DHARMESH PARIKH & CO.
CHARTERED ACCOUNTANTS

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

Independent Auditor's Report

To the Members of Adani Power Resources Limited

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS Financial Statements of Adani Power Resources Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flows 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 "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 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 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 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 Ind AS Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 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 Ind AS 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 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 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 the Ind AS, of the financial position of the Company as at 31st March, 2018 and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Dharmesh Parikh & Co. Ahmedabad Chartered Accountants

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

Independent Auditor's Report
To the Members of Adani Power Resources Limited (Continue)

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure A" statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

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

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

   b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   c) the Balance Sheet, the Statement of Profit and Loss, the Statement Cash Flows 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 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 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 did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

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

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

Dharmesh Parikh & Co. Ahmedabad Chartered Accountants

Anuj Jain
Partner
Membership No. 119140

Place : Ahmedabad
Date : 2nd May 2018

DHARMESH PARIKH & CO.
CHARTERED ACCOUNTANTS

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

Annexure - A to the Independent Auditor's Report
RE: Adani Power Resources Limited

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

The Annexure referred to in our Independent Auditor's Report to the members of the Company on the Ind AS Financial Statements for the year ended 31st March, 2018, we report that:

(i) The company does not have any Fixed Assets. Accordingly, the provisions of paragraph 3(i) (a) to (c) of the Order are not applicable.

(ii) The Company has not carried out any commercial activities during the year ended on 31st March, 2018 and hence it does not carry any Inventory. Accordingly the provisions of paragraph 3(ii) (a) & (b) of the Order are not applicable.

(iii) According to the information and explanation given to us and the records produced to us for our verification, the company has not granted loans, 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) According to the information and explanations given to us and representations made by the Management, the Company has complied with the provisions of section 185 and 186 of the Act in respect of investments made by it. The company has not given loans, guarantees and has not provided any securities to which provisions of section 185 and 186 apply.

(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 the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.

(vi) The company has not done any commercial activity during the year under review. Accordingly, the maintenance of cost records under section 148(1) of the Act as prescribed by the Central Government is not applicable to the company.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including income tax, GST and other material statutory dues have generally been deposited regularly during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of sales tax, service tax, duty of customs, value added tax, cess, employees' state insurance, provident fund and duty of excise.

According to the information and explanations given to us, no undisputed amounts payable in respect of income tax and other material statutory dues were in arrears as at 31st March, 2018 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) The Company has not taken any loan either from banks, financial institutions or from the government and has not issued any debentures. Accordingly the provisions of paragraph 3(viii) of the Order are not applicable.

Dharmesh Parikh & Co. Ahmedabad Chartered Accountants

DHARMESH PARIKH & CO.
CHARTERED ACCOUNTANTS

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Ahmedabad-380 054. **Phone: 91-79-27474466 Fax: 91-79-27479955**

Annexure - A to the Independent Auditor's Report
RE: Adani Power Resources Limited (Continue)

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

(ix) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised money by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3(ix) of the Order are not applicable.

(x) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practice in India, and according to the information and explanation given to us, we have neither come across any instance of material fraud by the company or on the company by its officers or employees, noticed or reported during the year.

(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 not been paid/provided. Accordingly the provisions of Clauses 3(xi) of the Order are not applicable.

(xii) In our opinion, the Company is not a nidhi Company. Accordingly the provisions of Clauses 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 Companies Act 2013 and all the details have been disclosed in Ind AS Financial Statements as required by the applicable Accounting Standards.

(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 or not issued any debenture during the year under review. Accordingly the provisions of paragraph 3(xiv) of the Order are not applicable.

(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 Clauses 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.

