adani

Power

June 01, 2020

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

Scrip Code: 533096

National Stock Exchange of India Limited
Exchange plaza,
Bandra-Kurla Complex, Sandra (E)
Mumbai – 400051

Scrip Code: ADANIPOWER

Sub: Notice of the 24th Annual General Meeting alongwith Annual Report of the Company for the financial year 2019-20

The 24th Annual General Meeting ("AGM") of the Company will be held on Thursday, 25th June, 2020 at 11:30 a.m. IST through Video Conferencing / Other Audio Visual Means.

Pursuant to Regulation 34(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), we are submitting herewith the Annual Report of the Company along with the Notice of AGM for the financial year 2019-20 which is being sent through electronic mode to the Members.

The Annual Report containing the Notice is also uploaded on the Company's website www.adanipower.com.

Kindly take the same on your record.

Thanking You,

Yours faithfully,
For Adani Power Limited

ADANI POWER LIMITED

Deepak Pandya
Company Secretary

Adani Power Ltd
Adani Corporate House
Shantigram, S G Highway
Ahmedabad 382 421
Gujarat India
CIN: L40100GJ1996PLC030533

Tel +91 79 2656 7555
Fax +91 79 2555 7177
info@adani.com
www.adani.com

adani | Power

Adani Power Limited
Annual Report 2019-20

Reliable power. Sustainable value.

Contents

FY20 Highlights

₹ 27,842 Crore

Consolidated Revenue
Up 6% y-o-y

₹ 7,059 Crore

Consolidated EBITDA
Down 5% y-o-y

68%

Plant Load Factor (PLF)
vs. 64% in FY19

89%*

Commercial Availability
vs. 78% in FY19

69.1 BU

Generation
vs. 58.5 BU in FY19

64.1 BU

Sales
vs. 55.2 BU in FY19

*Declared under long-term PPAs;
BU = Billion units

Reliable power.
Sustainable value.

At Adani Power, our first duty is to fulfil the commitments we have made to the nation, to our customers, and to all our stakeholders. Even in times of global adversity, we have kept our plants running to keep the lights shining bright and steady in homes far and wide. As custodians of assets of national importance, we are committed to create enduring value, while following our core principles of reliability, sustainability, and safety.

As India revives its economic growth engine to take confident strides towards the next phase of its prosperity, we will continue to be a dedicated partner in that journey. With an expanding portfolio of modern power plants, coupled with our unmatched fuel management, logistics, and technical capabilities, we remain fully committed to delivering sustainable value to all our stakeholders.

Corporate Portrait

Powering India's ambitions

Adani Power Limited (APL) is India's largest private sector thermal power producer with an overall generation capacity of 12.4 GW, which includes 40 MW of solar power. A part of the diversified Adani Group, we have thermal power plants in Gujarat, Maharashtra, Karnataka, Rajasthan, and Chhattisgarh and a solar power unit in Bitta, Gujarat.

Our journey began in 2006 when we started constructing our first plant in Mundra, Gujarat. It is India's largest private power generator unit and the world's first coal-based thermal power project to be granted carbon credits by the United Nations Framework Convention on Climate Change (UNFCCC). We are also the world's first company to set up a coal-based Supercritical thermal power project registered under the Clean Development Mechanism (CDM) of the Kyoto protocol.

We are constructing a 1,600-MW Ultra-supercritical thermal power project in Godda, Jharkhand, which will help us export power and increase our power generation capacity to more than 14 GW.

About Adani Group

Adani Group, is a diversified organisation in India with combined market capitalisation of $21 Billion comprising six publicly traded companies. It has created a world-class transport and utility infrastructure portfolio with a pan-India presence. Adani Group is headquartered in Ahmedabad, in the state of Gujarat, India. Over the years, the Group has positioned itself to be the market leader in its transport logistics and energy utility portfolio businesses focusing on large-scale infrastructure development in India with O&M practices benchmarked to global standards. With four IG-rated businesses, it is the only Infrastructure Investment Grade issuer in India.Adani Group owes its success and leadership position to its core philosophy of 'Nation Building' and 'Growth with Goodness' - a guiding principle for sustainable growth. The Group is committed to increase its ESG footprint by realigning its businesses with emphasis on climate protection and increasing community outreach through its CSR programme based on the principles of sustainability, diversity and shared values.

