000</b>	<b>1,090.00</b>

#### 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. The dividend if proposed by the Board of Directors is subject to approval of the share holders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the share holders.

#### c. Aggregate Number of shares issued, Shares issued for consideration other than cash during the period of five years immediately preceding the reporting date

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
Equity shares allotted on account of Composite Scheme of Arrangement	-	1,09,98,10,083	-

## Notes to Financial Statement for the year ended 31<sup>st</sup> March, 2017

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

Particulars	As at 31 <sup>st</sup> March, 2017		As at 31 <sup>st</sup> March, 2016		As at 1 <sup>st</sup> 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						
Shri Gautam S. Adani / Shri Rajesh S. Adani (on behalf of S.B. Adani Family Trust)	62,11,97,910	56.48%	62,11,97,910	56.48%	-	-
Adani Properties Private Limited	-	-	9,94,91,719	9.05%	-	-
Shri Vinod S. Adani	-	-	9,07,49,100	8.25%	-	-
Parsa Kente Rail Infra LLP (*)	9,94,91,719	9.05%	-	-	-	-
Adani Enterprises Limited (Holding Company with its Nominees)	-	-	-	-	1,09,00,00,000	100.00%
	<b>72,06,89,629</b>	<b>65.53%</b>	<b>81,14,38,729</b>	<b>73.78%</b>	<b>1,09,00,00,000</b>	<b>100.00%</b>

\* Shares of the Company are held in the demat account of Parsa Kente Rail Infra Pvt. Ltd. as on 31<sup>st</sup> March, 2017. Transfer to the demat account of Parsa Kente Rail Infra LLP is under process.

As per records of the Company, including its register of shareholders/members and other declaration received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

## 19 OTHER EQUITY

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
<b>a. Surplus / (Deficit) in the Statement of Profit and Loss</b>			
Opening Balance	(74.47)	(17.93)	(17.93)
Add : Profit / (Loss) for the year	3.85	(56.54)	-
<b>Total (a)</b>	<b>(70.62)</b>	<b>(74.47)</b>	<b>(17.93)</b>
<b>b. Other Comprehensive Income</b>			
<b>i) Remeasurement of defined employee benefit plans</b>			
Opening Balance	2.92	-	-
Add: during the year	0.16	2.92	-
<b>Closing Balance</b>	<b>3.08</b>	<b>2.92</b>	<b>-</b>
<b>ii) Hedge Reserve</b>			
Opening Balance	-	-	-
Less: Reduction on account of cash flow hedge	(143.35)	-	-
<b>Closing Balance</b>	<b>(143.35)</b>	<b>-</b>	<b>-</b>
<b>Total (b)</b>	<b>(140.27)</b>	<b>2.92</b>	<b>-</b>
<b>c. Capital Reserve</b>			
Opening Balance	-	-	-
Add : Capital Reserve on Acquisition	11.47	-	-
<b>Closing Balance</b>	<b>11.47</b>	<b>-</b>	<b>-</b>
<b>d. General Reserve</b>			
Opening Balance	1,220.60	-	-
Add: Addition on account of merger	-	1,220.60	-
<b>Closing Balance</b>	<b>1,220.60</b>	<b>1,220.60</b>	<b>-</b>
<b>Total (a + b + c + d)</b>	<b>1,021.18</b>	<b>1,149.05</b>	<b>(17.93)</b>

## Notes to Financial Statement for the year ended 31<sup>st</sup> March, 2017

### 20 NON CURRENT FINANCIAL LIABILITIES -BORROWINGS

(₹ in Crores)

Particulars	Non-Current			Current		
	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
<b>Secured borrowings</b>						
<b>Bonds</b>						
9.10% INR Bonds (Masala Bond)	439.57	-	-	50.00	-	-
4.00% USD Bonds	3,162.93	-	-	-	-	-
<b>Term Loans</b>						
From Banks	-	1,699.38	-	-	143.38	-
<b>Non Convertible Debentures</b>						
9.25% Non Convertible Debenture	148.76	148.23	-	-	-	-
9.35% Non Convertible Debenture	361.60	197.63	-	-	-	-
9.45% Non Convertible Debenture	647.82	647.04	-	-	-	-
9.70% Non Convertible Debenture	-	-	-	250.00	-	-
9.85% Non Convertible Debenture	1,247.96	-	-	-	-	-
10.25% Non Convertible Debenture	746.83	-	-	-	-	-
<b>Total</b>	<b>6,755.47</b>	<b>2,692.28</b>	<b>-</b>	<b>300.00</b>	<b>143.38</b>	<b>-</b>
Amount disclosed under the head "Other current liabilities" (Refer note 25)				(300.00)	(143.38)	-
<b>Net amount</b>	<b>6,755.47</b>	<b>2,692.28</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

#### Notes

- (i) INR Bonds (Masala Bond) aggregating ₹500 crores (31<sup>st</sup> March 2016 - Nil) are secured by first ranking pari passu charge in favour of the Security trustee (for the benefit of the Bond holders) over all the assets (movable and immovable) including current assets and pledge over 100% shares of ATIL and MEGPTCL. (Both are 100% Subsidiaries of the company). The Bonds have quarterly structured payments from financial year 2018 to financial year 2022.
- (ii) USD Bonds aggregating ₹3,242.50 crores (31<sup>st</sup> March 2016 - Nil) are secured by first ranking pari passu charge in favour of the Security trustee (for the benefit of the Bond holders) over all the assets (movable and immovable) including current assets and pledge over 100% shares of ATIL and MEGPTCL. (Both are 100% Subsidiaries of the company). The Bonds have bullet payment in financial year 2026.
- (iii) Rupee term loan from bank aggregating to Nil (31<sup>st</sup> March, 2016 - ₹1850.00 crores : 1<sup>st</sup> April, 2015 - Nil), carrying interest rate 10.60% p.a. are secured by first ranking pari passu charge over all the fixed assets (movable and immovable), present and future and pledge over 100% shares of ATIL and MEGPTCL (Both are 100% Subsidiaries of the company).
- (iv) INR NCDs (Non Convertible Debentures) aggregating to ₹3,415.00 crores, (31<sup>st</sup> March, 2016 - ₹1000.00 crores : 1<sup>st</sup> April, 2015 - Nil), are secured by first ranking pari passu charge in favour of the Debenture trustee (for the benefit of the debenture holders) over all the assets (movable and immovable) including current assets and pledge over 100% shares of ATIL and MEGPTCL. (Both are 100% Subsidiaries of the company). NCD's are redeemable at different maturities from financial year 2018 to financial year 2022.

## Notes to Financial Statement for the year ended 31<sup>st</sup> March, 2017

### 21 NON CURRENT FINANCIAL LIABILITIES - OTHERS

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
Provision for estimated loss on Derivative Contracts	246.36	-	-
<b>Total</b>	<b>246.36</b>	<b>-</b>	<b>-</b>

### 22 PROVISION

(₹ in Crores)

Particulars	Non-Current			Current		
	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
Provision for Employee Benefits*	0.21	3.03	7.08	0.29	1.15	0.65
<b>Total</b>	<b>0.21</b>	<b>3.03</b>	<b>7.08</b>	<b>0.29</b>	<b>1.15</b>	<b>0.65</b>

\* Non-Current & Current Classification done on the basis of Actuarial Valuation Certificate

### 23 CURRENT FINANCIAL LIABILITIES - BORROWINGS

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
<b>Unsecured Borrowings</b>			
From Financial Institutions	-	460.00	-
From Related Parties (Refer note 45)	177.11	550.62	2,627.26
Commercial Paper	743.17	1,457.69	-
<b>Total</b>	<b>920.28</b>	<b>2,468.31</b>	<b>2,627.26</b>

### 24 TRADE PAYABLES

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
<b>Trade Payables</b>			
- Micro and Small Enterprises	-	0.02	-
- Other than Micro and Small Enterprises	10.73	2.56	0.73
Accrual for Employees	0.31	0.78	0.26
<b>Total</b>	<b>11.04</b>	<b>3.36</b>	<b>0.99</b>

There are no Micro and Small 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.

### 25 CURRENT FINANCIAL LIABILITIES - OTHERS

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
Current maturities of long-term borrowings (Secured) (Refer note 20)	300.00	143.38	-
Interest accrued but not due on borrowings	347.03	49.26	-
Retention money payable	0.24	0.55	-
Provision for estimated loss on Derivative Contracts	71.58	-	-
Others	0.20	0.97	-
<b>Total</b>	<b>719.05</b>	<b>194.16</b>	<b>-</b>

## Notes to Financial Statement for the year ended 31<sup>st</sup> March, 2017

### 26 OTHER CURRENT LIABILITIES

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
Statutory liabilities (Includes PF, TDS, WCT, VAT, Professional tax, Service tax)	5.64	2.25	3.06
Advance from Customers	0.01	7.17	-
<b>Total</b>	<b>5.65</b>	<b>9.42</b>	<b>3.06</b>

### 27 REVENUE FROM OPERATIONS

(₹ in Crores)

Particulars	For the year ended 31 <sup>st</sup> March, 2017	For the year ended 31 <sup>st</sup> March, 2016
Revenue from Service of Transmission Line	53.97	125.91
Sale of Traded Goods	755.53	148.54
Other Operating Revenue	0.15	-
<b>Total</b>	<b>809.65</b>	<b>274.45</b>
<b>Details of Sale of Traded Goods</b>		
Agro commodities	755.53	148.54

### 28 OTHER INCOME

(₹ in Crores)

Particulars	For the year ended 31 <sup>st</sup> March, 2017	For the year ended 31 <sup>st</sup> March, 2016
Interest Income		
- Bank	8.69	1.43
- Other	786.17	141.06
Income from Mutual funds	2.89	2.89
Sale of Scrap	0.71	0.01
Liabilities No Longer Required written back	0.19	1.54
<b>Total</b>	<b>798.65</b>	<b>146.93</b>

### 29 PURCHASE OF TRADED GOODS

(₹ in Crores)

Particulars	For the year ended 31 <sup>st</sup> March, 2017	For the year ended 31 <sup>st</sup> March, 2016
Purchase of traded goods	755.40	148.51
<b>Total</b>	<b>755.40</b>	<b>148.51</b>
<b>Details of Purchase of Traded Goods</b>		
Agro commodities	755.40	148.51

### 30 EMPLOYEE BENEFIT EXPENSES

(₹ in Crores)

Particulars	For the year ended 31 <sup>st</sup> March, 2017	For the year ended 31 <sup>st</sup> March, 2016
Salaries, Wages and Bonus	11.92	24.28
Contribution to Provident and Other Funds	0.82	2.35
Employee Welfare Expenses	0.70	0.54
<b>Total</b>	<b>13.44</b>	<b>27.17</b>



## Notes to Financial Statement for the year ended 31<sup>st</sup> March, 2017

### 31 FINANCE COSTS

(₹ in Crores)

Particulars	For the year ended 31 <sup>st</sup> March, 2017	For the year ended 31 <sup>st</sup> March, 2016
Interest Expenses	667.87	259.52
Bank Charges & Other Borrowing Costs	20.62	10.06
Loss on Derivatives Contracts & Exchange rate difference (net)	130.25	-
<b>Total</b>	<b>818.74</b>	<b>269.58</b>

### 32 OTHER EXPENSES

(₹ in Crores)

Particulars	For the year ended 31 <sup>st</sup> March, 2017	For the year ended 31 <sup>st</sup> March, 2016
Installation & Fabrication expenses	0.02	3.09
Stores and Spares	0.43	2.02
Repairs and Maintenance		
Plant and Equipment	2.88	3.07
Others	0.46	1.96
Rent	0.47	0.47
Rates and Taxes	0.04	0.04
Legal & Professional Expenses	6.62	5.08
Directors' Sitting Fees	0.07	0.05
Payment to Auditors (Referred note below)	0.14	0.03
Communication Expenses	0.26	0.20
Travelling & Conveyance Expenses	1.72	3.61
Crop Compensation expenses	0.71	9.22
Security Expense	0.08	0.43
Survey Expense	0.06	1.22
Bid & Tender Expense	0.70	0.37
Insurance Expenses	0.01	0.50
Office Expenses	0.22	0.30
Electricity Expenses	0.12	0.05
Miscellaneous Expenses	0.78	0.92
<b>Total</b>	<b>15.79</b>	<b>32.63</b>

#### Payment to Auditors

(₹ in Crores)

Particulars	For the year ended 31 <sup>st</sup> March, 2017	For the year ended 31 <sup>st</sup> March, 2016
<b>As auditor:</b>		
Statutory Audit Fees	0.02	0.02
Tax Audit Fees	0.00	0.00
Others	0.12	0.01
	<b>0.14</b>	<b>0.03</b>

(Figures below ₹50,000 are denominated by 0.00)

## Notes to Financial Statement for the year ended 31<sup>st</sup> March, 2017

### 33 INCOME TAX

(₹ in Crores)

Particulars	For the year ended 31 <sup>st</sup> March, 2017	For the year ended 31 <sup>st</sup> March, 2016
<b>Income Tax Expenses</b>		
<b>Current Tax :</b>		
Current Income Tax Charge (MAT)	1.03	-
	<b>1.03</b>	-
<b>Accounting profit / (loss) before tax</b>	4.88	(56.54)
<b>Income tax using the company's domestic tax rate @ 34.608%</b>	1.69	(19.57)
<b>Tax Effect of :</b>		
- Non deductible Expenses	-	-
- Tax Incentives and concessions		
i) Depreciation allowable on assets (difference between Income Tax Act and Companies Act)	(0.01)	(0.01)
ii) Provisions disallowed	(0.18)	0.04
iii) Tax Impact of carry forward losses	(1.50)	19.54
<b>Tax provisions :</b>		
Current tax for the year (MAT)	1.03	-
Change in recognised deductible temporary differences	-	-
<b>Income tax recognised in statement of profit and loss at effective rate Total</b>	<b>1.03</b>	-

### 34 EARNINGS PER SHARE

Particulars		For the year ended 31 <sup>st</sup> March, 2017	For the year ended 31 <sup>st</sup> March, 2016
<b>Basic and Diluted EPS - From Total Operations</b>			
Profit/ (Loss) attributable to equity shareholders	(₹ in Crores)	3.85	(56.54)
Weighted average number of equity shares outstanding during the year	No.	1,09,98,10,083	1,09,98,10,083
Nominal Value of equity share	₹	10	10
Basic and Diluted EPS	₹	0.03	(0.51)

### 35 CONTINGENT LIABILITIES AND COMMITMENTS :

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
(i) Contingent liabilities :	-	-	-
(ii) Commitments :			
Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-	-
	-	-	-

## Notes to Financial Statement for the year ended 31<sup>st</sup> March, 2017

**36 (i)** During the year, Adani Transmission Limited ("the Company") has completed the acquisition of North Karanpura Transco Limited (NKTL) and consequently NKTL has become wholly owned subsidiary of Adani Transmission Limited w.e.f. 8<sup>th</sup> July, 2016.

**(ii)** Further, the Company has acquired 74% Equity Shares of Maru Transmission Service Company Limited (MTSCL) and Aravali Transmission Service Company Limited (ATSCL) w.e.f. 6<sup>th</sup> October, 2016 from GMR Energy Limited. The balance 26% of Equity Shares of MTSCL & ATSCL are pledged in favour of the Company and the same will also get transferred after fulfillment of certain regulatory requirements and completion of lock-in period. As per the agreement, during the lock-in period, the Company will be the beneficial owner of all the rights and accretions in connection with the pledged shares. Accordingly, the Company has determined that it has "in-substance" ownership of the pledged shares and it has consolidated financial statements of MTSCL and ATSCL as having 100% interest. Pursuant to the acquisition, the figures for the current year ended 31<sup>st</sup> March, 2017 are not fully comparable with the figures of corresponding previous year.

**37** The Hon'ble Gujarat High Court vide its Order dated 7<sup>th</sup> May, 2015 has sanctioned the Composite Scheme of Arrangement and the Scheme came into effect on 22<sup>nd</sup> May, 2015 upon filing certified copies of the orders of the Hon'ble Court of Gujarat sanctioning the Scheme with the Registrar of the Companies, Gujarat at Ahmedabad. The appointed date for the scheme is 1<sup>st</sup> April, 2015 .

Pursuant to the demerger of Transmission Undertaking of AEL, the company had issued and allotted new equity shares to the existing equity shareholders of AEL in the ratio of 1 equity share of the company for every 1 equity share held by the equity shareholder in AEL as of the record date for the purpose of the scheme. The equity shares held by AEL and Loan payable to AEL in the company has been cancelled pursuant to the Scheme.

**38** The Company has taken various derivatives to hedge its loans. The outstanding position of derivative instruments are as under:

Nature	Purpose	As at 31 <sup>st</sup> March, 2017		As at 31 <sup>st</sup> March, 2016		As at 1 <sup>st</sup> April, 2015	
		Foreign Currency (USD in Million)	(₹in Crores)	Foreign Currency (USD in Million)	(₹in Crores)	Foreign Currency (USD in Million)	(₹in Crores)
Principal only swaps	Hedging of foreign currency bond principal liability	320.00	2,075.20	-	-	-	-
Forward covers	Hedging of foreign currency bond principal liability	180.00	1,167.30	-	-	-	-
Options	Hedging of foreign currency bond interest liability	20.00	129.70	-	-	-	-

The details of foreign currency exposures not hedged by derivative instruments: Nil

## Notes to Financial Statement for the year ended 31<sup>st</sup> March, 2017

39 As per Ind AS 19 "Employee Benefits", the disclosures as defined in the accounting standard are given below.

### (a) 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:

(₹ in Crores)		
Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
<b>i. Reconciliation of Opening and Closing Balances of defined benefit obligation</b>		
Present Value of Defined Benefit Obligations at the beginning of the Year	2.10	3.89
Current Service Cost	0.12	0.82
Interest Cost	0.17	0.31
Re-measurement (or Actuarial) (gain) / loss arising from:		
- Change in demographic assumptions	(0.00)	(0.27)
- Change in financials assumptions	(0.11)	(2.14)
- Experience variance (i.e Actual experience vs assumptions)	(0.06)	(0.50)
Acquisition Adjustment	(1.53)	-
Benefits paid	(0.04)	-
Net Actuarial loss / (gain) Recognised		
Present Value of Defined Benefit Obligations at the end of the Year	0.65	2.10
<b>ii. Reconciliation of Opening and Closing Balances of the Fair value of Plan assets</b>		
Fair Value of Plan assets at the beginning of the Year	0.05	-
Investment Income	0.00	-
Contributions	1.50	0.05
Benefits paid	(0.08)	-
Return on plan assets, excluding amount recognised in net interest expenses	(0.00)	-
Fair Value of Plan assets at the end of the Year	1.48	0.05
<b>iii. Reconciliation of the Present value of defined benefit obligation and Fair value of plan assets</b>		
Present Value of Defined Benefit Obligations at the end of the Year	0.65	2.10
Fair Value of Plan assets at the end of the Year	1.48	0.05
Net Asset / (Liability) recognized in balance sheet as at the end of the year	0.82	(2.05)
<b>iv. Composition of Plan Assets</b>		
100% of Plan Assets are administered by LIC		
<b>v. Gratuity Cost for the Year</b>		
Current service cost	0.12	0.82
Interest cost	0.17	0.31
Expected return on plan assets	(0.00)	-
Actuarial Gain / (Loss)	0.00	-
Net Gratuity cost recognised in the statement of Profit and Loss	0.29	1.13

**Notes to Financial Statement** for the year ended 31<sup>st</sup> March, 2017

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2017		As at 31 <sup>st</sup> March, 2016	
<b>vi. Other Comprehensive Income</b>				
Actuarial (gains) / losses				
change in demographic assumptions		(0.00)		(0.27)
change in financial assumptions		(0.11)		(2.14)
experience variance (i.e. Actual experience vs assumptions)		(0.06)		(0.50)
Return on plan assets, excluding amount recognised in net interest expense		0.00		-
Components of defined benefit costs recognised in other comprehensive income		(0.16)		(2.92)
<b>vii. Actuarial Assumptions</b>				
Discount Rate (per annum)		7.60%		7.90%
Annual Increase in Salary Cost		7.00%		10.00%
Attrition Rate		11.09%		7.04%
Mortality Rates as given under Indian Assured Lives Mortality (2006-08) Ultimate		100.00%		100.00%

viii. 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.

**ix. 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:

**Defined Benefit Obligation (Base)**

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March 2017		As at 31 <sup>st</sup> March 2016	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%)	0.68	0.63	2.32	1.92
(% change compared to base due to sensitivity)	4.50%	-4.10%	10.10%	-8.60%
Salary Growth Rate (- / + 1%)	0.63	0.68	1.92	2.31
(% change compared to base due to sensitivity)	-4.20%	4.50%	-8.50%	9.80%
Attrition Rate (- / + 50%)	0.66	0.65	2.24	2.01
(% change compared to base due to sensitivity)	0.30%	-0.50%	6.70%	-4.30%
Mortality Rate (- / + 10%)	0.65	0.65	2.10	2.10
(% change compared to base due to sensitivity)	0.00%	0.00%	0.00%	0.00%

## Notes to Financial Statement for the year ended 31<sup>st</sup> March, 2017

### x. 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 sufficient fund 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).

### xi. Effect of Plan on Entity's Future Cash Flows

#### a) Funding arrangements and Funding Policy

The Company has purchased an insurance policy to provide for payment of gratuity to the employees. Every year, the insurance company carries out a funding valuation based on the latest employee data provided by the Company. Any deficit in the assets arising as a result of such valuation is funded by the Company.

#### b) Expected Contribution during the next annual reporting period

The Company's best estimate of Contribution during the next year is Nil

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

Weighted average duration (based on discounted cashflows) - 4 years

Expected cash flows over the next (valued on undiscounted basis):	(₹ in Crores)
1 year	0.30
2 to 5 years	0.18
6 to 10 years	0.32
More than 10 years	0.17

### xii. 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 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 leave encashment and compensated absences (including Sick Leave) as at the year ended 31<sup>st</sup> March 2017 is ₹ 0.49 Crores.

#### (b) Defined Contribution Plan

Contribution to Defined Contribution Plans, recognised in Statement of profit and loss and Project Development Expenditure, for the year is as under:

Particulars	(₹ in Crores)	
	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
Employer's Contribution to Provident Fund	0.47	1.12
Employer's Contribution to Superannuation Fund	0.01	0.04

## Notes to Financial Statement for the year ended 31<sup>st</sup> March, 2017

**40** 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	Outstanding amount			Maximum amount outstanding during the year	
	As at 31 <sup>st</sup> March 2017	As at 31 <sup>st</sup> March 2016	As at 1 <sup>st</sup> April 2015	2016-17	2015 - 16
Maharashtra Eastern Grid Power Transmission Company Limited	3,030.66	2,725.64	0.30	5,451.28	2,725.64
Adani Transmission (India) Limited	2,374.24	785.95	-	2,779.26	785.95
Sipat Transmission Limited	166.72	46.36	-	166.72	46.36
Raipur–Rajnandgaon–Warora Transmission Limited	214.56	103.93	-	232.11	103.93
Chhattisgarh–WR Transmission Limited	184.98	78.04	-	196.36	78.03
Aravali Transmission Service Company Limited	49.64	-	-	49.64	-
Adani Transmission (Rajasthan) Limited	13.29	-	-	13.29	-
North Karanpura Transco Limited	28.52	-	-	28.52	-
Maru Transmission Service Company Limited	61.04	-	-	61.04	-
	<b>6,123.65</b>	<b>3,739.92</b>	<b>0.30</b>		

### 41 CAPITAL MANAGEMENT

The Company's objectives when managing capital is to safeguard continuity and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth. The Company'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, borrowings. The Company's policy is to use borrowings to meet anticipated funding requirements. The Company monitors capital on the basis of the net debt to equity ratio.

No changes were made in the objectives, policies or processes for managing capital during the years ended as at 31<sup>st</sup> March, 2017 and as at 31<sup>st</sup> March, 2016.