Place : Ahmedabad
Date : 2nd May 2018

Dharmesh Parikh & Co. Ahmedabad Chartered Accountants

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

Anuj

Anuj Jain
Partner
Membership No. 119140

Annexure – B to the Independent Auditor's Report
RE: Adani Power Resources Limited

(Referred to in Paragraph 2(f) of our Report of even date)

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 the company as of 31st March, 2018 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 issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

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 on Audit of Internal Financial Controls Over Financial Reporting (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 the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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 Ind AS 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

Dharmesh Parikh & Co. Ahmedabad Chartered Accountants

Annexure – B to the Independent Auditor's Report
RE: Adani Power Resources Limited (Continue)
(Referred to in Paragraph 2(f) of our Report of even date)

(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, though the company has not done any significant transactions during the year, it 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 31st March, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place : Ahmedabad
Date : 2nd May 2018

Dharmesh Parikh & Co. Ahmedabad Chartered Accountants

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

Anuj Jain
Partner
Membership No. 119140

ADANI POWER RESOURCES LIMITED
(Previously known as Adani Transmission (Maharashtra) Limited)
Balance Sheet as at 31st March, 2018

Particulars	Notes	As at 31st March, 2018 (Amount in ₹)	As at 31st March, 2017 (Amount in ₹)
ASSETS			
Non-current Assets			
(a) Financial Assets			
(i) Non-current Investment	4	5,000	-
(ii) Other Non-current Financial Assets	5	45,000	45,000
Total Non-current Assets		**50,000**	**45,000**
Current Assets			
(a) Financial Assets			
(i) Cash and Cash Equivalents	6	2,89,138	3,05,913
Total Current Assets		**2,89,138**	**3,05,913**
Total Assets		**3,39,138**	**3,50,913**
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	7	5,00,000	5,00,000
(b) Other Equity	8	(1,96,542)	(1,63,462)
Total Equity		**3,03,458**	**3,36,538**
LIABILITIES			
Non-current Liabilities		-	-
Total Non-current Liabilities		-	-
Current Liabilities			
(a) Financial Liabilities			
(i) Other Current Financial Liabilities	9	35,680	14,375
Total Current Liabilities		**35,680**	**14,375**
Total Liabilities		**35,680**	**14,375**
Total Equity and Liabilities		**3,39,138**	**3,50,913**

See accompanying notes to the financial statements

In terms of our report attached

For Dharmesh Parikh & Co.
Chartered Accountants
Firm Registration Number : 112054W

Anuj Jain
Partner
Membership No.119140

Place : Ahmedabad
Date : 2nd May, 2018

For and on behalf of the board of directors of
Adani Power Resources Limited
(Previously known as Adani Transmission (Maharashtra) Limited)

Rajiv Rustagi
Director
DIN 07193069

M. R. Krishna Rao
Director
DIN 06495315

Place : Ahmedabad
Date : 2nd May, 2018

ADANI POWER RESOURCES LIMITED
(Previously known as Adani Transmission (Maharashtra) Limited)
Statement of Profit and Loss for the year ended 31st March, 2018

Particulars	Notes	For the year ended 31st March, 2018 (Amount in ₹)	For the year ended 31st March, 2017 (Amount in ₹)
Revenue		-	-
Total Income		-	-
Expenses			
Other Expenses	10	33,080	32,287
Total Expenses		**33,080**	**32,287**
Loss before exceptional items and tax		**(33,080)**	(32,287)
Exceptional items		-	-
Loss before tax		**(33,080)**	**(32,287)**
Tax Expenses:			
Current Tax	11	-	-
Deferred Tax		-	-
		-	-
Loss for the year	**Total A**	**(33,080)**	**(32,287)**
Other Comprehensive Income			
Other Comprehensive Income		-	-
Other Comprehensive Income (After Tax)	**Total B**	-	-
Total comprehensive loss for the year	**Total (A+B)**	**(33,080)**	**(32,287)**
Earnings Per Equity Share (EPS) (Face Value ₹ 10 Per Share)			
Basic and Diluted EPS (₹)	12	(0.66)	(0.65)

See accompanying notes to the financial statements

In terms of our report attached

For Dharmesh Parikh & Co.
Chartered Accountants
Firm Registration Number : 112054W

Anuj Jain
Partner
Membership No.119140

For and on behalf of the board of directors of
Adani Power Resources Limited
(Previously known as Adani Transmission (Maharashtra) Limited)