Vision

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

Values

Trust
We shall believe in our employees and other shareholders

Courage
We shall embrace new ideas and businesses

Commitment
We shall stand by our promises and adhere to high standards of business

Quick facts

08

Strategically located, diversified power plants

Largest

Private sector Independent Power Producer (IPP)

78%

Supercritical and Ultra-supercritical units

74%

Long-term Power Purchase Agreement (PPA) tie-ups

84%

Coal tie-up for domestic coal-based capacity

89%

Availability for long-term PPAs

14 GW[1]

Generation capacity

2,980

Team size

97%

Fly ash utilisation[2]

Our portfolio

Strategic advantage with scale and location

Location	Category	Coal source	Technology	Total capacity (MW)
Udupi, Karnataka	Coastal, Utility	Imported	Subcritical	1,200 (600x2)
Tiroda, Maharashtra	Near-pithead	Fuel Supply Agreement (FSA)	Supercritical	3,300 (660x5)
Raipur, Chhattisgarh	Near-pithead	E-auction	Supercritical	1,370 (685x2)
Raigarh, Chhattisgarh	Near-pithead	FSA and e-auction	Subcritical	600 (600x1)
Kawai, Rajasthan	Hinterland	FSA	Supercritical	1,320 (660x2)
Mundra, Gujarat	Coastal	FSA and imported	Subcritical Supercritical	(330x4) (660x5) 4,620
Bitta, Gujarat	Solar	N/A	Photovoltaic	40
Godda, Jharkhand*	Hinterland (Export)	Imported	Ultra-supercritical	1,600 (800x2)

[1]Including under-construction 1,600 MW Godda project
[2]100% at Mundra (Gujarat) Kawai (Rajasthan), Udupi (Karnataka), Raipur (Chhattisgarh) and Raigarh (Chhattisgarh)
*For details, please refer to Page 4

Awards and recognitions in FY 2019-20

- Sword of Honour awarded to Adani Power Rajasthan Limited (APRL) by British Safety Council
- Excellence award during 5S Conclave at Varanasi to two teams from APRL
- Udupi Power Corporation Limited (UPCL) won Platinum prize at FICCI Safety Systems Excellence Awards
- Adani Power (Mundra) Limited (APMuL) certified for ISO 45000:2018 (OHSAS) and ISO 50001:2018 (EMS) in December 2019
- 5-star certificate from Maharashtra Pollution Control Board to Adani Power Maharashtra Limited (APML) for stack emissions for 3rd consecutive year
- APML, APRL, UPCL certified with ISO45001:2018 (OHS), ISO50001:2018 (Environment Management System)
- APMuL, APML, APRL and UPCL certified for 5S (Workplace Management System)
- APML won the IMC Ramakrishna Bajaj National Quality Awards Trust Performance Excellence Trophy 2019

The Godda Project

Opportunities in cross-border power supply

We are developing a 1,600 MW power project at Godda in Jharkhand for supplying power to Bangladesh. Located just 100 kilometres away from the Indo-Bangladesh border and being built on a more efficient and environment-friendly Ultra-supercritical technology, the project—once commissioned—will enable us to address power deficit in Bangladesh.

The Government of Bangladesh has set in motion its Power Systems Master Plan 2016 (PSMP 2016), as part of its ambition of becoming a high-income country by 2041, which details initiatives to be undertaken to increase power generation capacity and improve efficiency. The PSMP 2016 aims for capacity addition of ~24,000 MW by 2033, including ~2,000 MW from renewable energy sources.

Liquid fuel sources account for one-third of Bangladesh's total installed capacity (FY19). These sources have very high generation costs ranging from BDT 8.45/kWH to BDT 36.49/kWh, which pushes up electricity tariffs. Thus, PSMP 2016 puts significant emphasis on increasing the share of coal-fired power plants in the generation mix.

The Government of India and the Government of Bangladesh entered into a Framework Agreement on Cooperation in Generation, Transmission and Distribution of Electricity on September 6, 2011. A Memorandum of Understanding (MoU) was signed on April 11, 2015 between Adani Power Limited (APL) and the Bangladesh Power Development Board (BPDB) to develop a 1,600 MW Ultra-supercritical thermal power project in India for cross-border supply of power to Bangladesh.