### 42 The carrying value of financial instruments by categories as on 31<sup>st</sup> March 2017:

(₹ in Crores)

Particulars	Fair Value through other Comprehensive income	Fair Value through profit or loss	Amortised cost	Total
<b>Financial Assets</b>				
Investments in unquoted equity shares of Subsidiaries	-	-	3,759.95	3,759.95
Investments in Mutual Funds	-	54.75	-	54.75
Trade Receivables	-	-	111.05	111.05
Cash and Cash Equivalents	-	-	1.94	1.94

## Notes to Financial Statement for the year ended 31<sup>st</sup> March, 2017

### 42 The carrying value of financial instruments by categories as on 31<sup>st</sup> March 2017: (contd.)

(₹ in Crores)

Particulars	Fair Value through other Comprehensive income	Fair Value through profit or loss	Amortised cost	Total
Other balances with Bank	-	-	336.09	336.09
Loans	-	-	6,123.70	6,123.70
Other Financial Assets	-	-	376.89	376.89
<b>Total</b>	-	<b>54.75</b>	<b>10,709.62</b>	<b>10,764.37</b>
<b>Financial Liabilities</b>				
Borrowings (including current maturities)	-	-	7,975.75	7,975.75
Trade Payables	-	-	11.04	11.04
Derivatives instruments	143.35	174.59	-	317.94
Other Financial Liabilities	-	-	347.47	347.47
<b>Total</b>	<b>143.35</b>	<b>174.59</b>	<b>8,334.26</b>	<b>8,652.20</b>

### The carrying value of financial instruments by categories as on 31<sup>st</sup> March 2016:

(₹ in Crores)

Particulars	Fair Value through other Comprehensive income	Fair Value through profit or loss	Amortised cost	Total
<b>Financial Assets</b>				
Investments in unquoted equity shares of Subsidiaries	-	-	3,683.28	3,683.28
Investments in Mutual Funds	-	2.50	-	2.50
Trade Receivables	-	-	76.81	76.81
Cash and Cash Equivalents	-	-	2.33	2.33
Other balances with Bank	-	-	99.38	99.38
Loans	-	-	3,740.02	3,740.02
Other Financial Assets	-	-	3.37	3.37
<b>Total</b>	-	<b>2.50</b>	<b>7,605.19</b>	<b>7,607.69</b>
<b>Financial Liabilities</b>				
Borrowings (including current maturities)	-	-	5,303.97	5,303.97
Trade Payables	-	-	3.36	3.36
Derivatives instruments	-	-	-	-
Other Financial Liabilities	-	-	50.78	50.78
<b>Total</b>	-	-	<b>5,358.11</b>	<b>5,358.11</b>



## Notes to Financial Statement for the year ended 31<sup>st</sup> March, 2017

The carrying value of financial instruments by categories as on 1<sup>st</sup> April 2015:

(₹ in Crores)

Particulars	Fair Value through other Comprehensive income	Fair Value through profit or loss	Amortised cost	Total
<b>Financial Assets</b>				
Investments in unquoted equity shares of Subsidiaries	-	-	3,683.13	3,683.13
Investments in Mutual Funds	-	-	-	-
Trade Receivables	-	-	25.89	25.89
Cash and Cash Equivalents	-	-	0.44	0.44
Other balances with Bank	-	-	-	-
Loans	-	-	0.52	0.52
Other Financial Assets	-	-	0.02	0.02
<b>Total</b>	-	-	<b>3,710.00</b>	<b>3,710.00</b>
<b>Financial Liabilities</b>				
Borrowings (including current maturities)	-	-	2,627.26	2,627.26
Trade Payables	-	-	0.99	0.99
Derivatives instruments	-	-	-	-
Other Financial Liabilities	-	-	-	-
<b>Total</b>	-	-	<b>2,628.25</b>	<b>2,628.25</b>

### 43 FAIR VALUE HIERARCHY

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
	Level 2	Level 2	Level 2
<b>Assets</b>			
Investments in unquoted Mutual Funds measured at FVTPL	54.75	2.50	-
<b>Total</b>	<b>54.75</b>	<b>2.50</b>	<b>-</b>
<b>Liabilities</b>			
Derivative Instruments	317.94	-	-
<b>Total</b>	<b>317.94</b>	<b>-</b>	<b>-</b>

### 44 FINANCIAL RISK OBJECTIVE AND POLICIES

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

In the ordinary course of business, the Company is mainly exposed to risks resulting from exchange rate fluctuation (currency risk), interest rate movements (interest rate risk) collectively referred as Market Risk, Credit Risk, Liquidity Risk and other price risks such as equity price risk. The Company's senior management oversees the management of these risks. It manages its exposure to these risks through derivative financial instruments by hedging transactions. It uses derivative instruments such as Principal only Swaps, Interest rate swaps, foreign currency future options and foreign currency forward contract to manage these risks. These derivative instruments reduce the impact of both favorable and unfavorable fluctuations.

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

## Notes to Financial Statement for the year ended 31<sup>st</sup> March, 2017

The decision of whether and when to execute derivative financial instruments along with its tenure can vary from period to period depending on market conditions and the relative costs of the instruments. The tenure is linked to the timing of the underlying exposure, with the connection between the two being regularly monitored. The Company is exposed to losses in the event of non-performance by the counterparties to the derivative contracts. All derivative contracts are executed with counterparties that, in our judgment, are creditworthy. The outstanding derivatives are reviewed periodically to ensure that there is no inappropriate concentration of outstanding to any particular counterparty.

Further, all currency and interest rate risks as identified above is measured on a daily basis by monitoring the mark to market (MTM) of open and hedged position. The MTM is derived basis underlying market curves on closing basis of relevant instrument quoted on Bloomberg/Reuters. For quarter ends, the MTM for each derivative instrument outstanding is obtained from respective banks. All gain / loss arising from MTM for open derivative contracts and gain / loss on settlement / cancellation / roll over of derivative contracts is recorded in statement of profit and loss, except for the cumulative impact of all derivative contracts outstanding as at the date of the Guidance Note becoming effective, which have been recognized in the reserves as at 1<sup>st</sup> April, 2015.

### Interest rate risk

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

### Interest rate sensitivity

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

If interest rates had been 50 basis points higher / lower and all other variables were held constant, the Company's profit for the year ended March 31, 2017 would decrease / increase by ₹ Nil (previous year ₹ 9.25 crores). This is mainly attributable to interest rates on variable rate borrowings.

### Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a loss to the company. The Company has adopted the policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial losses from default, and generally does not obtain any collateral or other security on trade receivables.

The carrying amount of financial assets recorded in the financial statements represents the Company's maximum exposure to credit risk.

Cash are held with creditworthy financial institutions.

### 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 the use of various types of borrowings.

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

**Notes to Financial Statement** for the year ended 31<sup>st</sup> March, 2017

(₹ in Crores)

As at 31 <sup>st</sup> March, 2017	Less than 1 year	1-5 years	More than 5 years	Total
Borrowings (Including current maturities)	1,220.28	3,592.54	3,162.93	7,975.75
Trade Payables	11.04	-	-	11.04
Derivative Liabilities	71.58	-	246.36	317.94
Other Financial Liabilities	347.47	-	-	347.47

(₹ in Crores)

As at 31 <sup>st</sup> March, 2016	Less than 1 year	1-5 years	More than 5 years	Total
Borrowings (Including current maturities)	2,611.69	2,542.28	150.00	5,303.97
Trade Payables	3.36	-	-	3.36
Other financial Liabilities	50.78	-	-	50.78

**45 RELATED PARTY DISCLOSURES :**

As per Ind AS 24, Disclosure of transactions with related parties (as identified by management) are given below:

Description of Relationship	Name of related party
> Holding Company/Controlling entity	S. B. Adani Family Trust (SBAFT)
> Subsidiary Company	Adani Transmission (India) Limited Maharashtra Eastern Grid Power Transmission Company Limited Raipur – Rajnandgaon – Warora Transmission Limited Chhattisgarh – WR Transmission Limited Sipat Transmission Limited Adani Transmission (Rajasthan) Limited North Karanpura Transco Limited (w.e.f. 8 <sup>th</sup> July, 2016) Maru Transmission Service Company Limited (w.e.f. 6 <sup>th</sup> October, 2016) Aravali Transmission Service Company Limited (w.e.f. 6 <sup>th</sup> October, 2016)
> Key Managerial Persons	Mr. Gautam S. Adani, Chairman Mr. Deepak Bhargava, Whole-time Director (Resigned w.e.f. 31 <sup>st</sup> March, 2017) Mr. Kaushal Shah, Chief Financial Officer Mr. Jaladhi Shukla, Company Secretary
> Entities under Common Control	Adani Agri Fresh Limited Adani Enterprises Limited Adani Green Energy Limited Adani Infra (India) Limited Adani Power Limited Adani Power Maharashtra Limited Adani Power Rajasthan Limited Adani Wilmar Limited

Notes to Financial Statement for the year ended 31<sup>st</sup> March, 2017

(₹ in Crores)

Nature of Transaction	Name of Related Party	For the year ended 31 <sup>st</sup> March, 2017	For the year ended 31 <sup>st</sup> March, 2016
Services Provided	Maharashtra Eastern Grid Power Transmission Company Limited	49.13	88.01
	Adani Transmission (India) Limited	4.35	34.76
Sale of Goods	Adani Wilmar Limited	494.04	-
Purchase of Goods	Adani Power Maharashtra Limited	-	0.07
Purchase of Asset	Adani Enterprises Limited	-	0.03
Interest income	Maharashtra Eastern Grid Power Transmission Company Limited	434.35	89.64
	Adani Transmission (India) Limited	294.68	46.11
	Sipat Transmission Limited	12.74	1.15
	Raipur–Rajnandgaon–Warora Transmission Limited	20.28	2.32
	Chhattisgarh–WR Transmission Limited	16.10	1.84
	Adani Transmission (Rajasthan) Limited	0.42	-
	Aravali Transmission Service Company Limited	2.65	-
	Maru Transmission Service Company Limited	3.26	-
	North Karanpura Transco Limited	0.94	-
Interest expenses	Adani Agri Fresh Limited	8.60	50.76
	Adani Infra (India) Limited	48.81	18.06
Reimbursement of the expenses	Adani Enterprises Limited	-	0.14
	Sipat Transmission Limited	-	0.31
	Raipur–Rajnandgaon–Warora Transmission Limited	-	0.48
	Chhattisgarh–WR Transmission Limited	-	0.61
Loan Given	Adani Transmission (India) Limited	2,653.49	1,045.93
	Adani Transmission (Rajasthan) Limited	23.84	-
	Raipur–Rajnandgaon–Warora Transmission Limited	151.93	103.93
	Chhattisgarh–WR Transmission Limited	135.53	79.52
	Maharashtra Eastern Grid Power Transmission Company Limited	1,106.70	2,728.00
	Aravali Transmission Service Company Limited	49.64	-
	Maru Transmission Service Company Limited	61.04	-
	North Karanpura Transco Limited	38.72	-
Sipat Transmission Limited	121.78	46.36	
Loan received back	Adani Transmission (India) Limited	1,065.21	259.98
	Chhattisgarh–WR Transmission Limited	28.59	1.49
	Maharashtra Eastern Grid Power Transmission Company Limited	801.67	2.66
	Adani Transmission (Rajasthan) Limited	10.55	-
	North Karanpura Transco Limited	10.20	-
	Raipur–Rajnandgaon–Warora Transmission Limited	41.30	-
	Sipat Transmission Limited	1.42	-
Loan taken	Adani Infra (India) Limited	892.04	534.36
	Adani Agri Fresh Limited	-	49.49
Loan repaid	Adani Agri Fresh Limited	235.40	896.65
	Adani Infra (India) Limited	1,030.15	570.00

Notes to Financial Statement for the year ended 31<sup>st</sup> March, 2017

(₹ in Crores)

Nature of Transaction	Name of Related Party	For the year ended 31 <sup>st</sup> March, 2017	For the year ended 31 <sup>st</sup> March, 2016
Purchase/ Subscription of Investment	Adani Transmission (Rajasthan) Limited	2.45	-
	Aravali Transmission Service Company Limited	5.23	-
	Chhattisgarh-WR Transmission Limited	19.95	-
	Maru Transmission Service Company Limited	8.94	-
	North Karanpura Transco Limited	0.05	-
	Raipur-Rajnandgaon-Warora Transmission Limited	40.00	-
Remuneration	Mr. Deepak Bhargava, Whole Time Director (Resigned w.e.f. 31 <sup>st</sup> March, 2017)	1.83	1.71
	Mr. Kaushal Shah, Chief Financial Officer	1.00	0.65
Employee Balance transfer	Adani Power Limited	0.14	0.02
	Adani Power Maharashtra Limited	0.06	0.00
	Adani Enterprises Limited	0.03	0.00
	Maharashtra Eastern Grid Power Transmission Company Limited	2.16	0.00
	Adani Infra (India) Limited	0.23	0.00
	Chhattisgarh-WR Transmission Limited	0.00	0.00
	Adani Power Rajasthan Limited	0.02	0.00
	Adani Transmission (India) Limited	1.28	-
	Adani Green Energy Limited	0.06	-

(₹ in Crores)

Closing Balance	Name of Related Party	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
Unsecured Loan Balance	Adani Agri Fresh Limited	-	235.40
	Adani Infra (India) Limited	177.11	315.22
Loans and advances	Sipat Transmission Limited	166.72	46.36
	Raipur-Rajnandgaon-Warora Transmission Limited	214.56	103.93
	Chhattisgarh-WR Transmission Limited	184.98	78.04
	Adani Transmission (India) Limited	2,374.24	785.95
	Maharashtra Eastern Grid Power Transmission Company Limited	3,030.66	2,725.64
	Aravali Transmission Service Company Limited	49.64	-
	Adani Transmission (Rajasthan) Limited	13.29	-
	North Karanpur Transco Limited	28.52	-
	Maru Transmission Service Company Limited	61.04	-
	Interest Accrued but Not Due	Adani Infra (India) Limited	65.05
Interest Receivable	Sipat Transmission Limited	12.74	-
	Raipur-Rajnandgaon-Warora Transmission Limited	20.27	-
	Chhattisgarh-WR Transmission Limited	16.10	-
	Adani Transmission (India) Limited	175.50	-
	Maharashtra Eastern Grid Power Transmission Company Limited	141.93	-
	Aravali Transmission Service Company Limited	2.38	-
	Adani Transmission (Rajasthan) Limited	0.42	-
	North Karanpur Transco Limited	0.92	-
	Maru Transmission Service Company Limited	2.93	-

Notes to Financial Statement for the year ended 31<sup>st</sup> March, 2017

(₹ in Crores)

Closing Balance	Name of Related Party	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
<b>Account Payable</b>	Maharashtra Eastern Grid Power Transmission Company Limited	2.21	0.04
	Adani Power Rajasthan Limited	-	0.00
	Adani Enterprises Limited	-	0.00
	Adani Power Maharashtra Limited	-	0.07
	Adani Infra (India) Limited	-	0.00
	Adani Transmission (India) Limited	1.30	-
	Adani Green Energy Limited	0.06	-
	Adani Power Maharashtra Limited	0.06	-
<b>Accounts Receivable</b>	Sipat Transmission Limited	-	0.32
	Raipur–Rajnandgaon–Warora Transmission Limited	-	0.53
	Chhattisgarh–WR Transmission Limited	-	0.66
	Adani Transmission (India) Limited	36.22	31.26
	Maharashtra Eastern Grid Power Transmission Company Limited	41.98	4.34
	Adani Enterprises Limited	0.03	-
	Adani Infra (India) Limited	0.23	-
	Adani Power Limited	0.13	-
<b>Collateral Securities</b>	Adani Power Rajasthan Limited	0.02	-
	Adani Transmission (India) Limited	7,430.00	500.00
	Maharashtra Eastern Grid Power Transmission Company Limited	7,430.00	500.00

( Transactions below ₹50,000.00 denoted as ₹0.00)

**46 OTHER DISCLOSURES**

- (i) Previous year figures are regrouped / reclassified wherever necessary to correspond with the current years classification / disclosure
- (ii) The Financial Statements for the year ended 31<sup>st</sup> March, 2017 have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on 27<sup>th</sup> May, 2017.

The accompanying notes form an integral part of the Standalone financial statements.

As per our attached report of even date

For **DHARMESH PARIKH & CO.**,  
Chartered Accountants  
Firm Registration Number: 112054W

**CHIRAG SHAH**  
Partner  
Membership No. 122510

Place: Ahmedabad  
Date: 27<sup>th</sup> May, 2017

For and on behalf of the Board of Directors  
**ADANI TRANSMISSION LIMITED**

**GAUTAM S. ADANI**  
Chairman  
DIN: 00006273

**KAUSHAL SHAH**  
Chief Financial Officer

**LAXMI NARAYANA MISHRA**  
Whole-time Director  
DIN: 01952408

**JALADHI SHUKLA**  
Company Secretary

Place: Ahmedabad  
Date: 27<sup>th</sup> May, 2017

## Independent Auditor's Report

To  
The Members of  
**ADANI TRANSMISSION LIMITED**

### Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of Adani Transmission Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising the Consolidated Balance Sheet as at March 31, 2017, the Consolidated Statement of Profit and Loss (Including Other Comprehensive Income), the Consolidated Cash Flow Statement and the consolidated statement of changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'the consolidated Ind AS financial statements').

### Management's Responsibility for the Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including Other Comprehensive Income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with relevant rules thereunder. 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; 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 consolidated Ind AS financial statements that give a true and fair view and are

free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company.

### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit.

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

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 Company's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 including Ind AS, of the consolidated state of affairs of the Group as at March 31, 2017, their consolidated profit (including Other Comprehensive Income), their consolidated cash flows and consolidated changes in equity for the year ended on that date.

### Other Matters

We have not audited the financial statements of Adani Transmission (Rajasthan) Limited, a subsidiary of the Holding Company, included in the consolidated Ind AS financial statements, which constitute total assets of Rs.32.89 crores at year ended March 31, 2017; as well as total revenue of Rs. 6.40 crores for the year ended March 31, 2017, net loss after tax of Rs. 1.27 crores and net cash flows of Rs. 0.13 crores for the year ended March 31, 2017, as considered in the consolidated Ind AS financial statements. These financial statements have been audited by other auditor whose report has been furnished to us for the purpose of the consolidation, and our opinion on the consolidated Ind AS financial statements, in so far as it related to the amounts and disclosures included in respect of the subsidiary, and our report in terms of Section 143 (3) of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditor.

Our opinion on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditor.

### 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 of the aforesaid consolidated Ind AS financial statements;
- b) In our opinion proper books of account as required by law maintained by holding company and its subsidiaries including relevant records 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 records of the Holding Company and subsidiaries.
- 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 by the Holding Company and its subsidiaries included in the Group including relevant records relating to the preparation of the consolidated Ind AS financial statements.
- d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
- e) On the basis of the written representations received from the directors of the Holding Company and subsidiaries as on March 31, 2017 taken on record by the Board of Directors of the Holding Company and its subsidiaries, none of the directors of the Group is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.



- f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in Annexure A.
- g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor, as noted in the "Other Matters":
- i. The Consolidated Ind AS financial statements disclose the impact of pending litigations on the Consolidated financial position of the Group – Refer Note 35 to the Consolidated Ind AS Financial Statements;
  - ii. The Group has made provision as at March 31, 2017, as required under the applicable law or accounting standard, for material foreseeable losses, if any, on long term contracts including derivative contracts.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group.
- iv. In the consolidated Ind As financial statements, holdings as well as dealings in Specified Bank Notes during the period from 8<sup>th</sup> November' 2016 to 30<sup>th</sup> December' 2016, by the Holding Company and its subsidiaries has been requisitely disclosed, on the basis of information available with the Company. Based on our audit procedures and relying on the management representation we report that the disclosures are in accordance with the books of account maintained by the Holding company and its subsidiaries and as produced to us by the Management and reports of the other auditor. Refer Note 11 of consolidated Ind AS financial statements.

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

**Chirag Shah**  
Partner

Place : Ahmedabad  
Date : 27<sup>th</sup> May' 2017.

Membership No. 122510

## Annexure - A to the Independent Auditor's Report

RE: ADANI TRANSMISSION LIMITED

### Report on the Internal Financial Controls under Clause i of sub-section 3 of section 143 of the Companies Act 2013 (the act).

In conjunction with our audit of the consolidated Ind AS financial statements of the Holding Company as of and for the year ended March 31, 2017, we have audited the internal financial controls over financial reporting of Adani Transmission Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies which are incorporated in India, as of that date.

### Management's Responsibilities for Internal Financial Controls

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

### Auditors' Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the Guidance Note) issued by the ICAI and the Standards on Auditing deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the

extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

### Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized 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, the Holding Company and its subsidiary companies have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by ICAI

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

**Chirag Shah**  
Partner

Place : Ahmedabad  
Date : 27<sup>th</sup> May 2017

Membership No. 122510

## Consolidated Balance Sheet as at 31<sup>st</sup> March, 2017

(₹ in Crores)

Particulars	Note	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
<b>ASSETS</b>				
<b>Non-current Assets</b>				
Property, Plant and Equipment	4.1	9,532.61	9,746.51	10,233.01
Capital Work-In-Progress	4.2	1,342.64	258.22	9.83
Goodwill		320.34	313.91	313.90
Other Intangible Assets	4.1	0.28	-	-
<b>Financial Assets</b>				
(i) Other Financial Assets	5	9.02	2.05	1.96
Income Tax Assets (Net)	6	22.95	3.39	0.55
Other Non-current Assets	7	206.24	119.47	32.65
<b>Total Non-current Assets</b>		<b>11,434.08</b>	<b>10,443.55</b>	<b>10,591.90</b>
<b>Current Assets</b>				
Inventories	8	38.66	21.76	20.61
<b>Financial Assets</b>				
(i) Investments	9	105.00	19.82	-
(ii) Trade Receivables	10	189.56	182.35	448.76
(iii) Cash and Cash Equivalents	11	13.36	9.12	3.09
(iv) Bank balances other than (iii) above	12	379.82	142.26	12.00
(v) Loans	13	0.22	0.18	0.24
(vi) Other Financial Assets	14	632.49	921.45	392.21
Other Current Assets	15	17.87	5.19	3.97
<b>Total Current Assets</b>		<b>1,376.98</b>	<b>1,302.13</b>	<b>880.88</b>
<b>Total Assets</b>		<b>12,811.06</b>	<b>11,745.68</b>	<b>11,472.78</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Equity Share Capital	16	1,099.81	1,099.81	1,090.00
Other Equity	17	1,846.72	1,572.00	(19.71)
<b>Equity attributable to equity holders of the Parent</b>		<b>2,946.53</b>	<b>2,671.81</b>	<b>1,070.29</b>
Non-controlling interests		-	-	-
<b>Total Equity</b>		<b>2,946.53</b>	<b>2,671.81</b>	<b>1,070.29</b>
<b>Liabilities</b>				
<b>Non-current Liabilities</b>				
<b>Financial Liabilities</b>				
(i) Borrowings	18	7,729.08	5,093.78	5,292.35
(ii) Other Financial Liabilities	19	246.65	3.35	3.10
Provisions	20	4.62	5.57	7.50
Deferred Tax Liabilities (Net)	21	-	-	-
<b>Total Non-current Liabilities</b>		<b>7,980.35</b>	<b>5,102.70</b>	<b>5,302.95</b>
<b>Current Liabilities</b>				
<b>Financial Liabilities</b>				
(i) Borrowings	22	931.28	2,845.42	3,585.81
(ii) Trade Payables	23	27.15	8.08	48.94
(iii) Other Financial Liabilities	24	910.13	1,064.62	1,455.23
Provisions	20	2.33	1.53	0.93
Current Tax Liabilities	25	-	44.60	2.15
Other Current Liabilities	26	13.29	6.92	6.48
<b>Total Current Liabilities</b>		<b>1,884.18</b>	<b>3,971.17</b>	<b>5,099.54</b>
<b>Total Equity and Liabilities</b>		<b>12,811.06</b>	<b>11,745.68</b>	<b>11,472.78</b>
Summary of significant accounting policies	2			

The accompanying note forms an integral part of the consolidated financial statements.