Rajiv Rustagi
Director
DIN 07193069

M. R. Krishna Rao
Director
DIN 06495315

Place : Ahmedabad
Date : 2nd May, 2018

Place : Ahmedabad
Date : 2nd May, 2018

ADANI POWER RESOURCES LIMITED
(Previously known as Adani Transmission (Maharashtra) Limited)
Statement of changes in equity for the year ended 31st March, 2018

adani

A. Equity Share Capital

Particulars	No. Shares	(Amount in ₹)
Balance as at 1st April, 2016	50,000	5,00,000
Changes in equity share capital during the year :	-	-
Balance as at 31st March, 2017	**50,000**	**5,00,000**
Changes in equity share capital during the year :	-	-
Balance as at 31st March, 2018	**50,000**	**5,00,000**

B. Other Equity

(Amount in ₹)

Particulars	Reserves and Surplus	Total
	Retained Earnings	
Balance as at 1st April, 2016	(1,31,175)	**(1,31,175)**
Loss for the year	(32,287)	**(32,287)**
Other comprehensive income	-	-
Total Comprehensive Loss for the year	**(32,287)**	**(32,287)**
Balance as at 31st March, 2017	**(1,63,462)**	**(1,63,462)**
Balance as at 1st April, 2017	**(1,63,462)**	**(1,63,462)**
Loss for the year	(33,080)	**(33,080)**
Other comprehensive income	-	-
Total Comprehensive Loss for the year	**(33,080)**	**(33,080)**
Balance as at 31st March, 2018	**(1,96,542)**	**(1,96,542)**

See accompanying notes forming part of the financial statements

In terms of our report attached

For Dharmesh Parikh & Co.
Chartered Accountants
Firm Registration Number : 112054W

Anuj Jain
Partner
Membership No.119140

Place : Ahmedabad
Date : 2nd May, 2018

For and on behalf of the board of directors of
Adani Power Resources Limited
(Previously known as Adani Transmission (Maharashtra) Limited)

Rajiv Rustagi	**M. R. Krishna Rao**
Director	**Director**
DIN 07193069	DIN 06495315

Place : Ahmedabad
Date : 2nd May, 2018

ADANI POWER RESOURCES LIMITED
(Previously known as Adani Transmission (Maharashtra) Limited)
Statement of Cash Flow for the year ended 31st March, 2018

adani

Particulars	For the year ended 31st March, 2018 (Amount in ₹)	For the year ended 31st March, 2017 (Amount in ₹)
(A) Cash flow from operating activities		
Loss before tax as per Statement of Profit and Loss	(33,080)	(32,287)
Adjustment for the year	-	-
Operating loss before working capital changes	**(33,080)**	**(32,287)**
Changes in working capital:		
(Increase) / Decrease in Operating Activities		
Other Financial Liabilities	16,305	62
Other Current Liabilities	-	(2,400)
Total Change in Working Capital	**16,305**	**(2,338)**
Cash used in operations	**(16,775)**	**(34,625)**
Less : Tax Paid	-	-
Net cash used in operating activities (A)	**(16,775)**	**(34,625)**
(B) Cash flow from investing activities		
Investments	-	-
Net cash used in investing activites (B)	-	-
(C) Cash flow from financing activities	-	-
Net cash used in financing activities (C)	-	-
Net decrease in cash and cash equivalents (A)+(B)+(C)	(16,775)	(34,625)
Cash and cash equivalents at the beginning of the year	3,05,913	3,40,538
Cash and cash equivalents at the end of the year	**2,89,138**	**3,05,913**
Notes to Cash flow Statement :		
Reconciliation of Cash and cash equivalents with the Balance Sheet:		
Cash and cash equivalents as per Balance Sheet (Refer Note 6)	2,89,138	3,05,913
	2,89,138	**3,05,913**

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

See accompanying notes to the financial statements
In terms of our report attached

For Dharmesh Parikh & Co.
Chartered Accountants
Firm Registration Number : 112054W

Anuj Jain
Partner
Membership No.119140

Place : Ahmedabad
Date : 2nd May, 2018

For and on behalf of the board of directors of
Adani Power Resources Limited
(Previously known as Adani Transmission (Maharashtra) Limited)

Rajiv Rustagi
Director
DIN 07193069

M. R. Krishna Rao
Director
DIN 06495315

Place : Ahmedabad
Date : 2nd May, 2018

1 Corporate information

Adani Power Resources Limited (Previouslly known as Adani Transmission (Maharashtra) Limited, name changed vide Certificate of Incorporation persuant to change of name [under rule 29 of the Companies (Incorporation) Rules, 2014] with effect from 13th January, 2015) domiciled in India and incorporated on 4th December, 2013 under the provisions of the Companies Act, 2013 having its registered office at Adani House, Mithakhali Six Roads, Navrangpura, Ahmedabad – 380 009, Gujarat, India to carry on the business in the area of Coal Resources. It is a Subsidiary Company of Adani Power Limited.