Project highlights

1,600 MW
Planned installed capacity (two units of 800 MW each)

100+ km
Dedicated transmission line to the Indo-Bangladesh border

January 2022
Expected time of completion of Unit 1

May 2022
Expected time of completion of Unit 2.

₹ 148.2 Billion
Estimated project cost

A power purchase agreement (PPA) was subsequently signed between Adani Power (Jharkhand) Limited (APJL), a wholly owned subsidiary of APL, and the BPDB on November 5, 2017, for supplying 1,496 MW (net) of power to Bangladesh through a dedicated transmission line across the Indo-Bangladesh border for a period of 25 years. The PPA allows for a combination of fixed and variable tariffs denominated in US dollars.

APJL also signed an Implementation Agreement with the Government of Bangladesh and the Power Grid Corporation of Bangladesh (PGCB), under which the Bangladesh government has provided an unconditional and irrevocable guarantee on all payments due to the project. After receiving the

Ultra-supercritical technology, efficiency and environmental impact

Lower land footprint area requirement

Lower fuel consumption due to improved efficiency and heat rate

Zero discharge concept for water use to avoid any thermal impact on aquatic ecosystem

Selective Catalytic Reactor System (SCR) to reduce the NOx levels

Less auxiliary power consumption

Equipment sourced from world-class OEMs

Significant reduction in carbon and SOx emissions – limestone-based Wet Flue Gas De-sulphurization (FGD) system to ensure SOx levels remain less than 100mg/Nm^3

requisite clearances related to land, water, environment, railway siding, chimney, transmission line and cross-border trade, we commenced construction of the plant with a targeted completion of Unit 1 in January 2022 and Unit 2 in May 2022, according to the PPA.

Located at the Motia village in the Godda district of Jharkhand, the project once commissioned will help Bangladesh substitute expensive energy sources in the overall mix. As Bangladesh is a growing economy, the project will not only help lower its power deficit, but also provide a unique value-accretive opportunity for us. Further, the utilisation of Ultra-supercritical technology will lead to improved efficiency and lower emission impact on the environment.

Progress status

- Project under construction
- All required clearances and approvals are in place for construction
- Land acquisition complete
- EPC contract awarded to Consortium led by SEPCOIII, a subsidiary of POWERCHINA
- Project financing fully tied up

Performance Highlights FY 2019-20

Stable performance amid volatility

Operating highlights

REGULATED UTILITY (1,200 MW)

Udupi Power Corporation Limited (UPCL)
Udupi, Karnataka

Annual PLF
31%

Generation
3.28 BUs

COASTAL (4,620 MW)

Adani Power (Mundra) Limited (APMuL)
Mundra, Gujarat

Annual PLF
73%

Generation
29.83 BUs

HINTERLAND (1,320 MW)

Adani Power Rajasthan Limited (APRL)
Kawai, Rajasthan

Annual PLF
69%

Generation
8.00 BUs

NEAR PIT HEAD (3,300 MW)

Adani Power Maharashtra Limited (APML)
Tiroda, Maharashtra

Annual PLF
80%

Generation
23.25 BUs

NEAR PIT HEAD (1,370 MW)

Raipur Energen Ltd. (REL)
Raikheda, Chhattisgarh

Annual PLF
52%*

Generation
4.20 BUs

*Effective PLF for Operational period (August'19 to March'20)

NEAR PIT HEAD (600 MW)

Raigarh Energy Generation Ltd. (REGL)
Raigarh, Chhattisgarh

Annual PLF

33%^

Generation

0.48 BUs

^Effective PLF for Operational period (December'19 to March'20)

SOLAR (40 MW)

Bitta Solar Power Plant
Bitta (Kutch), Gujarat

Annual PLF

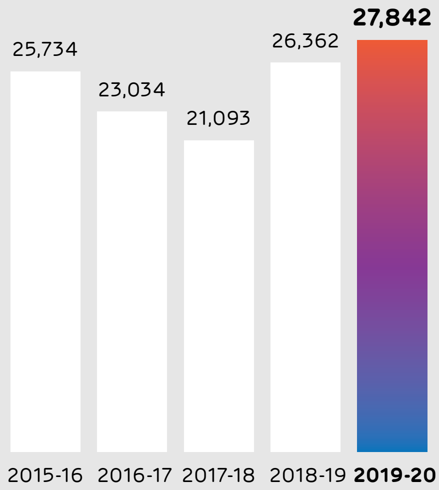
19% (CUF)