As per our attached report of even date

For **DHARMESH PARIKH & CO.,**  
Chartered Accountants  
Firm Registration Number: 112054W

**CHIRAG SHAH**  
Partner  
Membership No. 122510

Place: Ahmedabad  
Date: 27<sup>th</sup> May, 2017

For and on behalf of the Board of Directors  
**ADANI TRANSMISSION LIMITED**

**GAUTAM S. ADANI**  
Chairman  
DIN: 00006273

**KAUSHAL SHAH**  
Chief Financial Officer

**LAXMI NARAYANA MISHRA**  
Whole-time Director  
DIN: 01952408

**JALADHI SHUKLA**  
Company Secretary

Place: Ahmedabad  
Date: 27<sup>th</sup> May, 2017

## Consolidated Statement of Profit & Loss for the year ended 31<sup>st</sup> March, 2017 (₹ in Crores)

Particulars	Note	For the year ended 31 <sup>st</sup> March, 2017	For the year ended 31 <sup>st</sup> March, 2016
<b>Income</b>			
Revenue from Operations	27	2,879.45	2,197.01
Other Income	28	22.10	70.38
<b>Total Income</b>		<b>2,901.55</b>	<b>2,267.39</b>
<b>Expenses</b>			
Purchase of Traded Goods	29	755.40	148.51
Employee Benefit Expenses	30	45.91	30.71
Finance Costs	31	904.01	957.29
Depreciation and Amortisation Expenses	4.1	569.25	559.65
Other Expenses	32	95.05	91.25
<b>Total Expenses</b>		<b>2,369.62</b>	<b>1,787.41</b>
Profit Before Exceptional Items and Tax		<b>531.93</b>	<b>479.98</b>
Exceptional items		-	-
<b>Profit Before Tax</b>		<b>531.93</b>	<b>479.98</b>
<b>Tax Expense:</b>			
Current Tax	33	115.50	112.30
Current Tax relating to earlier periods	33	-	(0.26)
Deferred Tax	21	144.81	-
Less : Deferred Assets for Deferred Tax Liabilities		(144.81)	-
		<b>115.50</b>	<b>112.04</b>
<b>Profit After Tax</b>	<b>Total A</b>	<b>416.43</b>	<b>367.94</b>
<b>Other Comprehensive Income</b>			
(a) Items that will not be reclassified to profit or loss - Remeasurement of defined benefit plans		0.75	3.17
(b) Items that will be reclassified to Profit or Loss - Cash flow hedge reserve		(157.83)	-
<b>Other Comprehensive Income (After Tax)</b>	<b>Total B</b>	<b>(157.08)</b>	<b>3.17</b>
<b>Total Comprehensive Income for the year</b>	<b>Total (A+B)</b>	<b>259.35</b>	<b>371.11</b>
<b>Profit for the year attributable to</b>			
Owners of the Company		416.43	367.94
Non-controlling interests		-	-
		<b>416.43</b>	<b>367.94</b>
<b>Total Comprehensive Income for the year attributable to</b>			
Owners of the Company		259.35	371.11
Non-controlling interests		-	-
		<b>259.35</b>	<b>371.11</b>
<b>Earnings Per Share (EPS)</b>			
<b>(Face Value ₹10 Per Share)</b>			
Basic & Diluted earnings per Share	34	3.79	3.35
Summary of significant accounting policies	2		

The accompanying note forms an integral part of the Consolidated financial statements.

As per our attached report of even date

For **DHARMESH PARIKH & CO.,**  
Chartered Accountants  
Firm Registration Number: 112054W

**CHIRAG SHAH**  
Partner  
Membership No. 122510

Place: Ahmedabad  
Date: 27<sup>th</sup> May, 2017

For and on behalf of the Board of Directors  
**ADANI TRANSMISSION LIMITED**

**GAUTAM S. ADANI**  
Chairman  
DIN: 00006273

**KAUSHAL SHAH**  
Chief Financial Officer

**LAXMI NARAYANA MISHRA**  
Whole-time Director  
DIN: 01952408

**JALADHI SHUKLA**  
Company Secretary

Place: Ahmedabad  
Date: 27<sup>th</sup> May, 2017

Consolidated Statement of Cash Flow for the year ended 31<sup>st</sup> March, 2017

(₹ in Crores)

Particulars	For the year ended 31 <sup>st</sup> March, 2017	For the year ended 31 <sup>st</sup> March, 2016
<b>A. Cash flow from operating activities</b>		
Profit / (Loss) before tax from operations	531.93	479.98
Adjustments for:		
Depreciation and Amortisation	569.25	559.65
Income from Mutual Funds	(8.70)	(8.28)
Finance Costs	904.01	957.29
Liabilities no longer required to pay	(0.34)	(1.93)
Interest income	(11.83)	(59.95)
<b>Operating profit before working capital changes</b>	<b>1,984.32</b>	<b>1,926.76</b>
Changes in Working Capital:		
(Increase) / Decrease in Operating Assets :		
Trade Receivables	9.05	284.08
Loans and other financial assets and other assets	376.62	(543.35)
Inventories	(14.79)	1.37
Increase / (Decrease) in Operating Liabilities :		
Trade Payables	3.77	(43.17)
Other financial liabilities, other liabilities and provision	3.83	(9.71)
<b>Cash generated from operations</b>	<b>2,362.80</b>	<b>1,615.98</b>
Less: Direct Tax paid (Net of Refund)	(174.05)	(72.44)
<b>Net cash from operating activities (A)</b>	<b>2,188.75</b>	<b>1,543.54</b>
<b>B. Cash flow from investing activities</b>		
Payment of Capital expenditure on Property, Plant and Equipment, including capital advance & Capital Work in Progress	(1,359.87)	(734.49)
Purchase of Transmission Business	(89.52)	(0.15)
Investment in Mutual Fund	(85.11)	(19.80)
Proceed from / (Deposit in) Fixed Deposits with a maturity period of more than 90 days (net)	(237.56)	(130.29)
Proceed from Sale of Property, Plant and Equipment	-	0.57
Investment in Service Concession Arrangement	(6.40)	-
Interest received	9.05	59.78
Income from Mutual Fund	8.63	8.26
<b>Net cash used in from investing activities (B)</b>	<b>(1,760.78)</b>	<b>(816.12)</b>

**Consolidated Statement of Cash Flow** for the year ended 31<sup>st</sup> March, 2017

(₹ in Crores)

Particulars	For the year ended 31 <sup>st</sup> March, 2017	For the year ended 31 <sup>st</sup> March, 2016
<b>C. Cash flow from financing activities</b>		
Proceeds from Long-term borrowings	8,471.43	2,883.92
Repayment of Long-term borrowings	(6,273.06)	(3,233.04)
Proceeds from Short-term borrowings	5,370.32	2,595.09
Repayment of Short-term borrowings	(7,309.91)	(2,099.33)
Finance Cost Paid	(713.31)	(868.30)
<b>Net cash used in financing activities (C)</b>	<b>(454.53)</b>	<b>(721.66)</b>
<b>Net (decrease) / increase in cash and cash equivalents (A+B+C)</b>	<b>(26.56)</b>	<b>5.76</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>9.12</b>	<b>3.09</b>
Cash and cash equivalents received on account of acquisition of transmission business	30.80	0.27
<b>Cash and cash equivalents at the end of the year</b>	<b>13.36</b>	<b>9.12</b>

- The Consolidated Cash Flow Statement has been prepared under the Indirect method as set out in Ind AS 7 on Cash Flow Statements notified under Section 133 of The Companies Act 2013, read together with Paragraph 7 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended).
- Previous year's figures have been regrouped wherever necessary, to confirm to this year's classification.

The accompanying note forms an integral part of the Consolidated financial statements.

As per our attached report of even date

For **DHARMESH PARIKH & CO.,**  
Chartered Accountants  
Firm Registration Number: 112054W

**CHIRAG SHAH**  
Partner  
Membership No. 122510

Place: Ahmedabad  
Date: 27<sup>th</sup> May, 2017

For and on behalf of the Board of Directors  
**ADANI TRANSMISSION LIMITED**

**GAUTAM S. ADANI**  
Chairman  
DIN: 00006273

**KAUSHAL SHAH**  
Chief Financial Officer

**LAXMI NARAYANA MISHRA**  
Whole-time Director  
DIN: 01952408

**JALADHI SHUKLA**  
Company Secretary

Place: Ahmedabad  
Date: 27<sup>th</sup> May, 2017

## Statement of Changes in Equity for the year ended 31<sup>st</sup> March, 2017

### A. Equity Share Capital

Particulars	No. Shares	(₹ in Crores)
Balance as at 1 <sup>st</sup> April, 2015	1,09,00,00,000	1,090.00
<b>Changes in equity share capital during the year :</b>		
i) Less : Cancellation of the shares due to composite scheme of arrangement (refer note 37)	(1,09,00,00,000)	(1,090.00)
ii) Issue of shares	1,09,98,10,083	1,099.81
<b>Balance as at 31<sup>st</sup> March, 2016</b>	<b>1,09,98,10,083</b>	<b>1,099.81</b>
<b>Changes in equity share capital during the year:</b>		
i) Issue of shares	-	-
<b>Balance as at 31<sup>st</sup> March, 2017</b>	<b>1,09,98,10,083</b>	<b>1,099.81</b>

### B. Other Equity

For the year ended 31<sup>st</sup> March, 2016

(₹ in Crores)

Particulars	Capital Reserve	General Reserve	Retained Earnings	Total
Balance as at 1 <sup>st</sup> April, 2015	-	-	(19.71)	(19.71)
Profit / (Loss) for the year	-	-	367.94	367.94
Other Comprehensive Income	-	-	3.17	3.17
On Account of Demerger	-	1,220.60	-	1,220.60
<b>Total Comprehensive Income for the year</b>	<b>-</b>	<b>1,220.60</b>	<b>351.40</b>	<b>1,572.00</b>
<b>Balance as at 31<sup>st</sup> March, 2016</b>	<b>-</b>	<b>1,220.60</b>	<b>351.40</b>	<b>1,572.00</b>

For the year ended 31<sup>st</sup> March, 2017

(₹ in Crores)

Particulars	Capital Reserve	General Reserve	Retained Earnings	Total
Balance as at 1 <sup>st</sup> April, 2016	-	1,220.60	351.40	1,572.00
Profit / (Loss) for the year	-	-	416.43	416.43
Other Comprehensive Income	-	-	(157.08)	(157.08)
On Account of Acquisition	15.37	-	-	15.37
<b>Total Comprehensive Income for the year</b>	<b>15.37</b>	<b>1,220.60</b>	<b>610.75</b>	<b>1,846.72</b>
<b>Balance as at 31<sup>st</sup> March, 2017</b>	<b>15.37</b>	<b>1,220.60</b>	<b>610.75</b>	<b>1,846.72</b>

The accompanying note forms an integral part of the Consolidated financial statements.

As per our attached report of even date

For and on behalf of the Board of Directors

**ADANI TRANSMISSION LIMITED**

For **DHARMESH PARIKH & CO.,**

**GAUTAM S. ADANI**

**LAXMI NARAYANA MISHRA**

Chartered Accountants

Chairman

Whole-time Director

Firm Registration Number: 112054W

DIN: 00006273

DIN: 01952408

**CHIRAG SHAH**

**KAUSHAL SHAH**

**JALADHI SHUKLA**

Partner

Chief Financial Officer

Company Secretary

Membership No. 122510

Place: Ahmedabad

Place: Ahmedabad

Date: 27<sup>th</sup> May, 2017

Date: 27<sup>th</sup> May, 2017



## Notes to Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2017

### 1 CORPORATE INFORMATION

Adani Transmission Limited ("the Company") and its subsidiaries (together referred to as "the Group") is incorporated to carry on the business of establishing, commissioning, setting up, operating and maintaining electric power transmission systems, to acquire in any manner power transmission systems/networks, power systems, generation stations, tielines, sub-stations and transmission or distribution systems from State Electricity Boards, Vidut Boards, Power Utilities, Generating Companies, Transmission Companies, Distribution Companies, Central or State Government Undertakings, Licensees, other local authorities or statutory bodies, other captive or independent power producers and distributors and to do all the ancillary, related or connected activities as may be considered necessary or beneficial or desirable for or along with any or all of the aforesaid purposes which can be conveniently carried on these systems, networks or platforms.

The company also deals in business of purchase, sale, supply, import, distribute, export, or transfer / exchange and to deal as trader, agent, broker, representative or otherwise deal in all forms of electricity and in other forms of energy from any source whatsoever, both conventional and non-conventional and any other commodities, products, goods etc.

#### Features of Service Concession Arrangement entered into with Rajasthan Rajya Vidyut Prasaran Nigam Limited (RVPN)

One of the subsidiary has entered into Service Concession Arrangement with Rajasthan Rajya Vidyut Prasaran Nigam Limited (RVPN), Jaipur, Rajasthan, a public Sector Undertaking under the control of Government of Rajasthan to construct & operate a transmission system comprising a 400 KV Double Circuit transmission Line from Suratgarh to Bikaner with a design capacity to transfer electricity equivalent to 1066 MW on Design, Built, Finance, Operate & Transfer (DBFOT) basis in accordance with the terms and conditions to be set forth in a transmission agreement to be entered into under and in accordance with the provisions of the Electricity Act, 2003.

### 2 SIGNIFICANT ACCOUNTING POLICIES

#### a Basis of Preparation

The Consolidated Financial Statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The Consolidated Financial Statements up to and for the year ended 31<sup>st</sup> March, 2016 were prepared in accordance with Companies (Accounting Standards) Rules, 2006, notified under Section 133 of the Act and other relevant provisions of the Act.

As these are the Group's first Consolidated Financial Statements prepared in accordance with Ind AS, Ind AS 101, First-time Adoption of Indian Accounting Standards has been applied. An explanation of how the transition to Ind AS has affected the previously reported financial position and financial performance is provided in note 3.

The Consolidated Financial Statements are presented in INR and all values are rounded to the nearest Crores (transaction below ₹50,000.00 denoted ₹0.00), unless otherwise indicated.

#### b Principles of Consolidation:

- a) As mandated by section 129 (3) of the companies act 2013, The consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) - 110 on "Consolidated Financial Statements", as specified under section 133 of the Act and other relevant provisions of the Act, on the basis of the separate audited financial statements of Adani Transmission Limited (ATL) and its Subsidiaries. Reference in the notes to "Group" shall mean to include ATL and its Subsidiaries consolidated in these financial statements unless otherwise stated.
- b) The consolidated financial statements have been prepared on the following basis.
  - i) In accordance with Indian Accounting Standards (Ind AS) - 110 on "Consolidated Financial Statements", as specified under section 133 of the Companies Act, 2013 ("the 2013 Act"), Subsidiaries are fully consolidated from the date of acquisition and incorporation, being the date on which the Group obtains control, and continues to be consolidated until the date that such control ceases (including through voting rights). Subsidiaries have been consolidated on a line-by-line basis by adding together the book values of the like items of assets, liabilities, income

## Notes to Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2017

and expenses after eliminating all significant intra-group balances and intra-group transactions. The unrealized profits resulting from intra-group transactions that are included in the carrying amount of assets are eliminated in full. Unrealized losses resulting from intra-group transactions that are deducted in arriving at the carrying amount of assets are also eliminated unless cost cannot be recovered.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

- ii) The difference between the cost of investment in the Subsidiaries over the net assets at the time of acquisition of the investment in the Subsidiaries is recognised in the consolidated financial statements as Goodwill or Capital Reserve as the case may be.
- iii) Investments made by the parent company in Subsidiary Company subsequent to the holding-subsidiary relationship coming into existence are eliminated while preparing the consolidated financial statement.
- iv) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and necessary adjustments required for deviations if any have been made in the consolidated financial statements.
- v) The Company has disclosed only such policies and notes from individual financial statements, which fairly present the needed disclosures, Lack of homogeneity and other similar considerations made it desirable to exclude some of them, which in the opinion of the management, could be better viewed, when referred from the standalone financials statements.

The list of Companies / firms included in consolidation, relationship with Adani Transmission Limited and it's shareholding therein is as under: The reporting date for all the entities is 31<sup>st</sup> March, 2017.

Sr. No.	Name of Company	Country of Incorporation	Relationship	Share holding as on 31 <sup>st</sup> March 2017	Share holding as on 31 <sup>st</sup> March 2016
1	Adani Transmission (India) Limited (ATIL)	India	Subsidiary	100% by ATL	100% by ATL
2	Maharashtra Eastern Grid Power Transmission Company Limited (MEGPTCL)	India	Subsidiary	100% by ATL	100% by ATL
3	Sipat Transmission Limited	India	Subsidiary	100% by ATL	100% by ATL
4	Raipur-Rajnandgaon-Warora Transmission Limited	India	Subsidiary	100% by ATL	100% by ATL
5	Chhattisgarh-WR Transmission Limited	India	Subsidiary	100% by ATL	100% by ATL
6	Adani Transmission (Rajasthan) Limited	India	Subsidiary	100% by ATL	100% by ATL
7	North Karanpura Transco Limited (w.e.f. 8 <sup>th</sup> July, 2016)	India	Subsidiary	100% by ATL	Nil
8	Maru Transmission Service Company Limited (w.e.f. 6 <sup>th</sup> October, 2016) (Refer note 46 (ii))	India	Subsidiary	100% by ATL	Nil
9	Aravali Transmission Service Company Limited (w.e.f. 6 <sup>th</sup> October, 2016) (Refer note 46 (ii))	India	Subsidiary	100% by ATL	Nil

### c Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is

## Notes to Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2017

treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle; or
- Held primarily for the purpose of trading; or
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is treated as current when it is;

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

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

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

### d Foreign Currency Transactions

#### i) Initial Recognition:

Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction.

#### ii) Conversion:

At the year-end, monetary items denominated in foreign currencies, if any, are converted into rupee equivalents at exchange rate prevailing on the balance sheet date.

#### iii) Exchange Differences:

All exchange differences arising on settlement and conversion of foreign currency transaction are included in the Statement of Profit and Loss.

### e Fair value measurement

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

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

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

The principal or the most advantageous market must be accessible by the 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 or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available

## Notes to Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2017

to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

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

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

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

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

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

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.

### f Revenue Recognition

Revenue is recognised when consideration can be reasonably measured and there exists reasonable certainty of its recovery.

- i) Income from services rendered is accounted for when the work is performed.
- ii) Transmission income is accounted for based on tariff orders notified by respective regulatory authorities.
- iii) Sale of Goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer.
- iv) The transmission system incentive / disincentive is accounted for based on certification of availability by respective Regional Power Committee.
- v) Delayed payment charges and interest on delayed payment for Transmission charges are recognised on accrual basis.
- vi) Interest income is recognised on time proportion basis taking into account the amount outstanding and the rate applicable.
- vii) Profit/Loss on sale of investments are recognised on the contract date.
- viii) Revenues relating to construction contracts which are entered into with government authorities for the construction of the infrastructure necessary for the provision of services are measured at the fair value of the consideration received or receivable. Revenue from service concession arrangements is recognised based on the fair value of construction work performed at the reporting date.

### g Taxes on Income

#### i) Current Taxation

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

## Notes to Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2017

### ii) Deferred Taxation

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.

CERC / MERC tariff norms provide the recovery of Income Tax from the beneficiaries by way of grossing up the return on equity based on effective tax rate for the financial year shall be based on the actual tax paid during the year on the transmission income. Accordingly, deferred tax liability provided during the period is fully recoverable from beneficiaries and known as "deferred assets against deferred tax liabilities". The same will be recovered when the related deferred tax liability forms a part of current tax.

### h Property, Plant and Equipment (PPE)

#### Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its Property, Plant and Equipment recognised as at 1<sup>st</sup> April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the Property, Plant and Equipment .

#### Tangible fixed assets

- i) An item of Property, Plant and Equipment that qualifies for recognition as an asset is initially measured at its cost and then carried at the cost less accumulated depreciation and accumulated impairment, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing cost relating to acquisition / construction of fixed assets which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.
- ii) Expenditure on account of modification/alteration in plant and machinery, which increases the future benefit from the existing asset beyond its previous assessed standard of performance, is capitalized.
- iii) Any capital expenditure in respect of assets, the ownership of which would not vest with the Company, is charged off to revenue in the year of incurrence.
- iv) Expenditure related to and incurred during implementation of capital projects is included under "Capital Work in Progress" or "Project Development Expenditure" as the case may be. The same is allocated to the respective fixed assets on completion of construction/ erection of the capital project/ fixed assets.
- v) Gains or losses arising from de recognition/ sale proceeds of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

#### Intangible assets

- i) Computer software  
Computer software are stated at cost, less accumulated amortisation and impairments, if any.
- ii) Amortisation method and useful life  
The Company amortizes computer software using the straight-line method over the period of 5 years.

## Notes to Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2017

### Depreciation and amortisation methods and periods

- i) Depreciation in respect of assets related to electricity transmission business is provided on a straight line basis at the rates provided in Appendix II of Central Electricity Regulatory Commission (Terms and conditions of Tariff) Regulations, 2014. In case of other Assets depreciation on fixed assets is calculated on straight-line method (SLM) using the rates arrived at based on the useful life as specified in Schedule II of the Companies Act, 2013.
- ii) Depreciation on asset acquired / disposed off during the period is provided on pro-rata basis with reference to the date of addition/disposal.

### i 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. It includes interest on borrowings, amortisation of ancillary costs incurred for borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

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.

### j Inventories

- i) Inventories are valued at lower of cost or Net Realisable Value.
- ii) Cost of inventories have been computed to include all costs of purchases, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.
- iii) The basis of determining cost for various categories of inventories are as follows:

Stores and Spares : Weighted Average Cost

Net realizable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and estimated cost necessary to make the sale.

### k Impairment of non-financial assets

The carrying amount of assets, other than inventories, is reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the assets recoverable amount is estimated.

The impairment loss is recognised whenever the carrying amount of an asset or its cash generation unit exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in the uses which is determined based on the estimated future cash flow discounted to their present values. All impairment losses are recognised in the Statement of Profit and Loss.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount and is recognised in the Statement of Profit and Loss.

### l Retirement and other employee benefits

#### Short Term Employee Benefits

Short term employee benefits are recognised as an expense on accrual basis.

Short term Project related employee benefits are recognized as an expenses at the undiscounted amount in the statement of profit and loss of the year in which the related service is rendered.

#### Post Employment Benefits

##### i) Defined Benefit Plan

Gratuity being a defined benefit scheme is accrued based on actuarial valuations, carried out by an independent actuary as at the balance sheet date using the projected unit credit method. These contributions are covered through Group Gratuity Scheme with Life Insurance Corporation of India and are charged against revenue.

## Notes to Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2017

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling (excluding net interest) and the return on plan assets (excluding net interest), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods. Net interest is calculated by applying the discount rate to the net balance of defined benefit liability or asset.

The Group recognises the following changes in the net defined benefit obligation as an expense in the Consolidated Financial statement of profit and loss in the line item "Employee Benefits Expense":

> Service cost including current service cost, past service cost, gains and losses on curtailments and non-routine settlements; and

> Net interest expense or income

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

### ii) Defined Contribution Plans

Company's contribution to Provident Fund, Employees' State Insurance Fund and labour welfare fund which are defined contribution plans determined under the relevant schemes and/or statute are charged to the Statement of Profit and Loss when incurred. There are no other obligations other than the contribution payable to the respective funds.

Termination Benefits, if any, are recognized as an expense as and when incurred.

Provision is made for compensated absence based on actuarial valuation, carried out by an independent actuary as at the balance sheet date, the allocation between short term and long term provisions has been made as determined by an actuary.

### m Assets covered under Service Concession Arrangement

The tangible assets owned by the subsidiary company and covered under Service Concession Arrangement are not recognised as 'Property Plant & Equipment'. For recognising the rights available under Service Concession Arrangement 'Financial Asset' is recognised as per Appendix A of Ind AS 11 as follows:

Financial Asset: The Present Value of Transmission revenue based on availability to be receivable over a tenure of arrangement is recognised as 'Financial Asset'.

### n Financial instruments

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

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

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 a Group entity are recognised at the proceeds received, net of direct issue costs.

#### (A) Financial assets

All financial assets, except investment in subsidiaries, associates and joint ventures are recognised initially at fair value.

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

#### 1) At amortised cost

A financial asset is measured at the amortised cost if both the following conditions are met:

## Notes to Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2017

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

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

### 2) At Fair Value through Other Comprehensive Income (FVTOCI)

A financial asset is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- (b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the Other Comprehensive Income (OCI) and on derecognition, cumulative gain or loss previously recognised in OCI is reclassified to statement of profit and loss. For equity instruments, the Group may make an irrevocable election to present subsequent changes in the fair value in OCI. If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI.