2 Significant accounting policies

2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.

These Financial statements have been prepared and presented under the historical cost convention with the exception of certain assets and liabilities that are required to be carried at fair values by Ind AS. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between the market participants at the measurement date.

The Financial Statements are presented in INR.

2.2 Summary of significant accounting policies

a Financial Instruments

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

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

b Financial assets

Initial recognition and measurement

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

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified:

i) At amortised cost

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and which are not classified as financial assets at fair value through profit or loss or financial assets available-for-sale. Subsequently, these are measured at amortized cost using the effective interest method less any impairment losses. These include trade receivables, finance receivables, balances with banks, short-term deposits with banks, other financial assets and investments with fixed or determinable payments.

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

Financial assets which are not measured at amortised cost are measured at FVTPL.
Fair value changes related to such financial assets including derivative contracts like forward currency contracts, cross currency swaps, options, interest rate futures and interest rate swaps to hedge its foreign currency risks and interest rate risks, are recognised in the statement of profit and loss.

Derecognition

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

Impairment of Financial assets

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

Dharmesh Parikh & Co. Chartered Accountants Ahmedabad

Adani Power Resources Limited

The Company applies expected credit loss (ECL) model for measurement of impairment loss on the following financial assets and credit risk exposure;

a) Financial assets that are debt instruments, and are measured at amortised cost e.g. loans, debt securities, deposits, trade receivables and bank balances

b) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18

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

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

c Financial liabilities and equity instruments

Classification as debt or equity

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

Equity instruments

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

Financial liabilities

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

Financial liabilities at amortised cost

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

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

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

Financial liabilities at FVTPL

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

• such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;

• the financial liability whose performance is evaluated on a fair value basis, in accordance with the Company's documented risk management;

Fair value changes related to such financial liabilities including derivative contracts like forward currency contracts, cross currency swaps, options, interest rate futures and interest rate swaps to hedge its foreign currency risks and interest rate risks, are recognised in the statement of profit and loss.

Derecognition of financial liabilities

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

d Operating Cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non - current.

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e Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the financial asset or settle the financial liability takes place either:

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

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

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

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

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

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

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

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

f Revenue recognition

Interest income is accounted for on an accrual basis. Dividend income is accounted for when the right to receive income is established.

g Taxation

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

Current tax

Tax on income for the current period is determined on the basis on estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

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

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

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h Earning per Share

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

i Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

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

3 Significant accounting judgements, estimates and assumptions

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

There are no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. Existing circumstances and assumptions about future developments may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

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4	Non-current Investments	As at 31st March, 2018 (Amount in ₹)	As at 31st March, 2017 (Amount in ₹)
	Unquoted Investments (all fully paid)		
	Investment in Equity Instruments in Fellow Subsidiary		
	Adani Power Mundra Limited (500 Equity Shares - Face Value ₹ 10)	5,000	-
	Total	**5,000**	**-**

5	Other Non-current Financial Assets (Unsecured, considered good)	As at 31st March, 2018 (Amount in ₹)	As at 31st March, 2017 (Amount in ₹)
	Security Deposit	45,000	45,000
	Total	**45,000**	**45,000**

6	Cash and Cash equivalents	As at 31st March, 2018 (Amount in ₹)	As at 31st March, 2017 (Amount in ₹)
	Balances with banks		
	In current accounts	2,89,138	3,05,913
	Cash on hand	-	-
	Total	**2,89,138**	**3,05,913**

7	Share Capital	As at 31st March, 2018 (Amount in ₹)	As at 31st March, 2017 (Amount in ₹)
	Authorised Share Capital		
	50,000 Equity shares of ₹ 10/- each	5,00,000	5,00,000
	Total	**5,00,000**	**5,00,000**
	Issued, Subscribed and fully paid-up equity shares		
	50,000 Equity shares of ₹ 10/- each fully paid	5,00,000	5,00,000
	Total	**5,00,000**	**5,00,000**