Generation

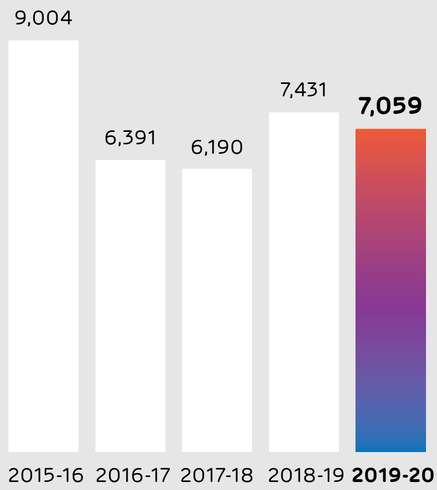
0.07 BUs

Financial highlights

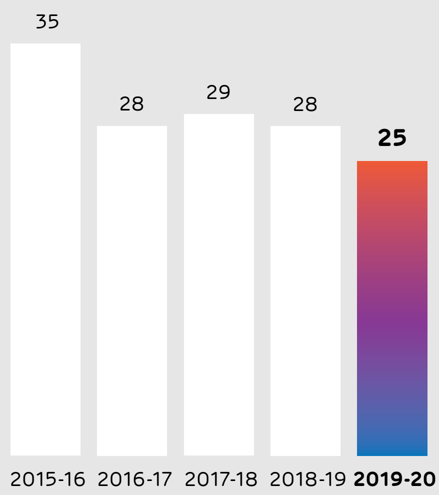
Consolidated revenue
(₹ in Crore)



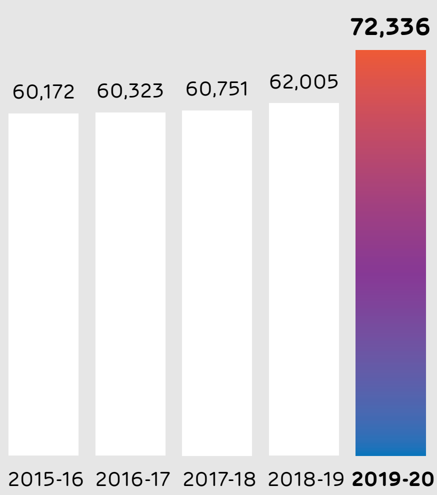
EBITDA
(₹ in Crore)



EBITDA margin
(%)



Gross block
(₹ in Crore)



Chairman's Insights

Reinforcing our commitment to nation building

"Our businesses are closely aligned to the lifeline of the economy, providing essential services to enhance the quality of life of citizens and addressing critical national infrastructure priorities. We look at our Group companies as individual growth drivers that complement each other's strengths."

Gautam Adani
Chairman

Dear Stakeholders,

The Webster definition of resilience is "the capability of a strained body to recover its size and shape after deformation caused especially by compressive stress". It's hard to believe that it was less than three months ago, on March 11, 2020 that the World Health Organization declared the outbreak of COVID-19 as a pandemic, meaning COVID-19 has spread worldwide. If there ever has been a time when the need for global resilience has been critical, it is now.

The Power to Overcome

At times like this one looks for inspiration. In this context Wayne Muller, a well-known author, writes that for thousands of years humankind has suffered famine, war, plague, hunger, and countless injustices; it has experienced numberless births and deaths. Each community of people has had to find some way to speak about what sustained them or brought them grace—even in the midst of terrible sorrow. We have struggled to name this human trait, the universal force that makes the grass improbably push its way through concrete, the force that turns the earth, the energy that we seem to possess and blesses all life, the essential presence in our deepest nature that can never be spoken of with perfect accuracy but yet make us what we are. History is one big story of human overcoming. It's what we are born to do.