### 3) At Fair Value through Profit & Loss (FVTPL)

FVTPL is a residual category for debt instruments and default category for equity instruments. Financial assets included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

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

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

#### Equity Investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the individual company may make an irrevocable election to present in Other Comprehensive Income subsequent changes in the fair value. The individual company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, The Group may transfer the cumulative gain or loss within equity.

#### Derecognition

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



## Notes to Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2017

### Impairment of financial assets

The Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets and credit risk exposure; The Group follows 'Simplified Approach' for recognition of impairment loss allowance on all trade receivables or contractual receivables.

Under the simplified approach the Group does not track changes in credit risk. But, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition if credit risk has not increased significantly, 12 month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, life time ECL is used.

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

### (B) Financial liabilities

Financial liabilities are classified, at initial recognition as at amortised cost or fair value through profit or loss.

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

#### At amortised cost

This is the category most relevant to the Group. After initial recognition, financial liabilities are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

#### At fair value through profit or loss (FVTPL)

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as such. Subsequently, any changes in fair value are recognised in the statement of profit or loss.

#### Derecognition of Financial Liability

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

### o Derivative financial instruments and hedge accounting

#### Initial recognition and subsequent measurement

The Group uses derivative financial instruments, such as foreign exchange forward, Principal only swap (POS) and options contracts to hedge its foreign currency risks. The Group does not use derivatives for trading or speculative purposes. Such derivative financial instruments are initially recognised at fair value through profit or loss (FVTPL) on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivative financial instrument are recognised in the consolidated statement of profit and loss.

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

#### Cash flow hedges

The Group designates foreign currency derivatives as hedges of foreign currency risk associated with firm commitments on its imports / borrowings. These instruments meet the Management's foreign exchange risk management objectives and also qualify for hedge accounting as per the principles of hedge accounting. MTM gains / losses in respect of effective hedges is carried to "Other Comprehensive Income" (OCI) and ineffectiveness, if any, is recognized immediately in the consolidated statement of profit and loss. If the hedging relationship ceases to be effective, hedge accounting is discontinued and the fair value changes arising from the derivative financial instruments are recognized in the consolidated statement of profit and loss.

## Notes to Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2017

### p Cash & Cash Equivalents (for purpose of cash flow statement)

Cash comprises cash on hand and demand deposit with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of creation).

### q Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the company are segregated.

### r Segment Accounting

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Group as a whole.

As per Ind AS 108 "Operating Segment" , if a single financial report contains both consolidated financial statements and separate financial statements of the parent, segment information need be presented only on the basis of consolidated financial statements of the Group.

### s Leases

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to Consolidated Statement of Profit and Loss on straight-line basis over the period of the lease.

### t Provision, Contingent Liabilities and Contingent Assets

Provision are recognised for when the Group has at present, legal or contractual obligation as a result of past events, only if it is probable that an outflow of resources embodying economic outgo or loss will be required and if the amount involved can be measured reliably.

Contingent liabilities being a possible obligation as a result of past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more future events not wholly in control of the company are not recognised in the accounts. The nature of such liabilities and an estimate of its financial effect are disclosed in notes to the Consolidated Financial Statements.

Contingent assets are neither recognised nor disclosed in the Consolidated financial statements.

### u Earnings Per Share

The Basic EPS has been computed by dividing the income available to equity shareholders by the weighted average number of equity shares outstanding during the accounting year.

The Diluted EPS has been computed using the weighted average number of equity shares and dilutive potential equity shares outstanding at the end of the year.

### v Estimates, Judgements and assumptions

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

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

#### i) Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation

## Notes to Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2017

is based on available data for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a Discounted Cash Flow (DCF) model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognised by the Group.

### ii) Taxes

Deferred tax assets are recognised for unused tax credits to the extent that it is probable that taxable profit will be available against which the credits can be utilised. Significant management judgment 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.

### iii) Defined benefit plans (gratuity benefits)

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

The Group based its assumptions and estimates on parameters available when the Consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

### iv) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments 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.

## Notes to Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2017

### 3 FIRST-TIME ADOPTION OF IND-AS

The Group has adopted Ind AS from 1<sup>st</sup> April, 2016 and the date of transition to Ind AS is 1<sup>st</sup> April, 2015. This being the first Consolidated 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 1<sup>st</sup> April, 2015 and 31<sup>st</sup> March, 2016 and of the total comprehensive income for the year ended 31<sup>st</sup> March, 2016 as required by Ind AS 101.

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

#### Exemption Availed

**i) Deemed cost of property, plant and equipment and intangible assets**

The Group has elected to continue with the carrying value of all its Property, Plant and Equipment's and intangible assets recognised as of 1<sup>st</sup> April, 2015 measured as per the previous GAAP and use that carrying value as its deemed cost on transition date.

**ii) Estimates**

The estimates at 31<sup>st</sup> 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) apart from the following items where application of Indian GAAP did not require estimation :

> Impairment of Financial assets based on risk exposure and application of Expected Credit Loss (ECL) model.

The estimates used by the Group to present this amounts in accordance with Ind AS reflect conditions as of 31<sup>st</sup> March, 2016.

**iii) 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.

**iv) 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.

**v) 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.

## Notes to Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2017

### 3.2 Effects of Ind AS adoption on the Balance Sheet as at 31<sup>st</sup> March, 2016 and 1<sup>st</sup> April, 2015

(₹ in Crores)

Particulars	As on 31/3/2016 (Last period presented under previous GAAP)			As on 01/04/2015 (Date of Transition)		
	Previous GAAP	Effect of Transition to Ind AS	Ind AS Balance Sheet	Previous GAAP	Effect of Transition to Ind AS	Ind AS Balance Sheet
<b>ASSETS</b>						
<b>(1) Non-current Assets</b>						
Property, Plant and Equipment	9,772.60	(26.09)	9,746.51	10,259.42	(26.41)	10,233.01
Capital Work-In-Progress	258.22	-	258.22	9.83	-	9.83
Goodwill	313.91	-	313.91	313.90	-	313.90
Other Intangible Assets	-	-	-	-	-	-
Financial Assets						
(i) Other Financial Assets	2.05	-	2.05	1.96	-	1.96
Income Tax Assets (Net)	3.39	-	3.39	0.55	-	0.55
Other Non-current Assets	115.67	3.80	119.47	23.10	9.55	32.65
<b>Total Non-current Assets</b>	<b>10,465.84</b>	<b>(22.29)</b>	<b>10,443.55</b>	<b>10,608.76</b>	<b>(16.86)</b>	<b>10,591.90</b>
<b>(2) Current Assets</b>						
Inventories	21.76	-	21.76	20.61	-	20.61
Financial Assets						
(i) Investments	19.80	0.02	19.82	-	-	-
(ii) Trade Receivables	182.35	-	182.35	448.76	-	448.76
(iii) Cash and Cash Equivalents	9.12	-	9.12	3.09	-	3.09
(iv) Bank balances other than (iii) above	142.26	-	142.26	12.00	-	12.00
(v) Loans	0.18	-	0.18	0.24	-	0.24
(vi) Other Financial Assets	921.09	0.36	921.45	392.21	-	392.21
Other Current Assets	51.91	(46.72)	5.19	6.72	(2.75)	3.97
<b>Total Current Assets</b>	<b>1,348.47</b>	<b>(46.34)</b>	<b>1,302.13</b>	<b>883.63</b>	<b>(2.75)</b>	<b>880.88</b>
<b>Total Assets</b>	<b>11,814.31</b>	<b>(68.63)</b>	<b>11,745.68</b>	<b>11,492.39</b>	<b>(19.61)</b>	<b>11,472.78</b>
<b>EQUITY AND LIABILITIES</b>						
<b>Equity</b>						
Equity Share Capital	1,099.81	-	1,099.81	1,090.00	-	1,090.00
Other Equity	1,571.07	0.93	1,572.00	(6.75)	(12.96)	(19.71)
	<b>2,670.88</b>	<b>0.93</b>	<b>2,671.81</b>	<b>1,083.25</b>	<b>(12.96)</b>	<b>1,070.29</b>
<b>Equity attributable to equity holders of the parent</b>						
Non-controlling interests	-	-	-	-	-	-
<b>Total Equity</b>	<b>2,670.88</b>	<b>0.93</b>	<b>2,671.81</b>	<b>1,083.25</b>	<b>(12.96)</b>	<b>1,070.29</b>
<b>Liabilities</b>						
<b>(1) Non-current Liabilities</b>						
<b>Financial Liabilities</b>						
(i) Borrowings	5,120.52	(26.74)	5,093.78	5,311.96	(19.61)	5,292.35
(ii) Other Financial Liabilities	3.35	-	3.35	3.10	-	3.10
Provisions	5.57	-	5.57	7.50	-	7.50
Deferred Tax Liabilities (Net)	-	-	-	-	-	-
<b>Total Non current Liabilities</b>	<b>5,129.44</b>	<b>(26.74)</b>	<b>5,102.70</b>	<b>5,322.56</b>	<b>(19.61)</b>	<b>5,302.95</b>
<b>(2) Current Liabilities</b>						
<b>Financial Liabilities</b>						
(i) Borrowings	2,887.74	(42.32)	2,845.42	3,585.81	-	3,585.81
(ii) Trade Payables	8.08	-	8.08	48.94	-	48.94
(iii) Other Financial Liabilities	1,064.62	-	1,064.62	1,442.27	12.96	1,455.23
Provisions	2.03	(0.50)	1.53	0.93	-	0.93
Current Tax Liabilities	44.60	-	44.60	2.15	-	2.15
Other Current Liabilities	6.92	-	6.92	6.48	-	6.48
<b>Total Current Liabilities</b>	<b>4,013.99</b>	<b>(42.82)</b>	<b>3,971.17</b>	<b>5,086.58</b>	<b>12.96</b>	<b>5,099.54</b>
<b>Total Equity and Liabilities</b>	<b>11,814.31</b>	<b>(68.63)</b>	<b>11,745.68</b>	<b>11,492.39</b>	<b>(19.61)</b>	<b>11,472.78</b>

## Notes to Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2017

### 3.3 Effects of Ind AS adoption on the Statement of Profit and loss for the year ended 31<sup>st</sup> March, 2016

(₹ in Crores)

Particulars	As on 31/3/2016 (Last period presented under previous GAAP)		
	Previous GAAP	Effect of Transition to Ind AS	Ind AS
<b>Income</b>			
Revenue from Operations	2,197.01	-	2,197.01
Other Income	70.36	0.02	70.38
<b>Total Income</b>	<b>2,267.37</b>	<b>0.02</b>	<b>2,267.39</b>
<b>Expenses</b>			
Purchase of Stock-in-Trade	148.51	-	148.51
Employee Benefits Expenses	27.54	3.17	30.71
Finance Costs	970.65	(13.36)	957.29
Depreciation and Amortisation Expenses	561.06	(1.41)	559.65
Other Expenses	89.84	1.41	91.25
<b>Total Expenses</b>	<b>1,797.60</b>	<b>(10.19)</b>	<b>1,787.41</b>
<b>Profit before exceptional items and tax</b>	<b>469.77</b>	<b>10.21</b>	<b>479.98</b>
Exceptional items	-	-	-
<b>Profit before tax</b>	<b>469.77</b>	<b>10.21</b>	<b>479.98</b>
Tax Expense			
Current Tax	112.30	-	112.30
Current Tax relating to prior year	(0.26)	-	(0.26)
Deferred Tax	-	-	-
	<b>112.04</b>	<b>-</b>	<b>112.04</b>
<b>Profit after tax</b>	<b>357.73</b>	<b>10.21</b>	<b>367.94</b>
<b>Other Comprehensive Income</b>			
Items that will not be reclassified to profit or loss - Remeasurement of defined benefit plans	-	3.17	3.17
Items that will be reclassified to profit or loss - Cash flow hedge reserve	-	-	-
<b>Other Comprehensive Income (After Tax)</b>	<b>-</b>	<b>3.17</b>	<b>3.17</b>
<b>Total Comprehensive Income for the year</b>	<b>357.73</b>	<b>13.38</b>	<b>371.11</b>
<b>Profit for the year attributable to</b>			
Owners of the Company	357.73	10.21	367.94
Non-controlling interests	-	-	-
	<b>357.73</b>	<b>10.21</b>	<b>367.94</b>
<b>Total comprehensive income for the year attributable to</b>			
Owners of the Company	357.73	13.38	371.11
Non-controlling interests	-	-	-
	<b>357.73</b>	<b>13.38</b>	<b>371.11</b>

## Notes to Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2017

### 3.4 Reconciliation of total equity as at 31<sup>st</sup> March, 2016 and 1<sup>st</sup> April 2015:

(₹ in Crores)

Particulars	As on 31/3/2016 (Last period presented under previous GAAP)	As on 01/04/2015 (Date of Transition)
<b>Total equity (shareholders' fund) under previous GAAP</b>	<b>2,670.88</b>	<b>1,083.25</b>
Effect of Measurement of Financial Liabilities at amortised cost	0.04	-
Effect of Measuring current Investment at fair value through Profit & Loss	0.02	-
Effect of Measuring derivative contracts at fair value	0.37	(12.96)
Dividend distribution tax on Proposed Dividend	0.50	-
<b>Total adjustment to equity</b>	<b>0.93</b>	<b>(12.96)</b>
<b>Total equity under Ind AS</b>	<b>2,671.81</b>	<b>1,070.29</b>

### 3.5 Reconciliation of Total Comprehensive Income for the year ended 31<sup>st</sup> March 2016:

(₹ in Crores)

Particulars	For the year ended 31 <sup>st</sup> March, 2016 (Last period presented under Previous GAAP)
<b>As per Previous GAAP</b>	<b>357.73</b>
<b>Ind AS: Adjustments increase (decrease):</b>	
Effect of Measurement of Financial Liabilities at amortised cost	0.04
Effect of Measuring current Investment at fair value through Profit & Loss	0.02
Effect of Measuring derivative contracts at fair value	13.32
Employee benefits expense - Actuarial Loss reclassified under OCI	(3.17)
<b>Total adjustment to profit or loss</b>	<b>10.21</b>
Profit under Ind AS	367.94
Other comprehensive income	3.17
<b>Total comprehensive income under Ind AS</b>	<b>371.11</b>

#### Explanation Notes of key components :

- Remeasurement cost of net defined benefit liability : The remeasurement cost arising primarily due to change in actuarial assumptions has been recognised in Other Comprehensive Income (OCI) under Ind AS compare to Statement of Profit and Loss under previous GAAP.
- Fair value of current investment : Under Ind AS, Non trade investments have been classified as Fair Valuation through Profit and Loss account ("FVTPL") on the date of transition and fair value changes thereafter the date of transition have been recognised in the Statement of Profit & Loss. Under previous GAAP, non trade investments were stated at lower of cost or fair value.
- Mark to Market (MTM) on derivative financial instruments : Derivative financial instruments have been fair valued through profit and loss under Ind-AS. Under Previous GAAP, the net mark to market losses on derivative financial instruments, other than those designated as cash flow hedges, were recognised in profit and loss, and the net gains, if any, were ignored.
- Fair valuation for Financial Assets and Financial Liabilities : The Group has valued certain financial assets and 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 or Other Comprehensive income, as the case may be.

### 3.6 Effects of Ind AS adoption on the financial statements of comparative periods:

As there is no material reconciliation item between Cash Flow statement prepared under Indian GAAP and those prepared under Ind AS, reconciliation for the same is not presented.

## Notes to Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2017

### 4. PROPERTY, PLANT AND EQUIPMENT, INTANGIBLE ASSETS AND CAPITAL WORK IN PROGRESS

#### 4.1 PROPERTY, PLANT AND EQUIPMENT

(₹ in Crores)

Description of Assets	Tangible Assets								Intangible Assets	
	Land (Free hold)	Building	Plant & Equipment	Furniture and Fixtures	Office Equipments	Computer Equipment	Vehicles	Total	Computer Software	Total
<b>I. Cost or Deemed Cost</b>										
Balance as at 1 <sup>st</sup> April, 2015	69.72	85.37	10,073.46	1.51	2.83	0.02	0.10	10,233.01	-	-
Additions	9.55	1.46	24.99	0.34	0.46	0.02	0.14	36.96	-	-
Disposals	-	-	(0.52)	-	-	-	-	(0.52)	-	-
Effect of foreign currency exchange differences	-	-	36.71	-	-	-	-	36.71	-	-
<b>Balance as at 31<sup>st</sup> March, 2016</b>	<b>79.27</b>	<b>86.83</b>	<b>10,134.64</b>	<b>1.85</b>	<b>3.29</b>	<b>0.04</b>	<b>0.24</b>	<b>10,306.16</b>	<b>-</b>	<b>-</b>
Additions	11.80	0.08	7.45	-	0.09	0.01	0.00	19.43	0.31	0.31
Disposals	-	-	-	-	-	-	-	-	-	-
Other Adjustment	-	-	(5.53)	-	-	-	-	(5.53)	-	-
Addition due to Acquisition	-	-	341.40	0.01	0.00	0.01	-	341.42	-	-
<b>Balance as at 31<sup>st</sup> March, 2017</b>	<b>91.07</b>	<b>86.91</b>	<b>10,477.96</b>	<b>1.86</b>	<b>3.38</b>	<b>0.06</b>	<b>0.24</b>	<b>10,661.48</b>	<b>0.31</b>	<b>0.31</b>
<b>II. Accumulated depreciation and impairment</b>										
Balance as at 1 <sup>st</sup> April, 2015	-	-	-	-	-	-	-	-	-	-
Depreciation expense	-	2.96	556.35	0.11	0.21	0.01	0.01	559.65	-	-
Eliminated on disposal of assets	-	-	-	-	-	-	-	-	-	-
<b>Balance as at 31<sup>st</sup> March, 2016</b>	<b>-</b>	<b>2.96</b>	<b>556.35</b>	<b>0.11</b>	<b>0.21</b>	<b>0.01</b>	<b>0.01</b>	<b>559.65</b>	<b>-</b>	<b>-</b>
Depreciation expense	-	2.99	565.85	0.12	0.23	0.01	0.02	569.22	0.03	0.03
Eliminated on disposal of assets	-	-	-	-	-	-	-	-	-	-
<b>Balance as at 31<sup>st</sup> March, 2017</b>	<b>-</b>	<b>5.95</b>	<b>1,122.20</b>	<b>0.23</b>	<b>0.44</b>	<b>0.02</b>	<b>0.03</b>	<b>1,128.87</b>	<b>0.03</b>	<b>0.03</b>

(₹ in Crores)

Description of Assets	Tangible Assets								Intangible Assets	
	Land (Free hold)	Building	Plant & Equipment	Furniture and Fixtures	Office Equipments	Computer Equipment	Vehicles	Total	Computer Software	Total
<b>Carrying Amount :</b>										
As at 1 <sup>st</sup> April, 2015	69.72	85.37	10,073.46	1.51	2.83	0.02	0.10	10,233.01	-	-
As at 31 <sup>st</sup> March, 2016	79.27	83.87	9,578.29	1.74	3.08	0.03	0.23	9,746.51	-	-
As at 31 <sup>st</sup> March, 2017	91.07	80.96	9,355.76	1.63	2.94	0.04	0.21	9,532.61	0.28	0.28

(Transactions below ₹50,000.00 denoted as ₹0.00)

#### 4.2 Capital Work-in-Progress

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
Capital Work-In-Progress	702.27	88.50	0.22
Capital Inventory	640.37	169.72	9.61
<b>Total</b>	<b>1,342.64</b>	<b>258.22</b>	<b>9.83</b>

(Transaction below ₹50,000.00 denoted as ₹0.00)



## Notes to Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2017

### 5 OTHER NON-CURRENT FINANCIAL ASSETS

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
(Unsecured, considered good)			
Balances held as Margin Money or security against borrowings	0.01	-	-
Financial Asset Under Service Concession Arrangement (SCA)	6.40	-	-
Security deposit	2.61	2.05	1.96
<b>Total</b>	<b>9.02</b>	<b>2.05</b>	<b>1.96</b>

### 6 INCOME TAX ASSETS (NET)

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
Current Tax	22.95	3.39	0.55
<b>Total</b>	<b>22.95</b>	<b>3.39</b>	<b>0.55</b>

### 7 OTHER NON-CURRENT ASSETS

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
(Unsecured, considered good)			
Capital advances	179.96	89.87	7.65
Prepaid Rent	26.24	24.61	25.00
Others	0.04	4.99	-
<b>Total</b>	<b>206.24</b>	<b>119.47</b>	<b>32.65</b>

### 8 INVENTORIES

(At lower of Cost and Net Realisable Value)

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
Stores & spares	38.66	21.76	20.61
<b>Total</b>	<b>38.66</b>	<b>21.76</b>	<b>20.61</b>

### 9 INVESTMENTS

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
<b>Unquoted Investments (fully paid)</b>			
<b>Investment in Mutual Funds</b>			
44,94,301.226 Units (31 <sup>st</sup> March 2016 : 47,83,358.794 Units 1 <sup>st</sup> April 2015 Nil) JM High Liquidity Fund (direct) Growth Plan	20.01	19.82	-
2,946.171 Units (31 <sup>st</sup> March 2016 Nil, 1 <sup>st</sup> April 2015 Nil) Reliance Liquid Fund - Treasury Plan - Direct Growth Plan	1.17	-	-
1,43,015.341 Units (31 <sup>st</sup> March 2016 Nil, 1 <sup>st</sup> April 2015 Nil) DSP Blackrock Liquidity Fund-Direct Growth Plan	33.26	-	-
7,482.697 Units (31 <sup>st</sup> March 2016 Nil, 1 <sup>st</sup> April 2015 Nil) IDFC Cash Fund-Growth-Direct Growth Plan	1.48	-	-
1,45,862.587 Units (31 <sup>st</sup> March 2016 Nil, 1 <sup>st</sup> April 2015 Nil) Baroda Pioneer Liquid Fund Plan - Direct Growth Plan	27.28	-	-
73,942.37 Units (31 <sup>st</sup> March 2016 Nil, 1 <sup>st</sup> April 2015 Nil) LIC Nomura MF Liquid Fund - Direct Growth Plan	21.80	-	-
<b>Total</b>	<b>105.00</b>	<b>19.82</b>	<b>-</b>
<b>Aggregate book value of unquoted investments</b>	<b>105.00</b>	<b>19.82</b>	<b>-</b>
<b>Aggregate market value of unquoted investments</b>	<b>105.00</b>	<b>19.82</b>	<b>-</b>

## Notes to Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2017

### 10 TRADE RECEIVABLES

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
Considered Good	189.56	182.35	448.76
Considered Doubtful	2.46	-	-
	<b>192.02</b>	<b>182.35</b>	<b>448.76</b>
Less : Provision for doubtful receivables	(2.46)	-	-
<b>Total</b>	<b>189.56</b>	<b>182.35</b>	<b>448.76</b>

### 11 CASH AND CASH EQUIVALENTS

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
<b>Balances with banks</b>			
In current accounts	13.36	9.12	3.09
<b>Total</b>	<b>13.36</b>	<b>9.12</b>	<b>3.09</b>

As per the amendment to Schedule III of the Companies Act 2013, by MCA notification dated 30<sup>th</sup> March 2017, every company shall disclose the details of Specified Bank Notes (SBN) held and transacted during the period from 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016 since the Group did not hold or transact in any cash during the entire year, the said disclosure is not applicable.