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

Equity Shares

	As at 31st March, 2018		As at 31st March, 2017	
	No. Shares	(Amount in ₹)	No. Shares	(Amount in ₹)
At the beginning of the year	50,000	5,00,000	50,000	5,00,000
Issued during the year	-	-	-	-
Outstanding at the end of the year	**50,000**	**5,00,000**	**50,000**	**5,00,000**

b. Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company the holders of the equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the share holders.

c. Shares held by Parent Company

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

	As at 31st March, 2018		As at 31st March, 2017	
	No. Shares	(Amount in ₹)	No. Shares	(Amount in ₹)
Adani Power Limited (Parent Company along with its nominees)	25,000	2,50,000	25,000	2,50,000
	25,000	**2,50,000**	**25,000**	**2,50,000**

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

	As at 31st March, 2018		As at 31st March, 2017	
	No. Shares	% holding in the class	No. Shares	% holding in the class
Adani Power Limited	25,000	50%	25,000	50%
Adani Power Maharashtra Limited	15,000	30%	15,000	30%
Adani Power Rajasthan Limited	10,000	20%	10,000	20%
	50,000	**100%**	**50,000**	**100%**

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8 Other Equity		As at 31st March, 2018 (Amount in ₹)	As at 31st March, 2017 (Amount in ₹)
Retained earnings			
Opening Balance		(1,63,462)	(1,31,175)
Add : (Loss) for the year		(33,080)	(32,287)
Add : Other Comprehensive Income		-	-
Closing Balance	**Total**	**(1,96,542)**	**(1,63,462)**

9 Other Current Financial Liabilities		As at 31st March, 2018 (Amount in ₹)	As at 31st March, 2017 (Amount in ₹)
Other Payable		35,680	14,375
	Total	**35,680**	**14,375**

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10 Other Expenses

	For the year ended 31st March, 2018 (Amount in ₹)	For the year ended 31st March, 2017 (Amount in ₹)
Rates and Taxes	2,400	2,584
Legal & Professional Expenses	-	420
Payment to Auditors		
Statutory Audit Fees	17,700	14,438
Other Certification Expenses	12,980	14,845
Total	**33,080**	**32,287**

11 Income Tax

The major components of income tax expense for the years ended 31st March, 2018 and 31st March, 2017 are:

	For the year ended 31st March, 2018 (Amount in ₹)	For the year ended 31st March, 2017 (Amount in ₹)
Current Tax:		
Current Income Tax Charge	-	-
Total (a)	-	-
Deferred Tax		
In respect of current year origination and reversal of temporary differences	-	-
Total (b)	-	-
Total (a+b)	-	-
OCI section		
Deferred tax related to items recognised in OCI during in the year:	-	-
	-	-

	For the year ended 31st March, 2018 (Amount in ₹)	For the year ended 31st March, 2017 (Amount in ₹)
Accounting profit / (loss) before tax	**(33,080)**	**(32,287)**
Income tax using the company's domestic tax rate	(8,518)	(9,977)
Tax Rate for Corporate Entity as per Income Tax Act, 1961	25.75%	30.90%
Tax Effect of :		
Current year losses for which no deferred tax asset is recognised	8,518	9,977
Income tax recognised in profit and loss account at effective rate	-	-
Total Tax Expense for the year	-	-
Net (DTL) / DTA recognised during the year	-	-

12 Pursuant to the Indian Accounting Standard 33 – Earning per Share, the disclosure is as under:

	For the year ended 31st March, 2018 (Amount in ₹)	For the year ended 31st March, 2017 (Amount in ₹)
Basic and Diluted EPS		
Profit/ (Loss) attributable to equity shareholders	(33,080)	(32,287)
Weighted average number of equity shares outstanding during the year	50,000	50,000
Nominal Value of equity share	10	10
Basic and Diluted EPS	**(0.66)**	**(0.65)**

13 Disclosures under MSMED Act :

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

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

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14 Contingent Liabilities & Commitments (to the extent not provided for)