Decisive Governance

What we must realise is that there are no absolute right or wrong ideas. What is required during an unprecedented, hard to model, crisis like COVID-19, is a Government that is willing to make decisions based on best available information at a given point of time and constantly adapting as new information becomes available. For this, the Indian Government and bureaucracy must be complimented. Countries with greater resources than ours have struggled and while our battle with the virus is far from over, I have no hesitation in stating that had the decisions that got made been delayed we could have been facing an unmitigated disaster that would not just impact India but have global ramifications. Yes, business has suffered immensely, lives and jobs have been lost, and the migrant worker crisis saddened the entire nation, but the consequences of the unknown alternates would be far grimmer. What the leaders of our nation, the doctors, the healthcare workers, the police, the army, the small street side vendors, and the citizens have done to support each other is truly what defines India and its resiliency. Add to this the fact that the Government is are now able to do direct benefits transfer as a result of the integrated approach it has built through the Jan Dhan, Aadhaar and Mobile linking systems and we start seeing the benefits of a Government that had the vision to put in place the infrastructure we need to be able to handle a crisis.

The Possibilities

Sitting where we are today, I can say that history is in process of being scripted. I will be the first to admit that I have no way of predicting the short or mid-term possible economic outcomes as a result of COVID-19. However, there cannot be any denying the fact that India over the next several decades will be a market continuously on the up and one that simply cannot be ignored. It will be one of the world's top consumption centers, manufacturing and service hubs and a beacon of stable democratic governance. If there was a time to make a bet on India, there may not be a better time than now. What I can predict is that on the other side of this crisis will emerge massive new opportunities, will emerge great new leaders, will emerge terrific businesses, and will emerge a few stronger nations. Those that succeed will be the ones that understand that resilience is built on the other side of the tunnel of crisis and we are already getting ready for this.

Resilient Group Performance

I am pleased to report that each one of our six publicly traded companies has performed well even as we started to confront the trying circumstances following the first few weeks of 2020. While we may have to do need-based course correction in our strategies in the wake of the challenge that we are facing, the roadmap remains clear. Our businesses are closely aligned to the lifeline of the economy, providing essential services to enhance the quality of life of citizens and addressing critical national infrastructure priorities. We look at our Group companies as individual growth drivers that complement each other's strengths.

Any shock to a system always helps drive home some key points and what the Indian businesses have learnt over the past few years and most certainly post COVID-19 is the value of an optimal and perhaps for some sectors a conservative capital structure as well as the criticality to have systematic risk mitigation plans in place. Both optimal capital structures, and risk mitigation is a part of the maturing of the business philosophies as they grow in size and lays the foundation for stability as well as consistent value creation.

At the Group level, our focus is on optimising capital utilisation, redesigning the organisational structure to minimise risk in our

"As one of the fastest growing renewable energy groups in the world, we fully recognise that the intermittency of solar and wind generation preclude their displacing thermal power as the mainstay of India's demand-driven power needs. "

businesses and funding operations in phases. I am happy to share that during the year, the Group has been able to bring strategic global equity partners in Adani Gas, Adani Green Energy Ltd and Adani Mumbai Electricity Ltd. The total investment is USD 1.6 Billion; and will help drive future growth of our businesses. It is also pertinent to mention that AEML (part of Adani Transmission) recently completed an investment grade, USD 1 Billion bond issuance, the first by a private integrated utility from India. The issue generated significant interest from international investors and was oversubscribed by 5.9 times. I must also mention here that APSEZ raised USD 750 Million by selling overseas bonds, the proceeds from which would be used for fund expansion and further reduce the cost of debt and progressively further deleverage the balance sheet. In the preceding 12 months, the Group has successfully placed seven bonds in the international markets, totaling to 4.26 Billion USD.

Adani Power Continues to Execute on its Strategy

Over the last decade, India's power demand has grown at an average annual rate of 4.5%, which is slower than its GDP growth rate. This dichotomy is explained by the preponderance of the service sector led growth and the fact that vast swathes of the population were not connected to power grids. On the other hand, energy and peak deficits, which were unsustainably high at 10% and 12.7% respectively in FY 2009-10 have come down to 0.5% and 0.7% respectively in FY 2019-20. The removal of this hurdle, which held back India's economic growth and the well-being of its people for decades, was possible only with the contribution of the private sector in generation capacity growth, aided by various supportive policies of the Government and we have had the opportunity to have played a significant role as the largest private power producer in the country.