### 12 BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENT

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
Balances held as Margin Money	61.91	140.88	10.73
Fixed Deposit(with original maturity of more than 3 months)	317.91	1.38	1.27
(Lodge against Bank Guarantee and Debt Service Reserve Account)			
<b>Total</b>	<b>379.82</b>	<b>142.26</b>	<b>12.00</b>

### 13 CURRENT FINANCIAL ASSETS - LOANS

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
(Unsecured, considered good)			
Loans to employees	0.22	0.18	0.24
<b>Total</b>	<b>0.22</b>	<b>0.18</b>	<b>0.24</b>

### 14 CURRENT FINANCIAL ASSETS - OTHERS

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
(Unsecured, considered good)			
Interest receivable	3.18	0.40	0.23
Unbilled Revenue	595.65	920.57	391.54
Security deposit	0.19	0.12	0.44
Forward Cover Receivables	33.30	0.36	-
Others	0.17	-	-
<b>Total</b>	<b>632.49</b>	<b>921.45</b>	<b>392.21</b>

## Notes to Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2017

### 15 OTHER CURRENT ASSETS

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
(Unsecured, considered good)			
Advance to Suppliers	10.92	2.48	1.67
Balances with Government authorities	2.37	0.01	0.20
Prepaid Rent	2.06	1.48	1.42
Prepaid Expenses	2.52	0.93	0.68
Others	-	0.29	-
<b>Total</b>	<b>17.87</b>	<b>5.19</b>	<b>3.97</b>

### 16 EQUITY SHARE CAPITAL

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
<b>Authorised Share Capital</b>			
1,10,00,00,000 (As at 31 <sup>st</sup> March 2016 - 1,10,00,00,000, 1 <sup>st</sup> April 2015 - 1,10,00,00,000 ) equity shares of ₹10/- each	1,100.00	1,100.00	1,100.00
<b>Total</b>	<b>1,100.00</b>	<b>1,100.00</b>	<b>1,100.00</b>
<b>Issued, Subscribed and Fully paid-up equity shares</b>			
1,09,98,10,083 (As at 31 <sup>st</sup> March 2016 - 1,09,98,10,083, 1 <sup>st</sup> April 2015 - 1,09,00,00,000) fully paid up equity shares of ₹10/- each	1,099.81	1,099.81	1,090.00
<b>Total</b>	<b>1,099.81</b>	<b>1,099.81</b>	<b>1,090.00</b>

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

Equity Shares	As at 31 <sup>st</sup> March, 2017		As at 31 <sup>st</sup> March, 2016		As at 1 <sup>st</sup> April, 2015	
	No. Shares	(₹ in Crores)	No. Shares	(₹ in Crores)	No. Shares	(₹ in Crores)
At the beginning of the Year	1,09,98,10,083	1,099.81	1,09,00,00,000	1,090.00	1,09,00,00,000	1,090.00
Less : Cancellation of the shares due to Composite Scheme of Arrangement. (Refer note 37)	-	-	(1,09,00,00,000)	(1,090.00)	-	-
Add : Issued on account of Composite Scheme of Arrangement	-	-	1,09,98,10,083	1,099.81	-	-
<b>Outstanding at the end of the year</b>	<b>1,09,98,10,083</b>	<b>1,099.81</b>	<b>1,09,98,10,083</b>	<b>1,099.81</b>	<b>1,09,00,00,000</b>	<b>1,090.00</b>

#### b. Terms/rights attached to equity shares

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

#### c. Aggregate number of shares issued other than cash, during the period of five years immediately preceding the reporting date:

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
Equity shares allotted on account of Composite Scheme of Arrangement	-	1,09,98,10,083	-

## Notes to Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2017

### 16 EQUITY SHARE CAPITAL (Contd.)

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

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2017		As at 31 <sup>st</sup> March, 2016		As at 1 <sup>st</sup> April, 2015	
	No. Shares	% holding in the class	No. Shares	% holding in the class	No. Shares	% holding in the class
<b>Equity shares of ₹10 each fully paid</b>						
Mr. Gautam S. Adani / Mr. Rajesh S. Adani (On behalf of S.B. Adani Family Trust)	62,11,97,910	56.48%	62,11,97,910	56.48%	-	-
Adani Properties Private Limited	-	-	9,94,91,719	9.05%	-	-
Mr. Vinod S. Adani	-	-	9,07,49,100	8.25%	-	-
Parsa Kente Rail Infra LLP*	9,94,91,719	9.05%	-	-	-	-
Adani Enterprises Limited. (Holding Company with its nominees)	-	-	-	-	1,09,00,00,000	100.00%
	<b>72,06,89,629</b>	<b>65.53%</b>	<b>81,14,38,729</b>	<b>73.78%</b>	<b>1,09,00,00,000</b>	<b>100.00%</b>

\*Shares of the Company are held in the demat account of Parsa Kente Rail Infra Pvt. Ltd. as on 31<sup>st</sup> March 2017. Transfer to demat account of Parsa Kente Rail Infra LLP is under process.

As per records of the Company, including its register of shareholders/members and other declaration received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

### 17 OTHER EQUITY

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
<b>a. Surplus / (Deficit) in the Statement of Profit and Loss</b>			
Opening Balance	348.23	(19.71)	(6.75)
Add : Profit / (Loss) for the year	416.43	367.94	-
Add : MtoM Gain / (Loss) on early adoption of the "Guidance Note on Accounting for Derivative Contracts" issued by ICAI	-	-	(12.96)
<b>Total (a)</b>	<b>764.66</b>	<b>348.23</b>	<b>(19.71)</b>
<b>b. Other Comprehensive Income</b>			
<b>i) Remeasurement of defined employee benefit plans</b>			
Opening Balance	3.17	-	-
Add: during the year	0.75	3.17	-
<b>Closing Balance</b>	<b>3.92</b>	<b>3.17</b>	<b>-</b>
<b>ii) Hedge Reserve</b>			
Opening Balance	-	-	-
Less: Reduction on account of cash flow hedge	(157.83)	-	-
<b>Closing Balance</b>	<b>(157.83)</b>	<b>-</b>	<b>-</b>
<b>Total (b)</b>	<b>(153.91)</b>	<b>-</b>	<b>-</b>
<b>c. Capital Reserve</b>			
Opening Balance	-	-	-
Add : Capital Reserve on Acquisition	15.37	-	-
<b>Closing Balance</b>	<b>15.37</b>	<b>-</b>	<b>-</b>
<b>d. General Reserve</b>			
Opening Balance	1,220.60	-	-
Add: Addition on account of merger	-	1,220.60	-
<b>Closing Balance</b>	<b>1,220.60</b>	<b>1,220.60</b>	<b>-</b>
<b>Total (a + b + c + d)</b>	<b>1,846.72</b>	<b>1,572.00</b>	<b>(19.71)</b>

## Notes to Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2017

### 18 NON CURRENT FINANCIAL LIABILITIES -BORROWINGS

(₹ in Crores)

Particulars	Non-Current			Current		
	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
<b>Secured</b>						
<b>Bonds</b>						
9.10% INR Bonds (Masala Bond)	439.57	-	-	50.00	-	-
4.00% USD Bonds	3,162.93	-	-	-	-	-
<b>Term Loans</b>						
From Banks						
Ruppee Loan	444.17	3,584.42	3,719.82	14.45	597.05	676.69
Foreign Currency Loan	213.54	516.46	533.13	-	48.70	45.94
From Financial Institutions	82.17	-	1,039.40	-	-	80.79
Trade Credits						
From Banks	233.73	-	-	-	-	-
Non Convertible Debenture						
9.25% Non Convertible Debenture	148.76	148.23	-	-	-	-
9.35% Non Convertible Debenture	361.60	197.63	-	-	-	-
9.45% Non Convertible Debenture	647.82	647.04	-	-	-	-
9.70% Non Convertible Debenture	-	-	-	250.00	-	-
9.85% Non Convertible Debenture	1,247.96	-	-	-	-	-
10.25% Non Convertible Debenture	746.83	-	-	-	-	-
<b>Total</b>	<b>7,729.08</b>	<b>5,093.78</b>	<b>5,292.35</b>	<b>314.45</b>	<b>645.75</b>	<b>803.42</b>
Amount disclosed under the head "Other current liabilities" (Refer note 24)	-	-	-	(314.45)	(645.75)	(803.42)
<b>Net amount</b>	<b>7,729.08</b>	<b>5,093.78</b>	<b>5,292.35</b>	<b>-</b>	<b>-</b>	<b>-</b>

#### Notes

1 INR Bonds (Masala Bond) aggregating ₹500 crores (31<sup>st</sup> March 2016 ₹ Nil) are secured by first ranking pari passu charge in favour of the Security trustee (for the benefit of the Bond holders) over all the assets (movable and immovable) including current assets and pledge over 100% shares of ATIL and MEGPTCL. (Both are 100% Subsidiaries of the company). The Bonds have quarterly structured payments from financial year 18 to financial year 22.

USD Bonds aggregating ₹3,242.50 crores (31<sup>st</sup> March 2016 ₹Nil) are secured by first ranking pari passu charge in favour of the Security trustee (for the benefit of the Bond holders) over all the assets (movable and immovable) including current assets and pledge over 100% shares of ATIL and MEGPTCL. (Both are 100% Subsidiaries of the company). The Bonds have bullet payment in financial year 2026

Ruppee term loan from Banks aggregating ₹Nil (31<sup>st</sup> March, 2016 - ₹1,850.00 crores , 1<sup>st</sup> April, 2015 - ₹ Nil), are secured by first ranking pari passu charge over all the fixed assets (movable and immovable) , present and future and pledge over 100% shares of ATIL and MEGPTCL (Both are 100% Subsidiaries of the company).

INR NCDs (Non Convertible Debenture) aggregating to ₹3,415.00 crores, (31<sup>st</sup> March, 2016 - ₹1,000.00 crores, 1<sup>st</sup> April, 2015 - ₹Nil), are secured by first ranking pari passu charge in favour of the Debenture trustee (for the benefit of the debenture holders) over all the assets (movable and immovable) including current assets and pledge over 100% shares of ATIL and MEGPTCL (Both are 100% Subsidiaries of the company). NCD's are redeemable at different maturities from financial year 18 to financial year 22.

## Notes to Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2017

### 18 NON CURRENT FINANCIAL LIABILITIES -BORROWINGS (Contd.)

- 2 Rupee term loan from Banks aggregating to ₹Nil (31<sup>st</sup> March,2016- ₹506.17 crores and 1<sup>st</sup> April 2015- ₹1,621.89 crores) carrying interest rate 11.80% p.a. to 12.55% p.a., rupee term loan from financial institution ₹Nil (31<sup>st</sup> March,2016- ₹Nil and 1<sup>st</sup> April 2015- ₹1,120.19 crores) carrying interest rate of 10.59% on weighted average basis and foreign currency loan aggregating to ₹Nil (31<sup>st</sup> March,2016 - ₹565.16 Crores and 1<sup>st</sup> April 2015 ₹579.06 Crores ) carrying interest 6 month LIBOR + spread of 4.20% are secured / to be secured by first charge on all immovable and movable assets, both present and future of transmission line & substation project on pari passu basis.
- 3 Rupee term loan from Banks aggregating to ₹Nil (31<sup>st</sup> March,2016- ₹1,844.94 Crores and 1<sup>st</sup> April,2015- ₹2,416.04 Crores) carrying interest 11.55% p.a. to 12.80% p.a. are secured/to be secured by first charge on all immovable and movable assets of Mundra-Mohingerh-Dehgam transmission project and rupee term loan from bank ₹Nil (31<sup>st</sup> March,2016- ₹Nil and 1<sup>st</sup> April,2015- ₹378.20 Crores) carrying interest rate of 11.55% on weighted average basis are secured/to be secured by first charge on all immovable and movable assets of Tiroda-Warora transmission project.
- 4 Foreign currency trade credits from Banks aggregating to ₹71.68 Crores (31<sup>st</sup> March 2016 ₹Nil), Trade credits in Rupee terms from banks aggregating to ₹68.57 Crores (31<sup>st</sup> March 2016 ₹Nil) Rupee term loans of ₹2.00 Crores (31<sup>st</sup> March 2016 ₹Nil) from Financial Institution further secured /to be secured by first charge on receivables of the company and on all immovable and movable assets of the company on pari passu basis and carry an interest rate of 0.5% - 2.5% p.a. on Foreign Currency trade credits, 8% to 10% P.a on Rupee term trade credit and 11.50% p.a. on Rupee term loans. The loan is repayable in 64 structured instalments starting from Financial Year 2020 - 2021.
- 5 Buyer's credit from Banks aggregating to ₹83.79 Crores (31<sup>st</sup> March 2016 ₹Nil), Foreign letter of credit from banks aggregating to ₹2.28 Crores (31<sup>st</sup> March 2016 ₹Nil) , Inland Letter of Credit ₹206.85 Crores (31<sup>st</sup> March 2016 ₹Nil), Rupee term loans from Bank ₹40.50 Crores (31<sup>st</sup> March 2016 ₹Nil) Rupee term loans from Financial Institution ₹39.37 (31<sup>st</sup> March 2016 ₹Nil) further secured / to be secured by first charge on receivables of the company and on all immovable and movable assets of the company on pari passu basis and carry an interest rate of 0.5% to 2.5% p.a. on Foreign Currency trade credits, 8% to 10% P.a on Rupee term trade credit and 11% to 11.45% p.a. on Rupee term loans. The loan is repayable in 44 structured Quarterly instalments starting from Financial Year 2020-2021
- 6 Buyer's credits from Banks aggregating to ₹73.15 Crores (31<sup>st</sup> March 2016 ₹Nil), Foreign Letter of credit aggregating to ₹5.09 Crores (31<sup>st</sup> March 2016 ₹Nil), Inland letter of credit ₹72.18 Crores (31<sup>st</sup> March 2016 ₹Nil), Rupee term loans from Banks ₹15.00 Crores (31<sup>st</sup> March 2016 ₹Nil), Rupee Term Loan from Financial Institution ₹42.61 Crores (31<sup>st</sup> March 2016 ₹Nil) further secured /to be secured by first charge on receivables of the company and on all immovable and movable assets of the company on pari passu basis and carry an interest rate of 0.5% to 2.5% p.a. on Foreign Currency trade credits, 8% to 10% P.a on Rupee term trade credit and 11% p.a. on Rupee term loans. The loan is repayable in 76 structured instalments starting from 2021.
- 7 i) Rupee term loan from Banks aggregating to ₹7.74 Crores is secured by way of a First Ranking mortgage/Hypothecation/ Assignment/Security interest/pledge on (1) the immovable property comprising of land and building, both present and future, acquired, (2) movable, current assets, both present and future (3) Pledge of shares representing 30% of the total Equity shares of the company (4) All rights, titles, permits and Interest of the company in respect of all the assets, project documentation, including all insurance contracts & clearances and carries interest @ Base rate Plus spread of 2.75%. The loan is repayable in 28 quarterly instalments commencing from 31<sup>st</sup> March 2014.
- ii) Foreign Currency loan (ECB Loan) from Bank aggregating to ₹107.58 Crores is secured by way of a first Ranking mortgage / Hypothecation / Assignment / Security Interest / pledge on (1) the immovable property comprising of land and building both present and future acquired, (2) movable, current assets both present and future (3) Pledge of shares representing 30% of the total Equity shares of the company (4) All rights,titles, permits and interest of the company in respect of all the assets, Project doumentation, including all insurance contracts and clearances. The Loan carries an Interest @ LIBOR plus 4.5% per annum. The entire FC loan is convertible into Rupee term loan on the date falling 261 weeks after the date of first disbursement . i.e 7<sup>th</sup> December 2017. The loan is repayable in 39 quarterly instalments.
- 8 i) Rupee term loan from Banks aggregating to ₹54.07 Crores is secured by way of a First Ranking mortgage/Hypothecation/ Assignment/Security interest/pledge on (1) the immovable property comprising of land and building, both present and future, acquired, (2) movable, current assets, both present and future (3) Pledge of shares representing 30% of the

## Notes to Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2017

### 18 NON CURRENT FINANCIAL LIABILITIES -BORROWINGS (Contd.)

total Equity shares of the company (4) All rights, titles, permits and Interest of the company in respect of all the assets, project documentation, including all insurance contracts & clearances and carries interest @ Base rate Plus spread of 2.75%. The loan is repayable in 28 quarterly instalments commencing from 31<sup>st</sup> March 2014.

ii) Foreign Currency loan (ECB Loan) from bank aggregating ₹107.81 Crores is secured by way of a First Ranking mortgage/ Hypothecation / Assignment / Security Interest / pledge on (1) the immovable property comprising of land and building, both present and future, acquired (2) movable current assets, both present and future (3) Pledge of shares representing 30% of the total Equity shares of the company (4) All rights, titles, permits and interest of the company in respect of all the assets, project documentation, including all insurance contracts & clearances. The Loan carries an Interest @ LIBOR plus 4.5% per annum. The entire FC loan is repayable as on bullet payment on the date falling 261 weeks after the date of first disbursement.i.e 9<sup>th</sup> May 2018

9 Rupee term loan from Financial Institution aggregating to ₹6.75 Crores, having an interest rate of 11.20% on Rupee term loans is secured /to be secured by first charge on receivables and on immovable and movable assets created out of project on paripassu basis. The loan is repayable in 61 structured quarterly instalments with repayment schedule starting from FY 2019-20 with and will end on financial year 2034-35

Foreign Currency Trade Credits aggregating to ₹8.19 Crores ,having an interest rate of 1.955% p.a. is secured / to be secured by first charge on receivables and on immovable and movable assets created out of project on paripassu basis.

### 19 NON CURRENT FINANCIAL LIABILITIES - OTHERS

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
Retention Money	0.29	3.35	3.10
Provision for estimated loss on Derivative Contracts	246.36	-	-
<b>Total</b>	<b>246.65</b>	<b>3.35</b>	<b>3.10</b>

### 20 PROVISIONS

(₹ in Crores)

Particulars	Non-Current			Current		
	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
<b>Net employee defined benefit liabilities</b>						
Provision for Employee Benefits*	4.62	5.57	7.50	2.33	1.53	0.93
<b>Total</b>	<b>4.62</b>	<b>5.57</b>	<b>7.50</b>	<b>2.33</b>	<b>1.53</b>	<b>0.93</b>

\*Current and Non Current Classification done on the basis of Actuarial Valuation Certificate.

### 21 DEFERRED TAX LIABILITIES (NET)

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
<b>Deferred Tax Liabilities</b>			
Timing difference between book and tax depreciation	(144.81)	-	-
Less :- Deferred Assets for deferred tax liabilities	144.81	-	-
<b>Net Deferred Tax Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>

CERC / MERC tariff norms provide the recovery of Income Tax from the beneficiaries by way of grossing up the return on equity based on effective tax rate for the financial year shall be based on the actual tax paid during the year on the transmission income. Accordingly, deferred tax liability provided during the period is fully recoverable from beneficiaries and known as "deferred assets against deferred tax liabilities". The same will be recovered when the related deferred tax liability forms a part of current tax.

## Notes to Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2017

### 22 CURRENT FINANCIAL LIABILITIES - BORROWINGS

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
<b>Secured</b>			
Trade Credits			
From Banks	11.00	-	-
	<b>11.00</b>	-	-
<b>Unsecured</b>			
From Financial Institutions	-	460.00	-
From Related Parties	177.11	927.73	3,585.81
Commercial Paper	743.17	1,457.69	-
	<b>920.28</b>	<b>2,845.42</b>	<b>3,585.81</b>
<b>Total</b>	<b>931.28</b>	<b>2,845.42</b>	<b>3,585.81</b>

Foreign letter of credit from Banks aggregating to ₹11.00 crores secured / to be secured by subservient charge on current assets (charge on receivables, cash, bank accounts including TRA accounts etc.) as well as non-current assets (i.e. investments / loans in group companies or other entities) of the company and carry an interest rate of 1.00% - 2.5% p.a.

### 23 TRADE PAYABLES

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
<b>Trade Payables</b>			
Acceptances	-	-	-
Micro and Small Enterprises	-	0.16	-
Other than Micro and Small Enterprises	25.75	6.95	48.57
Accrual for Employees	1.40	0.97	0.37
<b>Total</b>	<b>27.15</b>	<b>8.08</b>	<b>48.94</b>

The Disclosure in respect of the amounts payable to Micro and Small Enterprises have been made in the Consolidated Financial Statements based on the information received and available with the Group. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Group has not received any claim for interest from any supplier as at the balance sheet date. These facts has been relied upon by the auditors.

### 24 CURRENT FINANCIAL LIABILITIES - OTHERS

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
Current maturities of long-term borrowings (Refer note 18)	314.45	645.75	803.43
Interest accrued but not due on borrowings	352.85	119.75	5.07
Retention money payable	72.62	160.27	222.75
Capital Creditors	82.98	137.88	411.02
Book Overdraft	0.98	-	-
Provision for estimated loss on Derivative Contracts	86.05	-	12.96
Others	0.20	0.97	-
<b>Total</b>	<b>910.13</b>	<b>1,064.62</b>	<b>1,455.23</b>



## Notes to Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2017

### 25 CURRENT TAX LIABILITIES

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
Current Tax	-	44.60	2.15
<b>Total</b>	<b>-</b>	<b>44.60</b>	<b>2.15</b>

### 26 OTHER CURRENT LIABILITIES

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
Statutory liabilities (Including PF, TDS, WCT, VAT, Professional tax, Service tax)	9.78	6.02	6.48
Advance from Customers	1.89	0.90	-
Others	1.62	-	-
<b>Total</b>	<b>13.29</b>	<b>6.92</b>	<b>6.48</b>

### 27 REVENUE FROM OPERATIONS

(₹ in Crores)

Particulars	For the year ended 31 <sup>st</sup> March, 2017	For the year ended 31 <sup>st</sup> March, 2016
Income from transmission line	2,116.87	2,045.33
Income under Service Concession Arrangement	6.40	-
Sale of Traded Goods	755.53	148.54
Other Operating Revenue	0.65	3.14
<b>Total</b>	<b>2,879.45</b>	<b>2,197.01</b>
<b>Details of Traded Goods</b>		
Agro commodities	755.53	148.54

### 28 OTHER INCOME

(₹ in Crores)

Particulars	For the year ended 31 <sup>st</sup> March, 2017	For the year ended 31 <sup>st</sup> March, 2016
Interest Income		
- Bank	10.87	2.89
- Other	0.96	57.06
Income from mutual funds	8.70	8.28
Profit on Sale/Retirement of property, plant and equipment (Net)	-	0.03
Sale of Scrap	0.76	0.19
Liabilities no longer required to pay	0.34	1.93
Miscellaneous Income	0.47	-
<b>Total</b>	<b>22.10</b>	<b>70.38</b>

## Notes to Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2017

### 29 PURCHASE OF TRADED GOODS

(₹ in Crores)

Particulars	For the year ended 31 <sup>st</sup> March, 2017	For the year ended 31 <sup>st</sup> March, 2016
Purchase of traded goods	755.40	148.51
<b>Total</b>	<b>755.40</b>	<b>148.51</b>
<b>Details of Traded Goods</b>		
Agro commodities	755.40	148.51

### 30 EMPLOYEE BENEFIT EXPENSES

(₹ in Crores)

Particulars	For the year ended 31 <sup>st</sup> March, 2017	For the year ended 31 <sup>st</sup> March, 2016
Salaries, Wages and Bonus	41.52	27.26
Contribution to Provident and Other Funds	3.30	2.88
Employee Welfare Expenses	1.09	0.57
<b>Total</b>	<b>45.91</b>	<b>30.71</b>

### 31 FINANCE COSTS

(₹ in Crores)

Particulars	For the year ended 31 <sup>st</sup> March, 2017	For the year ended 31 <sup>st</sup> March, 2016
Interest Expenses	708.61	938.77
Bank Charges & Other Borrowing Costs	46.63	23.34
Loss / (Gain) on Derivatives Contracts & Exchange rate difference (net)	148.77	(4.82)
<b>Total</b>	<b>904.01</b>	<b>957.29</b>

### 32 OTHER EXPENSES

(₹ in Crores)

Particulars	For the year ended 31 <sup>st</sup> March, 2017	For the year ended 31 <sup>st</sup> March, 2016
Operating Cost	28.54	39.53
Construction Cost Under Service Concession Arrangement	5.77	-
Repairs and Maintenance		
Others	1.11	2.54
Rent	7.73	6.92
Rates and Taxes	0.33	0.40
Legal & Professional Expenses	23.04	13.01
Discount on Prompt Payment of Bills	3.74	3.23
Directors' Sitting Fees	0.11	0.05
Payment to Auditors (Refer note below)	0.19	0.07
Communication Expenses	0.54	0.27
Travelling & Conveyance Expenses	4.94	4.22
Crop Compensation expenses	5.21	9.38
Supervision & Testing Charges	0.06	1.30
Insurance Expenses	1.78	2.60
Factory & Office Expenses	0.87	0.99

## Notes to Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2017

### 32 OTHER EXPENSES (Contd.)

(₹ in Crores)

Particulars	For the year ended 31 <sup>st</sup> March, 2017	For the year ended 31 <sup>st</sup> March, 2016
Printing & Stationary Expense	0.22	0.10
Corporate Social Responsibility expenses	4.73	1.49
Security Charges	4.36	3.39
Advertisement & Selling expenses	0.42	0.42
Miscellaneous Expenses	1.36	1.34
<b>Total</b>	<b>95.05</b>	<b>91.25</b>

### Payment to Auditors

(₹ in Crores)

Particulars	For the year ended 31 <sup>st</sup> March, 2017	For the year ended 31 <sup>st</sup> March, 2016
<b>As auditor:</b>		
Statutory Audit Fees	0.05	0.03
Tax Audit Fees	0.01	0.01
Others	0.13	0.03
<b>Total</b>	<b>0.19</b>	<b>0.07</b>

### 33 INCOME TAX

(₹ in Crores)

Particulars	For the year ended 31 <sup>st</sup> March, 2017	For the year ended 31 <sup>st</sup> March, 2016
<b>Income Tax Expenses</b>		
Current Tax :		
Current Income Tax Charge (MAT)	115.50	112.30
Current Tax relating to earlier periods	-	(0.26)
	<b>115.50</b>	<b>112.04</b>

### 34 EARNINGS PER SHARE

(₹ in Crores)

Particulars	For the year ended 31 <sup>st</sup> March, 2017	For the year ended 31 <sup>st</sup> March, 2016
<b>Basic and Diluted EPS - From Total Operations</b>		
Profit/ (Loss) attributable to equity shareholders (₹ in Crores)	416.43	367.94
Weighted average number of equity shares outstanding	No. 1,099,810,083	1,099,810,083
Nominal Value of equity share	₹ 10	10
Basic and Diluted EPS	₹ 3.79	3.35

### 35 CONTINGENT LIABILITIES AND COMMITMENTS :

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
<b>(i) Contingent liabilities :</b>			
Claims against the Company not acknowledged as debts in respect of:			
Income Tax	0.11	-	-
	<b>0.11</b>	<b>-</b>	<b>-</b>
<b>(ii) Commitments :</b>			
Estimated amount of contracts remaining to be executed on capital account and not provided for	562.94	1263.05	27.84
	<b>562.94</b>	<b>1263.05</b>	<b>27.84</b>

## Notes to Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2017

### 36 CAPITAL MANAGEMENT

The Company's objectives when managing capital is to safeguard continuity and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth. The Company'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, borrowings. The Company's policy is to use borrowings to meet anticipated funding requirements. The Company monitors capital on the basis of the net debt to equity ratio.