	As at 31st March, 2018 (Amount in ₹)	As at 31st March, 2017 (Amount in ₹)
Contingent Liabilities	-	-
Commitments		
Estimated amount of contracts remaining to be executed on capital accounts (net of advances) and not provided for	-	-
Total	-	-

15 Fair Value Measurement :

a) The carrying value of financial instruments by categories as of 31st March, 2018 is as follows :

Particulars	Fair Value through other Comprehensive income	Fair Value through profit or loss	Amortised Cost	Total
Financial Assets				
Other Non-current Financial Assets	-	-	45,000	**45,000**
Cash and Cash Equivalents	-	-	2,89,138	**2,89,138**
Total	-	-	**3,34,138**	**3,34,138**
Financial Liabilities				
Other Financial Liabilities	-	-	35,680	**35,680**
Total	-	-	**35,680**	**35,680**

b) The carrying value of financial instruments by categories as of 31st March, 2017 is as follows :

Particulars	Fair Value through other Comprehensive income	Fair Value through profit or loss	Amortised Cost	Total
Financial Assets				
Other Non-current Financial Assets	-	-	45,000	**45,000**
Cash and Cash Equivalents	-	-	3,05,913	**3,05,913**
Total	-	-	**3,50,913**	**3,50,913**
Financial Liabilities				
Other Financial Liabilities	-	-	14,375	**14,375**
Total	-	-	**14,375**	**14,375**

15.1 All financial Assets and Liabilities valued at amortised cost. Therefore, fair value hierarchy not applicable as at 31st March, 2018, and as at 31st March, 2017.

16 Financial Risk objective and policies:

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

In the ordinary course of business, the Company is exposed to Market risk, Credit risk, and Liquidity risk.

Market Risk :
Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of interest rate risk.

Credit Risk :
Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.

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.

17 Capital Management

The Company's objectives for 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.

No changes were made in the objectives, policies or processes for managing capital during the year ended as at 31st March, 2018 and as at 31st March, 2017.

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18 The company evaluates its working capital position for ensuing financial year based on the projected cash flow statement. Having regard to the above, the financial statements have been prepared by the Management of the Company on a going concern basis.

19 **Related party transactions**

The Management has identified the following entities and individuals as related parties of the Company for the Year ended March 31, 2018 for the purposes of reporting as per Ind AS 24 – Related Party Disclosure, which are as under:

Immediate Parent Company	:	Adani Power Limited
Fellow Subsidiary Companies (with whom transactions done)	:	Adani Power (Jharkhand) Limited
Key Management Personnel	:	Mr. Manuguri Raghavendra Krishna Rao Mr. Jayadeb Nanda Mr. Rajiv Kumar Rustagi

Terms and conditions of transactions with related parties

Outstanding balances of related parties at the year-end are unsecured and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

Notes:

The names of the related parties and nature of the relationships where control exists are disclosed irrespective of whether or not there have been transactions between the related parties. For others, the names and the nature of relationships is disclosed only when the transactions are entered into by the Company with the related parties during the existence of the related party relationship.

a) Transaction with Related Parties :

Particulars	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
	With Fellow Subsidiaries	With Fellow Subsidiaries
Nature of Transaction with Related Parties :		
Investment in Equity instruments	5,000	-

b) Balances with Related Parties :

Particulars	As at 31st March, 2018	As at 31st March, 2017
	With Fellow Subsidiaries	With Fellow Subsidiaries
Balances with Related Parties :		
Other Payable	5,000	-

20 Previous year's figures have been recasted, regrouped and rearranged, wherever necessary to confirm to this year's classification.

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21 Approval of financial statements

The financial statements were approved for issue by the board of directors on 2nd May, 2018.

In terms of our report attached

For Dharmesh Parikh & Co.
Chartered Accountants
Firm Registration Number : 112054W

Anuj Jain
Partner
Membership No.119140

Place : Ahmedabad
Date : 2nd May, 2018

For and on behalf of the board of directors of
Adani Power Resources Limited
(Previously known as Adani Transmission (Maharashtra) Limited)

Rajiv Rustagi	M. R. Krishna Rao
Director	Director
DIN 07193069	DIN 06495315

Place : Ahmedabad
Date : 2nd May, 2018