While we are looking at disruption to economic activity caused by the impact of an elongated lockdown in the post COVID-19 world, the realisation that our nation must grasp an emerging, one time opportunity to strengthen its industrial base by increasing its self-reliance from domestic manufacturing as well as by attracting investments into export-oriented, high value-added sectors could be a potential game changer in accelerating the demand for power.

Economic Measures - A Significant Opportunity

Various economic reforms, which have been announced recently to get the economy jumpstarted, makes me optimistic about the possibilities. I am quite confident that with efficient implementation and appropriate incentives that have been announced we can not only get the economy back on the growth path, but also become a major centre for exports of manufactured goods globally. I also expect that this could revitalise the power demand and set the stage to begin the next phase of investment growth in the sector.

I continue to remain steadfast in my belief that base load power, at least for several years to come, will depend on fossil fuels. The renewable energy transition continues to accelerate, and the focus should be on doing this as cleanly as possible given the technologies that are now available. India is the only major nation that is ahead of its commitments made under COP 21 at Paris in 2015. As a growing major economy, it needs to utilise all sources of energy to reach its development goals. India is expected to achieve two of the three commitments made under the Paris Agreement, viz. reducing GHG emission intensity, increasing penetration of renewables, and creating an additional carbon sink in the form of green cover, a full decade before the 2030 deadline.

As one of the fastest growing renewable energy groups in the world, we fully recognise that the intermittency of solar and wind generation preclude their displacing thermal power as the mainstay of India's demand-driven power needs. Coal-based electricity is needed to provide both the base load capacity as well as spinning reserves for greater integration of renewables, till affordable and reliable storage technologies emerge.

Therefore, it is not a trade off as much as it is giving an entire segment of our population that needs affordable power a fair chance to be better integrated into the society. We have been at the forefront of the Adani Group's efforts to provide the motive force of electricity to make this happen as well as help drive India's economic growth engine. We have also strengthened our competitive position by implementing expansion through both organic and inorganic means. Our efforts to improve regulatory certainty of our operations and enhance visibility of future earnings are starting to bring fruit, and we have started receiving long awaited regulatory payments. In addition, we have continued to put in place world class capabilities as well as monitoring facilities that ensure our power plants are world class in terms of emissions as well as efficiencies. While we have had challenges, over the next two years, we expect to fully realise the outcome of these efforts and I am confident of seeing us transform into a financially stable, and profitable organisation.

"We are now leading the clean energy transformation taking place not just in India but globally, and our Group is building one of the largest integrated energy portfolios. Our vision is to become the world's largest solar power company by FY25, and the largest renewable power company by FY30. We are fully committed to supporting our nation in diversifying its energy mix through partnerships in natural gas and solar energy."

Group's Sustainability Journey

Our journey towards sustainability accelerated over the past 12 months. We are now leading the clean energy transformation taking place not just in India but globally, and our Group is building one of the largest integrated energy portfolios. Our vision is to become the world's largest solar power company by FY25, and the largest renewable power company by FY30. I must mention here that our Group and total signed definitive agreements to deepen our existing partnership and commitment for developing multi-energy offerings for the Indian energy market. We are fully committed to supporting our nation in diversifying its energy mix through partnerships in natural gas and solar energy.

Growth with Goodness

We, at the Adani Parivar, are fighting the COVID-19 battle unitedly. Our Foundation has contributed ₹ 100 Crore to the Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund). I am equally grateful to our workforce in India for contributing ₹ 4 Crore for the battle against COVID-19. It is because of the solidarity demonstrated by this workforce of over 17,000 people that our Foundation could add another ₹ 4 Crore, collectively contributing another ₹ 8 Crore towards COVID-19 relief projects in India. As a responsible corporate, we will continue to stand by the nation in various capacities in this hour of need. On that note, I must also take this opportunity to thank our teams for the following measures:

- Adani Foundation contributed ₹ 5 Crore to the Gujarat CM-Relief Fund and ₹ 1 Crore to the Maharashtra CM Relief Fund; we have also contributed to Kattupalli District Collector COVID-19 Fund and the Bhadra District Administration.
- The Foundation is also contributing to the CM-Relief Funds of many other states such as Kerala, Jharkhand, Andhra Pradesh.
- Women cooperatives aided by Adani Saksham produced more than 1.2 lakh masks to help economically disadvantaged sections of the population.
- Gujarat Adani Institute of Medical Sciences (GAIMS) is the only hospital equipped for handling COVID-19 cases in Kutch, India's largest district.