No changes were made in the objectives, policies or processes for managing capital during the years ended as at 31<sup>st</sup> March, 2017 and as at 31<sup>st</sup> March, 2016.

**37** As per the approved Scheme of arrangement, Transmission Undertaking of Adani Enterprises Limited ("AEL") has been merged into the Company along with its assets and liabilities from the appointed date of 1<sup>st</sup> April, 2015. Pursuant to the merger of the Transmission Undertaking of AEL into Company and based on fair valuation done, the Company has issued and allotted 109,98,10,083 new equity shares of ₹10 each to the equity shareholders of AEL in the ratio of 1 equity shares in Company for every 1 equity shares held by the equity shareholder in AEL. The equity shares held by AEL and Loan payable to AEL in Company has been cancelled on approval of the said scheme by the Hon'ble High Court of Gujarat vide its order dated 7<sup>th</sup> May, 2015.

**38 a)** The Company has taken various derivatives to hedge its loans. The outstanding position of derivative instruments are as under:

Nature	Purpose	As at 31 <sup>st</sup> March, 2017		As at 31 <sup>st</sup> March, 2016		As at 1 <sup>st</sup> April, 2015	
		(₹in Crores)	Foreign Currency (USD in Million)	(₹in Crores)	Foreign Currency (USD in Million)	(₹in Crores)	Foreign Currency (USD in Million)
(i) Principal only swaps	Hedging of foreign currency borrowings principal liability	2,290.57	353.21	-	-	-	-
(ii) Forward covers	Hedging of foreign currency borrowing, Acceptances and Firm Commitments	1,224.63	188.84	-	-	-	-
(iii) Options	a) Hedging of foreign currency Borrowing, Acceptances and Firm Commitments	347.66	53.61	565.16	85.30	579.06	92.65
	b) Hedging of Interest liability on foreign currency borrowings	129.70	20.00	-	-	-	-
(iv) Interest rate swap (variable to fixed rate)	Hedging of interest rate on foreign currency borrowing liability	215.30	33.20	-	-	-	-

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

Particulars	As at 31 <sup>st</sup> March, 2017		As at 31 <sup>st</sup> March, 2016	
	(₹in Crores)	Foreign Currency (USD in Million)	(₹in Crores)	Foreign Currency (USD in Million)
1. Payable	0.95	0.15	85.21	12.86
2. Interest accrued but not due	1.06	0.16	4.53	0.68

## Notes to Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2017

38 (Contd.)

### (c) Foreign Currency Risk Sensitivity

A change of 1% in Foreign currency would have following impact on profit before tax

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2017		As at 31 <sup>st</sup> March, 2016	
	1% Increase	1% Decrease	1% Increase	1% Decrease
USD sensitivity				
Rupees/USD - (Increase)/Decrease	(0.00)	0.00	(0.05)	0.05
(Transactions below ₹50,000.00 denoted as ₹0.00)				

### 39 RELATED PARTY DISCLOSURE

As per the Ind AS 24, disclosure of transactions with related parties (As identified by the Management), are given below:

#### Name of related parties & description of relationship

(A) Holding/Controlling Entity:	S. B. Adani Family Trust (SBAFT)
(B) Key Management Personnel:	Mr. Gautam S. Adani, Chairman Mr. Deepak Bhargava, Whole-time Director (Resigned w.e.f. 31 <sup>st</sup> March, 2017) Mr. Kaushal Shah, Chief Financial Officer Mr. Jaladhi Shukla, Company Secretary
(C) Enterprises over which (A) or (B) above have significant influence:	Adani Infra (India) Limited Adani Power Limited Adani Power Maharashtra Limited Adani Green Energy Limited Adani Ports and Special Economic Zone Limited Adani Global FZE Adani Green Energy (Tamilnadu) Limited Adani Enterprises Limited Adani Power Rajasthan Limited Adani Agri Fresh Limited Adani Hospitals Mundra Private Limited Kamuthi Solar Power Limited Mundra Solar PV Limited Udupi Power Corporation Limited Adani wilmar Limited Adani Foundation

(₹ in Crores)

Nature of Transaction	Name of Related Party	For the year ended 31 <sup>st</sup> March, 2017	For the year ended 31 <sup>st</sup> March, 2016
Interest Expenses	Adani Infra (India) Limited	56.15	128.02
	Adani Agri Fresh Limited	8.60	50.76
	Adani Ports and Special Economic Zone Limited	-	7.03
Reimbursement of the expenses	Adani Enterprises Limited	-	0.14
Purchase of Capital Goods	Adani Global FZE	-	86.52
	Adani Power Limited	-	0.06
Purchase of Goods	Adani Power Maharashtra Limited	-	0.07
	Adani Power Rajasthan Limited	0.30	-
Purchase of Assets	Adani Enterprises Limited	-	0.03

## Notes to Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2017

### 39 RELATED PARTY DISCLOSURE (Contd.)

(₹ in Crores)

Nature of Transaction	Name of Related Party	For the year ended 31 <sup>st</sup> March, 2017	For the year ended 31 <sup>st</sup> March, 2016
Sale of Fixed Assets	Adani Green Energy (Tamilnadu) Limited	-	0.57
Professional Fees	Adani Enterprises Limited	11.12	2.20
Rent Expense	Adani Enterprises Limited Adani Power Limited	0.10 0.09	0.06 -
Loan Taken	Adani Infra (India) Limited Adani Agri Fresh Limited Adani Ports and Special Economic Zone Limited	892.04 - -	564.36 49.49 427.00
Loan Repaid	Adani Infra (India) Limited Adani Agri Fresh Limited Adani Ports and Special Economic Zone Limited	1,407.26 235.40 -	1,181.44 896.65 427.00
Employee Transfer	Adani Power Limited Adani Power Maharashtra Limited Adani Enterprises Limited Adani Infra (India) Limited Adani Power Rajasthan Limited Adani Green Energy Limited Adani Hospitals Mundra Private Limited Mundra Solar Pv Limited Udupi Power Corporation Limited	0.29 0.25 0.06 0.43 0.11 0.06 0.00 0.20 0.02	0.12 0.00 0.00 0.00 0.00 - - - -
Sale of Goods	Adani Wilmar Limited	494.04	-
Sale of Stores & Spares	Kamuthi Solar Power Limited	0.01	-
Land Purchase	Adani Green Energy (Tamilnadu) Limited	0.02	-
CSR Expenditure	Adani Foundation	4.46	1.49
Remuneration	Mr. Deepak Bhargava Mr. Kaushal Shah	1.83 1.00	1.71 0.65

(₹ in Crores)

Closing Balances	Name of Related Party	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
Balance Payable	Adani Enterprises Limited Adani Power Limited Adani Power Maharashtra Limited Adani Green Energy Limited Mundra Solar Pv Limited	0.33 - 0.06 0.06 0.20	1.26 9.62 1.07 - -
Balance Receivable	Adani Power Limited Adani Power Maharashtra Limited Kamuthi Solar Power Limited Adani Infra (India) Limited Adani Enterprises Limited Adani Power Rajasthan Limited Udupi Power Corporation Limited	0.26 0.19 0.00 0.43 0.34 0.11 0.02	0.02 - - - - - -
Loan Liabilities	Adani Infra (India) Limited Adani Agri Fresh Limited	177.11 -	692.33 235.40
Interest accrued but not due	Adani Infra (India) Limited	65.93	83.04

(Transactions below ₹50,000.00 denoted as ₹0.00)

## Notes to Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2017

### 40 FAIR VALUE MEASUREMENT:

a) The carrying value of financial instruments by categories as of 31<sup>st</sup> March, 2017 is as follows:

(₹ in Crores)

Particulars	Fair Value through Other Comprehensive Income	Fair Value through profit or loss	Derivative instruments not in hedging relationship	Amortised cost	Total
<b>Financial Assets</b>					
Investments	-	105.00	-	-	105.00
Trade Receivables	-	-	-	189.56	189.56
Cash and Cash Equivalents	-	-	-	13.36	13.36
Bank Balances Other than (iii) above	-	-	-	379.82	379.82
Loans	-	-	-	0.22	0.22
Derivative Instruments	-	33.30	-	-	33.30
Other Financial Assets	-	-	-	608.21	608.21
<b>Total</b>	<b>-</b>	<b>138.30</b>	<b>-</b>	<b>1,191.17</b>	<b>1,329.47</b>
<b>Financial Liabilities</b>					
Borrowings (Including current maturities)	-	-	-	8,974.81	8,974.81
Derivative Instrument	157.83	88.53	-	-	246.36
Other Financial Liabilities	-	-	-	595.97	595.97
Trade Payables	-	-	-	27.15	27.15
<b>Total</b>	<b>157.83</b>	<b>88.53</b>	<b>-</b>	<b>9,597.93</b>	<b>9,844.29</b>

b) The carrying value of financial instruments by categories as of 31<sup>st</sup> March, 2016 is as follows:

(₹ in Crores)

Particulars	Fair Value through other Comprehensive income	Fair Value through profit or loss	Derivative instruments not in hedging relationship	Amortised cost	Total
<b>Financial Assets</b>					
Investments	-	19.82	-	-	19.82
Trade Receivables	-	-	-	182.35	182.35
Cash and Cash Equivalents	-	-	-	9.12	9.12
Bank Balances Other than (III) above	-	-	-	142.26	142.26
Loans	-	-	-	0.18	0.18
Derivative Assets	-	0.36	-	-	0.36
Other Financial Assets	-	-	-	923.14	923.14
<b>Total</b>	<b>-</b>	<b>20.18</b>	<b>-</b>	<b>1,257.05</b>	<b>1,277.23</b>

## Notes to Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2017

### 40 FAIR VALUE MEASUREMENT: (Contd.)

b) The carrying value of financial instruments by categories as of 31<sup>st</sup> March, 2016 is as follows: (Contd.)

(₹ in Crores)

Particulars	Fair Value through other Comprehensive income	Fair Value through profit or loss	Derivative instruments not in hedging relationship	Amortised cost	Total
<b>Financial Liabilities</b>					
Borrowings (Including current maturities)	-	-	-	8,584.95	8,584.95
Other Financial Liabilities	-	-	-	422.22	422.22
Trade Payables	-	-	-	8.08	8.08
<b>Total</b>	-	-	-	<b>9,015.25</b>	<b>9,015.25</b>

c) The carrying value of financial instruments by categories as of 1<sup>st</sup> April, 2015 is as follows:

(₹ in Crores)

Particulars	Fair Value through other Comprehensive income	Fair Value through profit or loss	Derivative instruments not in hedging relationship	Amortised cost	Total
<b>Financial Assets</b>					
Trade Receivables	-	-	-	448.76	448.76
Cash and Cash Equivalents	-	-	-	3.09	3.09
Bank Balances Other than (III) above	-	-	-	12.00	12.00
Loans	-	-	-	0.24	0.24
Other Financial Assets	-	-	-	394.17	394.17
<b>Total</b>	-	-	-	<b>858.26</b>	<b>858.26</b>
<b>Financial Liabilities</b>					
Borrowings (Including current maturities)	-	-	-	9,681.59	9,681.59
Derivative Liabilities	-	12.96	-	-	12.96
Other Financial Liabilities	-	-	-	641.94	641.94
Trade Payables	-	-	-	48.94	48.94
<b>Total</b>	-	<b>12.96</b>	-	<b>10,372.47</b>	<b>10,385.43</b>

### 41 FAIR VALUE HIERARCHY

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
	Level 2	Level 2	Level 2
<b>Assets</b>			
Investments	105.00	19.82	-
Derivative Assets	33.30	0.36	-
<b>Total</b>	<b>138.30</b>	<b>20.18</b>	<b>-</b>
<b>Liabilities</b>			
Derivative Liabilities	246.36	-	12.96
<b>Total</b>	<b>246.36</b>	<b>-</b>	<b>12.96</b>



## Notes to Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2017

### 42 FINANCIAL RISK OBJECTIVE AND POLICIES

The Group's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations/projects and to provide guarantees to support its operations and its subsidiaries. The Company's principal financial assets include loans, investment including mutual funds, trade and other receivables, and cash & cash equivalents that derive directly from its operations.

In the ordinary course of business, the Group is mainly exposed to risks resulting from exchange rate fluctuation (currency risk), interest rate movements (interest rate risk) collectively referred as Market Risk, Credit Risk, Liquidity Risk and other price risks such as equity price risk. The Group's senior management oversees the management of these risks. It manages its exposure to these risks through derivative financial instruments by hedging transactions. It uses derivative instruments such as Principal only Swaps, Interest rate swaps, foreign currency future options and foreign currency forward contract to manage these risks. These derivative instruments reduce the impact of both favorable and unfavorable fluctuations.

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

The decision of whether and when to execute derivative financial instruments along with its tenure can vary from period to period depending on market conditions and the relative costs of the instruments. The tenure is linked to the timing of the underlying exposure, with the connection between the two being regularly monitored. The Group is exposed to losses in the event of non-performance by the counterparties to the derivative contracts. All derivative contracts are executed with counterparties that, in our judgment, are creditworthy. The outstanding derivatives are reviewed periodically to ensure that there is no inappropriate concentration of outstanding to any particular counterparty.

Further, all currency and interest rate risks as identified above is measured on a daily basis by monitoring the mark to market (MTM) of open and hedged position. The MTM is derived basis underlying market curves on closing basis of relevant instrument quoted on Bloomberg/Reuters. For quarter ends, the MTM for each derivative instrument outstanding is obtained from respective banks. All gain / loss arising from MTM for open derivative contracts and gain / loss on settlement / cancellation / roll over of derivative contracts is recorded in statement of profit and loss, except for the cumulative impact of all derivative contracts outstanding as at the date of the Guidance Note becoming effective, which have been recognized in the reserves as at 1<sup>st</sup> April, 2015.

#### Interest rate risk

The Group is exposed to changes in market interest rates due to financing, investing and cash management activities. 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 and period of borrowings. The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. The Group enters into interest rate swap contracts or interest rate future contracts to manage its exposure to changes in the underlying benchmark interest rates.

#### **Interest rate sensitivity**

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

If interest rates had been 50 basis points higher / lower and all other variables were held constant, the Group's profit for the year ended March 31, 2017 would decrease / increase by ₹0.38 crores (previous year ₹23.83 crores). This is mainly attributable to interest rates on variable rate borrowings.

## Notes to Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2017

### 42 FINANCIAL RISK OBJECTIVE AND POLICIES (Contd.)

#### Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a loss to the Group. The Group has adopted the policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial losses from default, and generally does not obtain any collateral or other security on trade receivables.

The carrying amount of financial assets recorded in the financial statements represents the Group's maximum exposure to credit risk.

Cash are held with creditworthy financial institutions.

#### 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 the use of various types of borrowings.

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

(₹ in Crores)

As at 31 <sup>st</sup> March, 2017	Less than 1 year	1-5 years	Over 5 years	Total
Borrowings (Including current maturities)	1,245.73	4,566.15	3,162.93	8,974.81
Trade Payables	27.15	-	-	27.15
Derivative Liabilities	-	-	246.36	246.36
Other financial Liabilities	595.97	-	-	595.97

(₹ in Crores)

As at 31 <sup>st</sup> March, 2016	Less than 1 year	1-5 years	Over 5 years	Total
Borrowings (Including current maturities)	3,491.17	4,490.50	603.28	8,584.95
Trade Payables	8.08	-	-	8.08
Other financial Liabilities	418.87	3.35	-	422.22

- 43 Segments have been identify in line with the requirements of Ind AS 108 - 'Operating Segments', taking in to account the organisation structure as well as different risk and returns of these segments:

(₹ in Crores)

	Transmission	Trading	Eliminations	Total
<b>1 Revenue</b>				
External Sales	2,123.92	755.53	-	2879.45
	2,048.47	148.54	-	2197.01
<b>Total Revenue</b>	<b>2,123.92</b>	<b>755.53</b>	<b>-</b>	<b>2879.45</b>
	2,048.47	148.54	-	2197.01
<b>2 Results</b>				
Segment Results	1,413.71	0.13	-	1413.84
	1366.86	0.03	-	1366.89
Unallocated Corporate Income (Net)				22.10
				70.38
<b>Operating Profit</b>				<b>1,435.94</b>
				1,437.27
Less: Finance Expense				904.01
				957.29
Profit before tax				531.93
				479.98

## Notes to Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2017

43 (Contd.)

(₹ in Crores)

	Transmission	Trading	Eliminations	Total
Current Taxes				115.50
				112.04
Deferred Tax				-
				-
Total Tax				115.50
				112.04
Profit after tax				416.43
				367.94
Less: Minority Interest				-
				-
<b>Net profit</b>				<b>416.43</b>
				367.94
<b>3 Other Information</b>				
Segment Assets	11,992.54	-	-	11,992.54
	11,260.57	-	-	11,260.57
Unallocated Corporate Assets	-	-	-	818.52
	-	-	-	485.11
<b>Total Assets</b>	<b>11,992.54</b>	<b>-</b>	<b>-</b>	<b>12,811.06</b>
	11,260.57	-	-	11,745.68
Segment Liabilities	889.72	-	-	889.72
	488.92	-	-	488.92
Unallocated Corporate Liabilities	-	-	-	8,974.81
	-	-	-	8,584.95
<b>Total liabilities</b>	<b>889.72</b>	<b>-</b>	<b>-</b>	<b>9,864.53</b>
	488.92	-	-	9,073.87
Depreciation /Amortisation	569.25	-	-	569.25
	559.65	-	-	559.65
Capital Expenditure	1,098.23	-	-	1,098.23
	321.54	-	-	321.54

Previous figures are given in italics

44 Additional information of net assets and share in profit or loss contributed by various entities as recognised under Schedule III of the Companies Act, 2013

Sr. No.	Name of the Entity	As % of Consolidated Net Assets	₹ in Crores	As % of Consolidated Profit or Loss	₹ in Crores
1	Adani Transmission Limited	33.21%	2,120.99	0.92%	3.85
	<b>Subsidiaries (Indian)</b>				
2	Adani Transmission (India) Limited	28.69%	1,832.02	69.86%	292.31
3	Maharashtra Eastern Grid Power Transmission Company Limited	37.30%	2,382.17	30.86%	129.11
4	Sipat Transmission Limited	-0.08%	(5.15)	-0.47%	(1.96)
5	Raipur-Rajnandagaon-Warora Transmission Limited	0.51%	32.54	-0.58%	(2.43)
6	Chhattisgarh-WR Transmission Limited	0.23%	14.63	-0.54%	(2.26)
7	Adani Transmission (Rajasthan) Limited	0.02%	1.23	-0.15%	(0.64)
8	North Karanpura Transco Limited	-0.04%	(2.27)	-0.14%	(0.58)
9	Maru Transmission Service Company Limited	0.20%	12.82	0.47%	1.99
10	Aravali Transmission Service Company Limited	-0.04%	(2.85)	-0.23%	(0.97)
	<b>Total</b>	<b>100.00%</b>	<b>6,386.13</b>	<b>100.00%</b>	<b>418.42</b>
	<b>Less: Adjustment of Consolidation</b>		<b>3,439.60</b>		<b>1.99</b>
	<b>Consolidated Net Assets/Profit after tax</b>		<b>2,946.53</b>		<b>416.43</b>

## Notes to Consolidated Financial Statement for the year ended 31<sup>st</sup> March, 2017

45 The Consolidated results for the year ended 31<sup>st</sup> March, 2017 are not comparable with the previous year, due to following:

### Date of acquisition of Investment in Subsidiaries

Sr. No.	Name of the Entity	For the year ended 31 <sup>st</sup> March, 2017	For the year ended 31 <sup>st</sup> March, 2016
1	Sipat Transmission Limited	-	23 <sup>rd</sup> November, 2015
2	Raipur-Rajnandagaon-Warora Transmission Limited	-	23 <sup>rd</sup> November, 2015
3	Chhattisgarh-WR Transmission Limited	-	23 <sup>rd</sup> November, 2015
4	North Karanpura Transco Limited	8 <sup>th</sup> July, 2016	-
5	Maru Transmission Service Company Limited	6 <sup>th</sup> October, 2016	-
6	Aravali Transmission Service Company Limited	6 <sup>th</sup> October, 2016	-

- 46 i) During the year, Adani Transmission Limited ("the Company") has completed the acquisition of North Karanpura Transco Ltd (NKTL) and consequently NKTL has become wholly owned subsidiary of Adani Transmission Limited w.e.f. 8<sup>th</sup> July, 2016.
- ii) Further the Company has acquired 74% Equity Shares of Maru Transmission Service Company Limited (MTSCL) and Aravali Transmission Service Company Limited (ATSCL) w.e.f. 6<sup>th</sup> October, 2016 from GMR Energy Limited. The balance 26% of Equity Shares of MTSCL & ATSCL are pledged in favour of the Company and the same will also get transferred after fulfilment of certain regulatory requirements and completion of lock-in period. As per the agreement, during the lock-in period, the Company will be the beneficial owner of all the rights and accretions in connection with the pledged shares. Accordingly, the Company has determined that it has "in-substance" ownership of the pledged shares and it has consolidated financial statements of MTSCL and ATSCL as having 100% interest. Pursuant to the acquisition, the figures for the current year ended 31<sup>st</sup> March, 2017 are not fully comparable with the figures of corresponding previous year.

The results of these subsidiaries, after elimination of inter company transactions and balances, as included in the consolidated financial statements for the year ended March 31, 2017 are given below :

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2017		
	North Karanpura Transco Limited	Maru Transmission Service Company Limited	Aravali Transmission Service Company Limited
<b>ASSETS</b>			
<b>Non-current Assets</b>			
Property, Plant and Equipment	-	206.41	120.63
Capital Work-In-Progress	31.83	-	-
Other Financial Assets	0.01	0.10	0.10
Income Tax Assets (net)	-	3.11	2.55
Other Non-current Assets	9.21	2.67	1.16
<b>Total Non-current Assets</b>	<b>41.05</b>	<b>212.29</b>	<b>124.44</b>
<b>Current Assets</b>			
Inventories	-	1.50	0.61
Financial Assets			
- Investments	-	1.36	3.41
- Trade Receivables	-	9.49	3.36
- Cash and Cash Equivalents	2.63	0.08	0.32

**Notes to Consolidated Financial Statement** for the year ended 31<sup>st</sup> March, 2017

46 (Contd.)