In times such as this the spirit and compassion of our people reinstates my belief in our core philosophy of Growth with Goodness. Let all of us contribute to help our nation rise above this crisis. It may take time but there is ample optimism to show that it is possible.

Together, we will stay resilient and hopeful in these testing times.

Gautam Adani

CEO's Communique

Firm conviction. Strong commitment.

"During the COVID-19 lockdown, your Company stood by all its commitments, as a matter of duty to the nation, and ensured maximum availability of its capacity to generate power, so that the supply of power to the consumers continues uninterrupted"

Vneet S Jaain
CEO

Dear Stakeholders,

Sudden and unforeseen events help separate the well prepared from the complacent. Testing times bring out the best in humankind, and extraordinary situations bring extraordinary people with unconditional commitment to the fore. The COVID-19 pandemic has been devastating to many that suffered directly, and it has been unkind to many that had to bear the brunt of the inevitable lockdown. All of us have participated in the unprecedented global effort to hold the pandemic at bay, and now we are all working hard to restore normalcy to our daily lives, and to bring succour to those that suffered the most.

At the same time, we have the unique opportunity to question the basis of every routine and ritual that has defined our daily lives, and to find new ways to adjust to the emerging reality. The basic necessities of human existence, and aspirations of all human beings are still the same, but we are starting to reimagine and reengineer how we go about fulfilling them.

Your Company is a leading provider of the essential service of power generation, which runs a large part of India's economic engine. During the COVID-19 lockdown, your Company stood by all its commitments, as a matter of duty to the nation, and ensured maximum availability of its capacity to generate power, so that the supply of power to the consumers continues uninterrupted. We were able to achieve this while following all safety guidelines, maintaining strict social distancing, and minimising the workforce at the offices as well as the plants. The credit for this goes to the hard work and dedication of our team members, as well as to the efforts we have put in over the years to develop a robust and agile Operations & Maintenance practice and industry leading capabilities in fuel and logistics management.

At Adani Power, we have adapted to the changing environment very quickly, and our services continue to be usable and accessible without interruption. I extend my sincere gratitude to all our stakeholders who stood by us during the challenging and uncertain times.

Power demand in India grew at a much slower pace of 1.2% during FY 2019-20, primarily due to a slowdown in economic growth, and lower agricultural demand due to heavy monsoons across much of the country. However, before the COVID-19 related movement restrictions took effect, power demand had started improving, thus providing evidence of India's economic resilience and deep roots of its growth drivers.

I am pleased to inform our stakeholders that we concluded the acquisition of two operational power projects comprising Raipur Energen Ltd. (REL) of 1,370 MW and Raigarh Energy Generation Ltd. (REGL) of 600 MW, to our portfolio. With this, Adani Power now operates 12,450 MW of capacity.

During the financial year 2019-20, our average PLF was higher at 68% as compared to 64% in the previous financial year owing to higher customer demand, especially in the states of Maharashtra & Rajasthan and implementation of the Supplementary Power Purchase Agreements in Gujarat. We achieved a 16% growth in Units sold in FY 2019-20 at 64.1 Billion Units (BUs), as compared to 55.2 BUs in FY 2018-19. Incremental addition of power sales of REL and REGL helped achieve higher growth in FY 2019-20.

Our total revenue for FY 2019-20 was ₹ 27,842 Crore, which is a growth of 5.6% over revenues of ₹ 26,362 Crore for FY 2018-19. The revenue for FY 2019-20 includes net one-time recognition of ₹ 1,285 Crore towards regulatory income pertaining to earlier periods as compared to ₹ 2,864 Crore for the previous year. Consolidated EBITDA for FY 2019-20 stood at ₹ 7,059 Crore, as compared to EBITDA of ₹ 7,431 Crore for FY19. However, one time provisioning as part of expenses in FY 2019-20 was ₹ 329 Crore compared to ₹ 145 Crore in the previous year. Adjusting for the exceptional and one time revenue recognition as well as additional provisioning, normalised EBITDA for FY20 was ₹ 6,104 Crore, which is an increase of 32% over the normalised EBITDA of ₹ 4,611 Crore in the previous year.