(₹ in Crores)

Particulars	As at 31 <sup>st</sup> March, 2017		
	North Karanpura Transco Limited	Maru Transmission Service Company Limited	Aravali Transmission Service Company Limited
- Bank balance other than cash & cash equivalent	-	4.91	2.31
- Financial Assets - Loans	0.03	0.01	-
- Financial Assets - Others	0.01	18.89	18.61
Other Current Assets	0.04	0.26	0.18
<b>Total Current Assets</b>	<b>2.71</b>	<b>36.50</b>	<b>28.80</b>
<b>Liabilities</b>			
<b>Non-current Liabilities</b>			
Financial Liabilities			
- Borrowings	-	147.46	112.24
<b>Total Non-current Liabilities</b>	<b>-</b>	<b>147.46</b>	<b>112.24</b>
<b>Current Liabilities</b>			
Financial Liabilities			
- Borrowings	11.00	-	-
- Trade Payables	0.01	0.14	0.12
- Other Financial Liabilities	5.41	13.67	2.12
Provisions	0.00	-	-
Other Current Liabilities	0.16	0.17	0.15
<b>Total Current Liabilities</b>	<b>16.58</b>	<b>13.98</b>	<b>2.39</b>

(₹ in Crores)

Particulars	For the period 8 <sup>th</sup> July, 2016 to 31 <sup>st</sup> March, 2017	For the period 6 <sup>th</sup> October, 2016 to 31 <sup>st</sup> March, 2017	For the period 6 <sup>th</sup> October, 2016 to 31 <sup>st</sup> March, 2017
<b>Total Revenue</b>	-	19.34	11.87
<b>Total Expenses</b>	0.58	15.95	10.38
<b>Profit / (Loss) before tax</b>	<b>(0.58)</b>	<b>3.39</b>	<b>1.49</b>
<b>Tax</b>	-	(0.02)	(0.03)
<b>Profit / (Loss) after tax</b>	<b>(0.58)</b>	<b>3.41</b>	<b>1.52</b>

(Transactions below ₹50,000 denoted as ₹0.00)

**Notes to Consolidated Financial Statement** for the year ended 31<sup>st</sup> March, 2017**47 OTHER DISCLOSURES**

- i) Previous year figures are regrouped/reclassified wherever necessary to correspond with the current years classification/disclosure.
  - ii) The Financial Statements for the year ended 31<sup>st</sup> March, 2017 have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on 27<sup>th</sup> May, 2017.
- 

The accompanying note forms an integral part of the Consolidated financial statements.

As per our attached report of even date

For **DHARMESH PARIKH & CO.,**  
Chartered Accountants  
Firm Registration Number: 112054W

**CHIRAG SHAH**  
Partner  
Membership No. 122510

Place: Ahmedabad  
Date: 27<sup>th</sup> May, 2017

For and on behalf of the Board of Directors

**ADANI TRANSMISSION LIMITED**

**GAUTAM S. ADANI**  
Chairman  
DIN: 00006273

**KAUSHAL SHAH**  
Chief Financial Officer

**LAXMI NARAYANA MISHRA**  
Whole-time Director  
DIN: 01952408

**JALADHI SHUKLA**  
Company Secretary

Place: Ahmedabad  
Date: 27<sup>th</sup> May, 2017

**Form No. AOC-I**  
**Sailed features of the financial statement of subsidiaries as per Companies Act, 2013**  
**PART "A" : Subsidiaries**

Sr. No.	Name of the Subsidiary	Reporting Period	Reporting Currency	Share Capital	Reserves & Surplus <sup>1</sup>	Total Assets	Total Liabilities	Investments	Turnover	Profit/(Loss) before taxation	Provision for taxation	Profit/(Loss) after taxation	Proposed Dividend	% of Shareholding
1	Adani Transmission (India) Limited	2016-17	INR	1,535.05	296.97	4,429.40	2,597.38	44.31	1,042.41	371.61	79.30	292.31	-	100%
2	Maharashtra Eastern Grid Power Transmission Company Limited	2016-17	INR	1,719.03	663.14	5,660.73	3,278.56	1.17	1,043.17	164.33	35.22	129.11	-	100%
3	Sipat Transmission Limited	2016-17	INR	0.05	(5.20)	332.86	338.01	-	-	(1.96)	-	(1.96)	-	100%
4	Rajpur-Rajnandgaon-Warora Transmission Limited	2016-17	INR	40.05	(7.51)	694.28	661.74	-	-	(2.43)	-	(2.43)	-	100%
5	Chhattisgarh-WR Transmission Limited	2016-17	INR	20.00	(5.37)	451.04	436.41	-	-	(2.26)	-	(2.26)	-	100%
6	Adani Transmission (Rajasthan) Limited	2016-17	INR	2.50	(1.27)	32.89	31.66	-	6.40	(0.64)	-	(0.64)	-	100% <sup>4</sup>
7	North Karanpura Transco Limited <sup>2</sup>	08 <sup>th</sup> July, 2016 to 31 <sup>st</sup> March, 2017	INR	0.05	(2.32)	43.75	46.02	-	-	(0.58)	-	(0.58)	-	100%
8	Maru Transmission Service Company Limited <sup>2</sup>	06 <sup>th</sup> October, 2016 to 31 <sup>st</sup> March, 2017	INR	8.94	3.88	248.79	235.97	1.36	19.39	0.13	0.02	0.15	-	100% <sup>3</sup>
9	Aravali Transmission Service Company Limited <sup>2</sup>	06 <sup>th</sup> October, 2016 to 31 <sup>st</sup> March, 2017	INR	5.23	(8.08)	163.80	166.65	3.41	11.90	(1.15)	0.03	(1.12)	-	100% <sup>3</sup>

1 Reserves & Surplus includes OCI

2 Date of acquisition by the company

North Karanpura Transco Limited as on 8<sup>th</sup> July, 2016.

Maru Transmission Service Company Limited as on 6<sup>th</sup> October, 2016. (Refer Note. 46 (ii))

Aravali Transmission Service Company Limited as on 6<sup>th</sup> October, 2016. (Refer Note. 46 (ii))

3. 26% of equity shares of Maru Transmission Service Company Limited and Aravali Transmission Service Company Limited are pledged in favour of the company.

4. 1(One) Equity Share has been allotted to the Rajasthan Rajya Vidyut Prasaran Nigam Ltd. pursuant to the provisions of the shareholder's Agreement dated 21.10.2016.

Name of the Subsidiaries which are yet to commence operations

Sr. No.	Name of the Subsidiary
1	Sipat Transmission Limited
2	Rajpur-Rajnandgaon-Warora Transmission Limited
3	Chhattisgarh-WR Transmission Limited
4	Adani Transmission (Rajasthan) Limited
5	North Karanpura Transco Limited

Note: The Company has no Associate companies and joint Ventures, therefore Part B relating to Associates and Joint Ventures is not applicable.

For and on behalf of the Board of Directors

**ADANI TRANSMISSION LIMITED**

**Gautam S. Adani**

Chairman

DIN: 00006273

Place: Ahmedabad

Date: 27<sup>th</sup> May, 2017

**Laxmi Narayana Mishra**

Whole-time Director

DIN: 01952408

**Kaushal Shah**

Chief Financial Officer

**Jaladhi Shukla**

Company Secretary

# NOTICE

NOTICE is hereby given that the 4<sup>th</sup> Annual General Meeting of Adani Transmission Limited will be held on Thursday, 10<sup>th</sup> August, 2017 at 10.30 a.m. at J.B. Auditorium, Ahmedabad Management Association, AMA Complex, ATIRA, Dr. Vikram Sarabhai Marg, Ahmedabad – 380 015 to transact the following businesses:

## ORDINARY BUSINESS

1. To receive, consider and adopt the audited financial statements (including audited consolidated financial statements) for the financial year ended on 31<sup>st</sup> 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 the provisions of Section 139 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, the Company hereby ratifies the appointment of M/s. Dharmesh Parikh and Co., Chartered Accountants, Ahmedabad (Firm Registration No. 112054W), as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the next AGM of the Company to be held in the year 2018 at such remuneration (including fees for Certification) and reimbursement of out of pocket expenses for the purpose of audit as may be fixed by the Board of Directors of the Company, on the recommendation of the Audit Committee.”

## SPECIAL BUSINESS

4. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT Mr. Laxmi Narayana Mishra (DIN: 01952408), who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Companies Act, 2013 (Act) and Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company liable to retire by rotation.”

5. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“RESOLVED THAT in accordance with the provisions of Sections 196, 197, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and also subject to the approval of the Central Government, if required, the Company hereby accords its approval to the appointment of Mr. Laxmi Narayana Mishra (DIN : 01952408), as a Whole-time Director of the Company for a period of 3 (three) years w.e.f. 4<sup>th</sup> April, 2017 on the terms and conditions as set out in the Explanatory Statement attached hereto and forming part of this notice with a liberty to Board of Directors to alter and vary the terms and conditions of the said appointment as it may deem fit and as agreed by and between the Board of Directors and Mr. Laxmi Narayana Mishra.

RESOLVED FURTHER THAT Mr. Laxmi Narayana Mishra shall not be paid any remuneration until otherwise decided so long as he functions as a Whole-time Director of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary to give effect to this Resolution.”

6. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 42, 62 and all other applicable provisions, if any, of the Companies Act, 2013 and the rules framed thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force) (the “Companies Act”), the Foreign Exchange Management Act, 1999, as amended or restated (“FEMA”), the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended or



restated (the "ICDR Regulations"), the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993, as amended or restated, the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations 2000, as amended or restated, and subject to all other applicable laws, statutes, rules, circulars, notifications, regulations and guidelines of the Government of India, the Securities and Exchange Board of India (the "SEBI"), the Reserve Bank of India (the "RBI"), the relevant stock exchanges where the equity shares of the Company are listed (the "Stock Exchanges") and all other appropriate statutory and regulatory authorities, as may be applicable or relevant, whether in India or overseas (hereinafter collectively referred to as the "Appropriate Authorities"), the enabling provisions of the Memorandum and Articles of Association of the Company, as amended, and the listing agreements entered into by the Company with the Stock Exchanges and subject to requisite approvals, consents, permissions and sanctions, if any, of the Appropriate Authorities and subject to such conditions and modifications as may be prescribed by any of them in granting any such approvals, consents, permissions, and sanctions (hereinafter referred as the "Requisite Approvals") which may be agreed to by the Board of Directors of the Company (hereinafter referred as the "Board" which term shall be deemed to include any committee constituted or to be constituted by the Board to exercise its powers including the powers conferred by this resolution, or any person(s) authorised by the Board or its committee for such purposes), consent of the Company be and is hereby accorded to the Board in its absolute discretion, to create, offer, issue and allot, from time to time in either one or more international offerings, in one or more foreign markets, in one or more tranches and/or in the course of one or more domestic offering(s) in India, such number of equity shares and/or any securities linked to, convertible into or exchangeable for equity shares including without limitation through Global Depository Receipts ("GDRs") and/or American Depository Receipts ("ADRs") and/or convertible preference shares and/or convertible debentures (compulsorily and/or optionally, fully and/or partly) and/or Commercial Papers and/or warrants with a right exercisable by the warrant holder to exchange or convert such warrants with equity shares of the Company at a later date simultaneously with the issue of non-convertible debentures and/or Foreign

Currency Convertible Bonds ("FCCBs") and/or Foreign Currency Exchangeable Bonds ("FCEBs") and/or any other permitted fully and/or partly paid securities/ instruments/ warrants, convertible into or exchangeable for equity shares at the option of the Company and/or holder(s) of the security(ies) and/or securities linked to equity shares (hereinafter collectively referred to as "Securities"), in registered or bearer form, secured or unsecured, listed on a recognized stock exchange in India or abroad whether rupee denominated or denominated in foreign currency, to such investors who are eligible to acquire such Securities in accordance with all applicable laws, rules, regulations, guidelines and approvals, through public issue(s), rights issue(s), preferential issue(s), private placement(s) and / or qualified institutional placement in terms of Chapter VIII of the SEBI (ICDR) Regulations or any combinations thereof, through any prospectus, offer document, offer letter, offer circular, placement document or otherwise, at such time or times and at such price or prices subject to compliance with all applicable laws, rules, regulations, guidelines and approvals, at a discount or premium to market price or prices in such manner and on such terms and conditions including as regards security, rate of interest, etc., as may be deemed appropriate by the Board in its absolute discretion, subject to compliance with all applicable laws, rules, regulations, guidelines and approvals, for an aggregate amount, not exceeding ₹5,000 Crores (Rupees Five Thousand Crores Only) or foreign currency equivalent thereof, at such premium as may from time to time be decided by the Board and the Board shall have the discretion to determine the categories of eligible investors to whom the offer, issue and allotment shall be made to the exclusion of all other categories of investors at the time of such offer, issue and allotment considering the prevailing market conditions and all other relevant factors and where necessary in consultation with advisor(s), lead manager(s), and underwriter(s) appointed by the Company.

RESOLVED FURTHER THAT without prejudice to the generality of the above, the issue(s) of Securities may, subject to compliance with all applicable laws, rules, regulations, guidelines and approvals, have all or any terms, or combination of terms, in accordance with domestic and/or international practice, including, but not limited to, conditions in relation to payment of interest, additional interest, premium on redemption, prepayment and any other debt service payments whatsoever and

all other such terms as are provided in offerings of such nature including terms for issue of additional equity shares or variation of the conversion price of the Securities during the duration of the Securities.

RESOLVED FURTHER THAT in case of any offering of Securities, including without limitation any GDRs/ADRs/FCCBs/FCEBs/other securities convertible into equity shares, consent of the shareholders be and is hereby given to the Board to issue and allot such number of equity shares as may be required to be issued and allotted upon conversion, redemption or cancellation of any such Securities referred to above in accordance with the terms of issue/offering in respect of such Securities and such equity shares shall rank pari passu with the existing equity shares of the Company in all respects, except as may be provided otherwise under the terms of issue/offering and in the offer document and/or offer letter and/or offering circular and /or listing particulars.

RESOLVED FURTHER THAT the Board be and is hereby authorised to engage, appoint and to enter into and execute all such agreement(s)/ arrangement(s)/ MoUs/ placement agreement(s)/ underwriting agreement(s)/ deposit agreement(s)/ trust deed(s)/ subscription agreement/ payment and conversion agency agreement/ any other agreements or documents with any consultants, lead manager(s), co-lead manager(s), manager(s), advisor(s), underwriter(s), guarantor(s), depository(ies), custodian(s), registrar(s), agent(s) for service of process, authorised representatives, legal advisors / counsels, trustee(s), banker(s), merchant banker(s) and all such advisor(s), professional(s), intermediaries and agencies as may be required or concerned in such offerings of Securities and to remunerate them by way of commission, brokerage, fees and such other expenses as it deems fit, listing of Securities in one or more Indian/ International Stock Exchanges, authorizing any director(s) or any officer(s) of the Company, severally, to sign for and on behalf of the Company offer document(s), arrangement(s), application(s), authority letter(s), or any other related paper(s)/documents(s), give any undertaking(s), affidavit(s), certification(s), declaration(s) including without limitation the authority to amend or modify such document(s).

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, consent of the members of the Company be and is hereby accorded to the Board to do all such acts, deeds, matters and/or things, in its

absolute discretion and including, but not limited to finalization and approval of the preliminary as well as final document(s), determining the form, terms, manner of issue, the number of the Securities to be allotted, timing of the issue(s)/ offering(s) including the investors to whom the Securities are to be allotted, issue price, face value, number of equity shares or other securities upon conversion or redemption or cancellation of the Securities, premium or discount on issue /conversion/ exchange of Securities, if any, rate of interest, period of conversion or redemption, listing on one or more stock exchanges in India and / or abroad and any other terms and conditions of the issue, including any amendments or modifications to the terms of the Securities and any agreement or document (including without limitation, any amendment or modification, after the issuance of the Securities), the execution of various transaction documents, creation of mortgage/charge in accordance with the provisions of the Companies Act and any other applicable laws or regulations in respect of any Securities, either on a pari passu basis or otherwise, fixing of record date or book closure and related or incidental matters as the Board in its absolute discretion deems fit and to settle all questions, difficulties or doubts that may arise in relation to the issue, offer or allotment of the Securities, accept any modifications in the proposal as may be required by the Appropriate Authorities in such issues in India and / abroad and subject to applicable law, for the utilization of the issue proceeds as it may in its absolute discretion deem fit without being required to seek any further consent or approval of the members or otherwise to the end and intent and that the members shall be deemed to have given their approval thereto for all such acts, deeds, matters and/or things, expressly by the authority of this resolution.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board is authorised on behalf of the Company to take all actions and to do all such deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient to the issue or allotment of aforesaid Securities and listing thereof with the stock exchange(s) as appropriate and to resolve and settle all questions and difficulties that may arise in the proposed issue, offer and allotment of any of the Securities, utilization of the issue proceeds and to do all acts, deeds and things in connection therewith and incidental thereto as the Board in its absolute discretion deem fit, without being required to seek any further

consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Company and/or any agency or body authorised by the Company may, subject to compliance with all applicable laws, rules, regulations, guidelines and approvals, issue certificates and/or depository receipts including global certificates representing the Securities with such features and attributes as are prevalent in international and/or domestic capital markets for instruments of such nature and to provide for the tradability or transferability thereof as per the international and/or domestic practices and regulations, and under the forms and practices prevalent in such international and/or domestic capital markets.

RESOLVED FURTHER THAT the Company may enter into any arrangement with any agency or body for the issue, upon conversion of the Securities, of equity shares of the Company in registered or bearer form with such features and attributes as are prevalent in international capital markets for instruments of this nature and to provide for the tradability or free transferability thereof as per the international practices and/or domestic practices and regulations, and under the forms and practices prevalent in international and/or domestic capital markets.

RESOLVED FURTHER THAT the Securities may be redeemed and/or converted into and/or exchanged for the equity shares of the Company (or exchanged for equity shares of another company as permitted under applicable law), subject to compliance with all applicable laws, rules, regulations, guidelines and approvals, in a manner as may be provided in the terms of their issue.

RESOLVED FURTHER THAT in case of a Qualified Institutional Placement (QIP) pursuant to Chapter VIII of the SEBI (ICDR) Regulations, the allotment of eligible securities within the meaning of Chapter VIII of the SEBI (ICDR) Regulations shall only be made to Qualified Institutional Buyers (QIBs) within the meaning of Chapter VIII of the SEBI (ICDR) Regulations, such securities shall be fully paid-up and the allotment of such securities shall be completed within 12 months from the date of the resolution approving the proposed issue by the members of the Company or such other time as may be allowed by SEBI (ICDR) Regulations from time to time and that the securities be applied to the National Securities Depository Limited and/or Central Depository Services

(India) Limited for admission of the eligible securities to be allotted as per Chapter VIII of the SEBI (ICDR) Regulations.

RESOLVED FURTHER THAT the relevant date for the purpose of pricing of the Securities by way of QIP/GDRs/ADRs/FCCBs/FCEBs or by way of any other issue(s) shall be the date as specified under the applicable law or regulation or it shall be the date of the meeting in which the Board decides to open the issue.

RESOLVED FURTHER THAT the Board and other designated officers of the Company be and are hereby severally authorised to make all filings including as regards the requisite listing application/prospectus/ offer document/registration statement, or any draft(s) thereof, or any amendments or supplements thereof, and of any other relevant documents with the Stock Exchanges (in India or abroad), the RBI, the FIPB, the SEBI, the Registrar of Companies and such other authorities or institutions in India and/or abroad for this purpose and to do all such acts, deeds and things as may be necessary or incidental to give effect to the resolutions above and the Common Seal of the Company be affixed wherever necessary.

RESOLVED FURTHER THAT such of these Securities as are not subscribed may be disposed off by the Board in its absolute discretion in such manner, as the Board may deem fit and as permissible by law.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of its powers conferred by this resolution on it, to any Committee of directors or the Managing Director or Directors or any other officer of the Company, in order to give effect to the above resolutions.

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in any of the foregoing resolutions are hereby approved, ratified and confirmed in all respects."

7. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 42, 71 and all other applicable provisions, if any, of the Companies Act, 2013 ("Act"), read with rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force) and pursuant to the provisions of SEBI (Issue and Listing of

Debt Securities) Regulations, 2008 as amended from time to time and other applicable SEBI regulations and guidelines, the provisions of the Memorandum and Articles of Association of the Company and subject to such other applicable laws, rules and regulations and guidelines, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee which the Board may constitute to exercise its powers, including the powers conferred by this Resolution) for making offer(s) or invitation(s) to subscribe redeemable secured/unsecured Non-Convertible Debentures (NCDs) but not limited to subordinated debentures, bonds, and/ or other debt securities, etc., on a private placement basis, in one or more tranches, during the period of one year from the date of passing of the special resolution by the members, within the overall borrowing limits of the Company, as may be approved by the members from time to time.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to determine the terms of issue including the class of investors to whom NCDs are to be issued, time, securities to be offered, the number of NCDs, tranches, issue price, tenor, interest rate, premium/discount, listing and to do all such acts and things and deal with all such matters and take all such steps as may be necessary and to sign and execute any deeds/ documents/ undertakings/ agreements/ papers/writings, as may be required in this regard."

8. 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 applicable provisions of Listing Agreement executed with the Stock Exchanges, consent of the members be and is hereby accorded for ratification / approval of material related party transactions entered into by the Company with related party as set out in the explanatory statement annexed to the notice convening this meeting.

RESOLVED FURTHER THAT the Board of Directors thereof be and is hereby authorised to take all such steps as may be deemed necessary, proper or expedient to give effect to this resolution."

Date: 27<sup>th</sup> May, 2017  
Place : Ahmedabad

For and on behalf of the Board

Regd. Office:  
"Adani House",  
Near Mithakhali Six Roads,  
Navrangpura, Ahmedabad - 380 009  
Gujarat, India.  
CIN : L40300GJ2013PLC077803

**Jaladhi Shukla**  
Company Secretary

## 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, 3<sup>rd</sup> August, 2017 to Thursday, 10<sup>th</sup> August, 2017 (both days inclusive) for the purpose of Annual General Meeting.

5. Shareholders seeking any information with regard to accounts are requested to write to the Company atleast 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 route map showing directions to reach the venue of the fourth AGM is annexed.
11. 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. 3<sup>rd</sup> 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 despatch of the Notice of the AGM and prior to the Cut-off date i.e. 3<sup>rd</sup> 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, 6<sup>th</sup> August, 2017 at 9.00 a.m. and will end on Wednesday, 9<sup>th</sup> 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. 3<sup>rd</sup> 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. 3<sup>rd</sup> 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](http://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.

Step 5 : If you are holding shares in demat form and had logged on to then your existing password is to be used.

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 sequence number which is printed on Attendance Slip indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.  If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in Step 3.

Step 6 : After entering these details appropriately, click on “SUBMIT” tab.

Step 7 : Members holding shares in physical form will then directly reach the Company selection screen. However, members 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 is to be also used by the

demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that 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 a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & 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 option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution..

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 shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://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](mailto: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 linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned 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.

- Shareholders can also use Mobile app - "m-Voting" for e-voting. m-Voting app is available on IOS, Android & Windows based Mobile. Shareholders may log in to m-Voting using their e-voting credentials to vote for the company resolution(s).
- The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.adanitransmission.com](http://www.adanitransmission.com) and on the website of CDSL i.e [www.cdslindia.com](http://www.cdslindia.com) within three days of the passing of the Resolutions at the 4<sup>th</sup> Annual General Meeting of the Company and shall also be communicated to the Stock Exchanges where the shares of the Company are listed.
- 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](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

#### Contact Details:

<b>Company</b>	Adani Transmission Limited Regd. Office: "Adani House", Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad-380 009, Gujarat, India CIN: L40300GJ2013PLC077803 E-mail ID: <a href="mailto:jaladhi.shukla@adani.com">jaladhi.shukla@adani.com</a>
<b>Registrar and Transfer Agent</b>	Link Intime India Private Limited 5 <sup>th</sup> Floor, 506-508, Amarnath Business Centre – 1 (ABC-1), Beside Gala Business Centre, Off C. G. Road, Navrangpura, Ahmedabad – 380 009. Tel: +91-79-26465179 Fax : +91-79-26465179 E-mail: <a href="mailto:ahmedabad@linkintime.co.in">ahmedabad@linkintime.co.in</a>
<b>e-Voting Agency</b>	Central Depository Services (India) Limited E-mail ID: <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> Phone : 022- 22723333 / 8588
<b>Scrutinizer</b>	CS Chirag Shah Practising Company Secretary E-mail ID: <a href="mailto:pcschirag@gmail.com">pcschirag@gmail.com</a>

## ANNEXURE TO NOTICE

### EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

#### For Item Nos. 4 & 5:

The Board of Directors at its meeting held on 4<sup>th</sup> April, 2017 appointed Mr. Laxmi Narayana Mishra as an Additional Director of the Company. According to the provisions of Section 161 of the Companies Act 2013, he holds office as Director only up to the date of the ensuing Annual General Meeting. As required under Section 160 of the Companies Act, 2013, a notice has been received from a member signifying its intention to propose the appointment of Mr. Laxmi Narayana Mishra as a Director of the Company along with the deposit of requisite amount.

On the recommendation of the Nomination & Remuneration Committee of the Company, the Board, at its meeting held on 4<sup>th</sup> April, 2017, has appointed Mr. Laxmi Narayana Mishra as a Whole-time Director of the Company unanimously for a period of three years w.e.f. 4<sup>th</sup> April, 2017, Mr. Laxmi Narayana Mishra shall be liable to retire by rotation and shall not draw any remuneration from the Company.

Mr. Laxmi Narayana Mishra, aged 53 years, holds a B.Tech. (Mechanical) degree from Institute of Technology, BHU, Varanasi and MBA from IIT, Delhi. He has 30+ years of experience in manufacturing and power sector. He started his career with Bharat Electronics Ltd. in 1985 and has worked with Timex Watches; Power Grid Corporation of India Limited and Reliance Power Transmission Limited before joining Adani and has worked in areas covering Industrial Engineering, Strategic Planning, Business Development, Corporate Finance, Project Planning and management. Out of the above, he has been associated in transmission sector for 22 long years with active participation in Policy and Regulatory developments as well as Project management. He has been closely associated in evolution of private sector participation in transmission sector.

The Board of Directors felt that it is in interest of the Company to avail services of Mr. Laxmi Narayana Mishra as a Whole-time Director of the Company.

The Board of Directors recommends the said resolution for your approval.

Mr. Laxmi Narayana Mishra is deemed to be interested in the said resolution as it relates to his appointment. None of the other Directors or key managerial personnel or their relatives is, in anyway, concerned or interested in the said resolution.

This, along with the relevant resolution, may be treated as an Abstract pursuant to Section 190 of the Companies Act, 2013.

#### For Item No. 6:

The Company proposes to have flexibility to infuse additional capital, to tap capital markets and to raise additional long term resources, if necessary in order to sustain rapid growth in the business, for business expansion and to improve the financial leveraging strength of the Company. The proposed resolution seeks the enabling authorization of the members to the Board of Directors to raise funds to the extent of ₹5,000 Crores (Rupees Five Thousand Crores Only) or its equivalent in any one or more currencies, in one or more tranches, in such form, on such terms, in such manner, at such price and at such time as may be considered appropriate by the Board (inclusive at such premium as may be determined) by way of issuance of equity shares of the Company ("Equity Shares") and/or any instruments or securities including Global Depository Receipts ("GDRs") and/or American Depository Receipts ("ADRs") and/or convertible preference shares and/or convertible debentures (compulsorily and/or optionally, fully and/or partly) and/or non-convertible debentures (or other securities) with warrants, and/or warrants with a right exercisable by the warrant holder to exchange or convert such warrants with equity shares of the Company at a later date simultaneously with the issue of Foreign Currency Convertible Bonds ("FCCBs") and/or Foreign Currency Exchangeable Bonds ("FCEBs") and/or any other permitted fully and/or partly paid securities/instruments/warrants, convertible into or exchangeable for equity shares at the option of the Company and/or holder(s) of the security(ies) and/or securities linked to equity shares (hereinafter collectively referred to as "Securities"), in registered or bearer form, secured or unsecured, listed on a recognized stock exchange in India or abroad whether rupee denominated or denominated in foreign currency by way of private placement or otherwise.

The Special Resolution also seeks to empower the Board of Directors to undertake a Qualified Institutional Placement (QIP) with Qualified Institutional Buyers (QIBs) as defined by SEBI under Issue of Capital and Disclosure Requirements Regulations, 2009. The Board of Directors may in their discretion adopt this mechanism as prescribed under Chapter



VIII of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009. Further in case the Company decides to issue eligible securities within the meaning of Chapter VIII of the SEBI Regulations to Qualified Institutional Investors, it will be subject to the provisions of Chapter VIII of the SEBI Regulations as amended from time to time. The aforesaid securities can be issued at a price after taking into consideration the pricing formula prescribed in Chapter VIII of the SEBI (ICDR) Regulations. Allotment of securities issued pursuant to Chapter VIII of SEBI Regulations shall be completed within twelve months from the date of passing of the resolution under Section 42 and 62 of the Companies Act, 2013. This Special Resolution gives (a) adequate flexibility and discretion to the Board to finalise the terms of the issue, in consultation with the Lead Managers, Underwriters, Legal Advisors and experts or such other authority or authorities as need to be consulted including in relation to the pricing of the Issue which will be a free market pricing and may be at premium or discount to the market price in accordance with the normal practice and (b) powers to issue and market any securities issued including the power to issue such Securities in such tranche or tranches with/without voting rights or with differential voting rights.

The detailed terms and conditions for the issue of Securities will be determined in consultation with the advisors, and such Authority/Authorities as may be required to be consulted by the Company considering the prevailing market conditions and other relevant factors.

The consent of the shareholders is being sought pursuant to the provisions of Section 42, 62 and other applicable provisions of the Companies Act, 2013 and in terms of the provisions of the listing agreement executed by the Company with Stock Exchanges where the Equity Shares of the Company are listed. Since the resolution involves issue of Equity Shares to persons other than existing shareholders, special resolution in terms of Section 42 and 62 of the Companies Act, 2013 is proposed for your approval. The amount proposed to be raised by the Company shall not exceed ₹5,000 Crores (Rupees Five Thousand Crores Only).

The Equity shares, which would be allotted, shall rank in all respects pari passu with the existing Equity Shares of the Company, except as may be provided otherwise under the terms of issue/offering and in the offer document and/or offer letter and/or offering circular and/or listing particulars.

The Board of Directors recommends the said resolution for your approval.

None of the Directors or any key managerial personnel or any relative of any of the Directors of the Company or the relatives of any key managerial personnel is, in anyway, concerned or interested in the above resolution.

**For Item No. 7:**

As per the provisions of Section 42 of the Companies Act, 2013 ("Act") read with rules made thereunder a Company offering or making an invitation to subscribe to redeemable secured/ unsecured non-convertible debentures (NCDs) on a private placement basis is required to obtain the prior approval of the members by way of a Special Resolution. Such approval by a Special Resolution can be obtained once in a year for all the offers and an invitation for such debt securities to be made during the year.

It is proposed to offer or invite subscriptions for redeemable secured/ unsecured non-convertible debenture including 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 ₹15,000 crore in excess of and in addition to the paid-up share capital and free reserves of the Company, as approved by the members in the Extraordinary General Meeting held on 12<sup>th</sup> February, 2015, with authority to the Board to determine the terms and conditions, including the issue price of the debt securities, interest, repayment, security or otherwise, as it may deem expedient and to do all such acts, deeds, matters and things in connection therewith and incidental thereto as the Board in its absolute discretion deems fit, without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of the Resolution. Accordingly, the approval of the members is being sought by way of a Special Resolution under Section 42 and other applicable provisions, if any of the Act and its rules there under.

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. 8:**

Pursuant to the provisions of Section 188 of the Companies Act, 2013 read with rules made thereunder and in terms of

applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, consent of members by way of an ordinary resolution is required for ratification/ approval of material related party transactions entered into by the Company with related party.

The Company has entered into the following material related party transaction with the related party during the year under review:

(₹ in Crores)

Name of the Related Party	Nature of Relationship	Nature of transaction	Outstanding as at 31.03.2017
Adani Infra (India) Limited	Significant influence by KMP	Financial transactions	242.15

As per the SEBI Listing Regulations, all related parties of the Company shall abstain from voting on the said resolution.

The Board of Directors recommends the said resolution for your approval.

Mr. Gautam S. Adani and Mr. Rajesh S. Adani and their relatives are deemed to be concerned or interested in this resolution. None of the other Directors or key managerial personnel or their relatives is, in anyway, concerned or interested in the said resolution.

Date: 27<sup>th</sup> May, 2017

For and on behalf of the Board

Place : Ahmedabad

**Regd. Office:**

"Adani House",

Near Mithakhali Six Roads,

Navrangpura, Ahmedabad - 380 009

Gujarat, India.

CIN : L40300GJ2013PLC077803

**Jaladhi Shukla**  
Company Secretary

**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 electronics holding with the Depository through their concerned Depository Participants.

## ANNEXURE TO NOTICE

### Details of Directors 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	24.06.1962 (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.	<ul style="list-style-type: none"> <li>• Adani Enterprises Limited^^</li> <li>• Adani Ports and Special Economic Zone Limited^^</li> <li>• Adani Power Limited^^</li> <li>• Adani Transmission Limited^^</li> <li>• Adani Green Energy Limited</li> <li>• Adani Institute for Education and Research (Section 8 Company)</li> </ul>	<ul style="list-style-type: none"> <li>• Adani Power Limited^^               <ul style="list-style-type: none"> <li>◦ Nomination and Remuneration Committee (Member)</li> </ul> </li> </ul>
Mr. Laxmi Narayana Mishra	01.06.1963 (Nil)	B.Tech. (Mechanical), MBA	Mr. Laxmi Narayana Mishra holds a B.Tech. (Mechanical) degree from Institute of Technology, BHU, Varanasi and MBA from IIT, Delhi. He has 30+ years of experience in manufacturing and power sector. He started his career with Bharat Electronics Ltd. in 1985 and has worked with Timex Watches; Power Grid Corporation of India Limited and Reliance Power Transmission Limited before joining Adani and has worked in areas covering Industrial Engineering, Strategic Planning, Business Development, Corporate Finance, Project Planning and management. Out of the above, he has been associated in transmission sector for 22 long years with active participation in Policy and Regulatory developments as well as Project management. He has been closely associated in evolution of private sector participation in transmission sector.	<ul style="list-style-type: none"> <li>• Adani Transmission Limited ^^</li> <li>• Adani Transmission (Rajasthan) Limited</li> <li>• Aravali Transmission Service Company Limited</li> <li>• Maru Transmission Service Company Limited</li> </ul>	<ul style="list-style-type: none"> <li>• Adani Transmission Limited ^^               <ul style="list-style-type: none"> <li>◦ Stakeholders' Relationship Committee (Member)</li> <li>◦ Corporate Social Responsibility and Sustainability (CSR&amp;S) Committee (Member)</li> <li>◦ Risk Management Committee (Chairman)</li> </ul> </li> </ul>

# In Individual Capacity.

^^ Listed Companies

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 directors, please refer to the Corporate Governance Report.

**ADDENDUM TO THE NOTICE OF THE 4<sup>th</sup> ANNUAL GENERAL MEETING OF ADANI TRANSMISSION LIMITED**

In continuation to the Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, forming part of the Notice calling 3<sup>rd</sup> Annual General Meeting of the Company held on Wednesday, 10<sup>th</sup> August, 2016 at 9.30 a.m. at J.B. Auditorium, Ahmedabad Management Association, AMA Complex, ATIRA, Dr. Vikram Sarabhai Marg, Ahmedabad – 380

015 wherein the Special Resolution for waiver of the recovery of excess remuneration paid to Mr. Deepak Bhargava, Whole-time Director for the Financial Year 2015-16 (as per item No. 10 of the said Notice) was passed with the requisite majority, the following statement be included and read with the Explanatory Statement for Item No. 10 of the said Notice:

**STATEMENT PURSUANT TO THE PROVISIONS OF PART II SECTION II (1) (B) (IV) OF SCHEDULE V OF THE COMPANIES ACT, 2013**

**I. General Information:**

**(1) Nature of Industry:**

The Company is the largest power transmission company operating in the private sector in India and owns, operate and maintain around 5050 ckt kms of transmission lines ranging from 400 KV to 765 KV, with a total transformation capacity of more than 12,000 MVA.

**(2) Date or expected date of commencement of commercial production:**

The Company started its commercial production during FY 2014-15.

**(3) In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:**

Not Applicable

**(4) Financial performance based on given indicators:**

The financial performance of the Company in last three financial years is as under:

Particulars	Financial Year Ended (Rs. in Crores)					
	31.03.2016		31.03.2015		31.03.2014	
	Consolidated	Standalone	Consolidated	Standalone	Consolidated	Standalone
Income from Operations	2197.01	274.45	135.34	22.92	N.A.	-
Total income	2267.37	421.38	138.63	23.83	N.A.	-
Total Expenditure	1797.60	475.04	143.68	41.77	N.A.	0.00*
Profit/ (Loss) Before Tax	469.77	(53.66)	(5.05)	(17.94)	N.A.	(0.00)*
Profit/(Loss) After Tax	357.73	(53.66)	(6.75)	(17.94)	N.A.	(0.00)*

\* Figures being nullified on conversion to ₹ in Crore.

N.A. = Not Applicable

**(5) Foreign investments or collaborators, if any.**

The Company has not made any Foreign Investments and neither entered into any collaborations during the last year.

**II. Information about the appointee:**

**(1) Background details:**

Mr. Deepak Bhargava is an engineer with over 40 years of experience in the field of construction and commissioning of substations, and is an expert in all activities related to construction. He also has experience in handling contracts, erection and commissioning of transformers and stunt reactors.

**(2) Past remuneration:**

The total remuneration of Mr. Deepak Bhargava for the year ended 31<sup>st</sup> March, 2016 was ₹1.71 Crores comprising of salary and perquisites.

**(3) Recognition or awards:**

Not Applicable

**(4) Job profile and his suitability:**

The Whole-time Director is responsible for Business Development and overall operations of the Company and performs such duties and exercises such powers as entrusted to or conferred upon him by the Board from time to time.

**(5) Remuneration proposed:**

Not Applicable since the resolution is for waiver of the recovery of the excess remuneration paid to Mr. Deepak Bhargava, Whole-time Director for the Financial Year 2015-16.

**(6) Comparative remuneration profile with respect to Industry, size of the Company, profile of the position and person:**

Taking into consideration the size of the Company, the profile, knowledge, skills and responsibilities shouldered by Mr. Deepak Bhargava, the remuneration paid is commensurate with the remuneration packages paid to their similar counterparts in other companies. Under the able leadership and guidance of Mr. Deepak Bhargava, Whole-time Director, the Company has achieved stellar operational and financial performance on consolidated basis. However, on standalone basis, the Company incurred losses as the Company mainly operates through its various subsidiaries.

**(7) Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel if any:**

Besides the remuneration paid to Mr. Deepak Bhargava as Whole-time Director, he does not have any other pecuniary relationship with the Company or relationships with any other managerial personnel and Directors.

**II. Other Information**

**(1) Reasons for inadequate profits:**

The Company is the largest power transmission company operating in the private sector in India and owns, operate and maintain around 5050 ckt kms of transmission lines ranging from 400 KV to 765 KV, with a total transformation capacity of more than 12,000 MVA. The Company has four fully operational Transmission Systems that primarily serve the Northern and Western regions of India and is constructing additional projects of approx. 1700 ckms in Rajasthan, Chhattisgarh, Madhya Pradesh and Maharashtra, which were awarded through Tariff based Competitive Bidding process. ATL has successfully executed many EHV Sub Stations (HVDC, 765kV & 400kV sub stations) along with transmission lines in India.

The Company's operating performance in FY 16 has set the best benchmark in the country in terms of

system availability which ranges from 99.57% to 99.94%. During the year 2015-16, the Company continued to maintain its leadership position in the country and is poised to keep growing leverage benefits of new opportunities and create value for its stake holders.

During the year 2015-16, on consolidation basis, the total revenue of the Company increased to ₹2267.37 Crore compared to ₹138.63 Crore in the previous year. The Net Profit on consolidated basis was ₹357.73 Crore compared to ₹(6.75) Crore in the preceding year. On standalone basis, the Company registered total revenue of ₹421 Crore and incurred a loss of ₹53.66 Crore.

It is pertinent to note that the Company incurred losses on standalone basis as the Company mainly operates through its various subsidiaries.

**(2) Steps taken or proposed to be taken for improvement.**

As explained in the above point, as the Company mainly operates through its various subsidiaries, the Company incurred losses on standalone basis. The Company has achieved stellar operational and financial performance on consolidated basis.

**(3) Expected increase in productivity and profits in measurable terms.**

Key focus areas would be profit maximization, conservation of cash, operational efficiencies, cost reduction and working capital management. While it is difficult to give precise figures, the above initiatives are expected to further improve the productivity and profitability of the Company in the years to come.

**III. Disclosures**

The disclosures on remuneration package of each managerial person and details of all elements of remuneration package, details of fixed components etc. is given in the Corporate Governance Report attached to the Annual Report 2015-16 for the information of the Shareholders.

Date: 27.05.2017

Place : Ahmedabad

Regd. Office: "Adani House",

Near Mithakhali Six Roads,

Navrangpura, Ahmedabad - 380 009

Gujarat, India.

CIN : L40300GJ2013PLC077803

For and on behalf of the Board

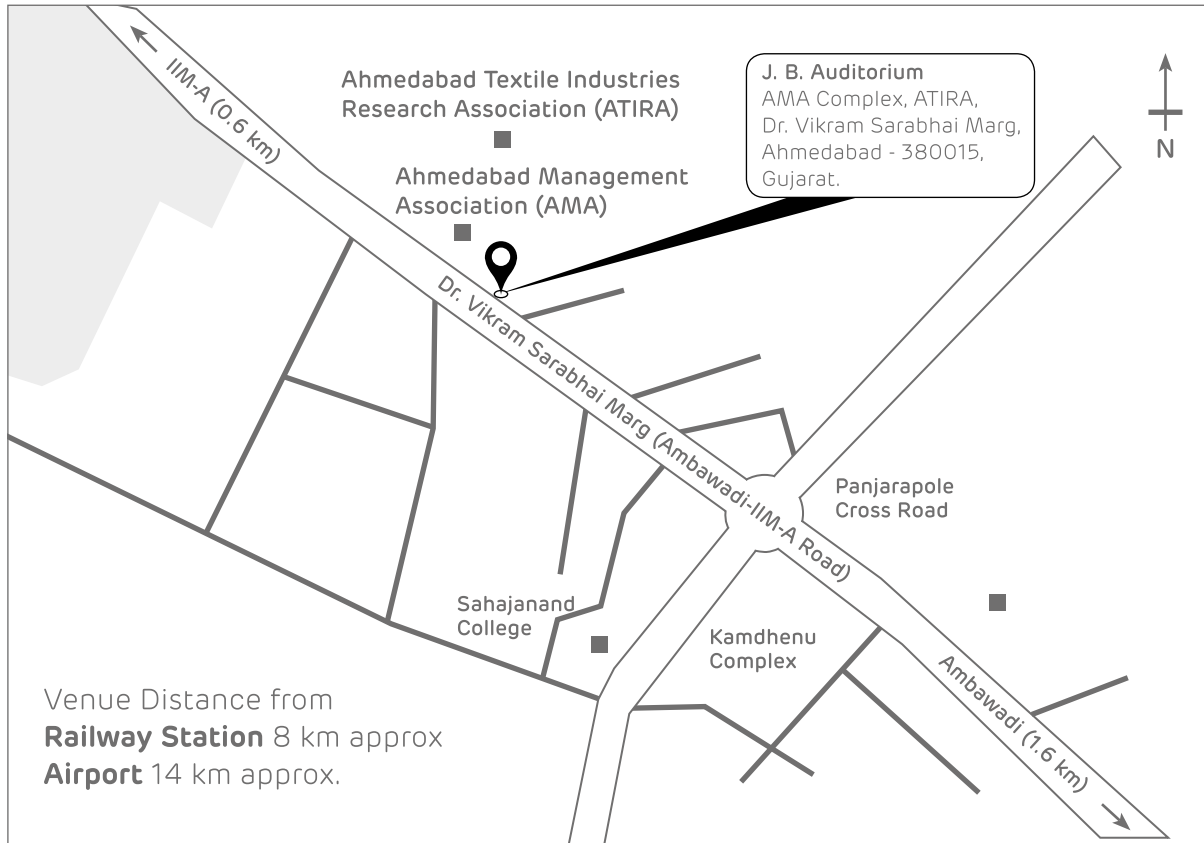
Jaladhi Shukla

Company Secretary

## Route map to the venue of the 4<sup>th</sup> AGM to be held on Thursday, 10<sup>th</sup> August, 2017

Venue : J.B. Auditorium, Ahmedabad Management Association,  
AMA Complex, ATIRA,  
Dr. Vikram Sarabhai Marg, Ahmedabad – 380 015.

Landmark : Opposite Indian Institute of Management, Ahmedabad.





**Adani Transmission Limited**

Regd. Office: "Adani House" Nr. Mithakhali Six Roads,  
Navrangpura, Ahmedabad-380 009, Gujarat, India  
CIN: L40300GJ2013PLC077803

**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 : L40300GJ2013PLC077803  
Name of the company : Adani Transmission Limited  
Registered office : "Adani House" Nr. 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 4<sup>th</sup> Annual General Meeting of the Company, to be held on Thursday, the 10<sup>th</sup> day of August, 2017 at 10:30 a.m. at J.B. Auditorium, Ahmedabad Management Association, AMA Complex, ATIRA, Dr. Vikram Sarabhai Marg, Ahmedabad-380 015 and at any adjournment thereof in respect of such resolutions as are indicated below:

**Ordinary Business:**

1. Adoption of audited financial statements (including consolidated financial statements) for the financial year ended 31<sup>st</sup> 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. Ratification of appointment of M/s. Dharmesh Parikh and Co., Chartered Accountants, Ahmedabad and fixing their remuneration (Ordinary Resolution).

**Special Business:**

4. Appointment of Mr. Laxmi Narayana Mishra as a Director (Ordinary Resolution).
5. Appointment of Mr. Laxmi Narayana Mishra as a Whole-time Director of the Company (Special Resolution).
6. Approval of offer or invitation to subscribe to Securities for an amount not exceeding ₹5,000 Crores (Special Resolution).
7. Approval of offer or invitation to subscribe to Non-Convertible Debentures on private placement basis (Special Resolution).
8. Approval/ ratification of material related party transactions entered into by the Company during the financial year ended 31<sup>st</sup> March, 2017 as per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Ordinary Resolution).

Signed this ..... day of ..... 2017.

Signature of Shareholder: \_\_\_\_\_



Signature of Proxy holder(s): \_\_\_\_\_

**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 Transmission Limited**

Regd. Office: "Adani House" Nr. Mithakhali Six Roads,  
Navrangpura, Ahmedabad-380 009, Gujarat, India  
CIN: L40300GJ2013PLC077803

## 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 4<sup>th</sup> Annual General Meeting held at J. B. Auditorium, Ahmedabad Management Association, AMA Complex, ATIRA, Dr. Vikram Sarabhai Marg, Ahmedabad – 380 015 on Thursday, 10<sup>th</sup> August, 2017 at 10:30 a.m.

Folio No. \_\_\_\_\_ DP ID No. \* \_\_\_\_\_ Client ID No.\* \_\_\_\_\_

\*Applicable for members holding shares in electronic form.

No. of Share(s) held \_\_\_\_\_

\_\_\_\_\_  
Member's / Proxy's Signature





**Adani Transmission Limited**

**Adani House**

Nr. Mithakhali Six Roads, Navrangpura,  
Ahmedabad 380 009, Gujarat, India.

Tel +91 79 2656 5555

Fax +91 79 2656 5500

info@adani.com

Follow us on:    Adani Online [www.adanitransmission.com](http://www.adanitransmission.com)