Our upcoming 2x800MW Ultra-supercritical thermal power project at Godda, Jharkhand, which is dedicated for export of power to Bangladesh, has achieved financial closure and is under construction as per schedule. Our deep experience in project execution and dedicated and hardworking project teams give us confidence of achieving our project milestones on a timely basis, despite a temporary stoppage of work during the lockdown.

Our regulatory petitions and appeals for recovery of domestic coal shortfall claims, along with carrying costs, are progressing satisfactorily in various forums. We are continuing to receive payments from DISCOMs under the Orders that have been issued so far.

During the financial year 2019-20, APML received ₹ 2,059 Crore as compensation for its change-in-law for domestic coal shortfall for both up to March 2017 and beyond including carrying cost on the amounts concerned. We are hopeful of recovering balance claims of APML and APRL in the ensuing and next financial years. Further, the Central Electricity Regulatory Commission (CERC) is hearing the petition filed by Adani Power (Mundra) Ltd. as per the order of the Supreme Court, for compensation under Section 62 of the Electricity Act, after termination of the Bid-2 PPA. In case of UPCL, the Central Electricity Regulatory Commission (CERC) has passed order approving tariff for the Control Period 2014-2019. We now look forward to getting approval for the true-up petition and the tariff order for the ensuing period, as per the CERC Tariff Regulations 2019-24.

Domestic coal supply during the year remained satisfactory. Our Tiroda and Kawai plants have been able to serve higher customer demand during the year as a result of improved coal availability. We were also able to post high availability numbers above normative availability, due to our continuous focus on excellence in O&M, as well as fuel and logistics management.

Looking forward, as the nation adjusts to the new normal, and with a gradual resumption in economic activity, there would be a greater need for access to electricity for India's poor. Further, with a disruption in existing global supply chains, we believe a growing domestic manufacturing sector would drive demand growth for power and widen the demand-supply gap once again. In order for this opportunity to fructify into fresh investments, the sector needs various reforms to be instituted and implemented in earnest. Primary among these are distribution sector reforms, including concrete steps to improve financial health of DISCOMs for the long term, and opening it up for greater competition from the private sector. Similarly, while a lot has been accomplished in improving availability of fuel and strengthening the grid infrastructure, making land available for projects in a shorter period of time, and providing single-window clearances for projects are of paramount importance. It is only with these enablers that investments would remain viable, and provide adequate returns to all stakeholders.

Our class-leading capability of sourcing and transporting close to 49 MMTPA of fuel within India and from abroad, along with strategic location of our plants close to coal sources, give us a considerable competitive advantage. Improved regulatory cash flows and higher greater recovery of fuel costs, on the basis of recent and expected regulatory orders, will improve our financial and credit profile, and help us lower our cost of funds.

As a thermal power producer, we are conscious of our impact on the environment and continue to take steps to improve our ESG performance. During the year, we achieved 97% fly ash utilisation across all our plants against 93.2% fly ash utilisation in the previous year and consumed 2.33 cubic metres per Mega Watt hour of water in our fresh water based thermal power plants as against 2.50 cubic meters per Mega Watt hour of water in the previous year. Our partnership with Adani Foundation in delivering social projects and community initiatives continues to support the local communities in which we operate. We report our ESG performance through our externally assured annual Sustainability Performance and Value Creation Report, which follows the Integrated Reporting framework.

I once again thank all our stakeholders for their support and assure you all of our continued delivery of services during these uncertain times. We remain committed to addressing the challenges before us and are hopeful of taking on the opportunities that present themselves by adapting to the changing times.

Vneet S Jaain

Value-led Growth

We, at Adani Power, are well positioned to deliver sustainable and profitable growth, backed by our robust business model and best-in-class O&M. Our ability to identify and capitalise on value-accretive opportunities while minimising associated risks has created an unmatched value proposition in the thermal power space. We are leveraging the best available technologies to further improve efficiencies and reduce our environmental footprint.


Regulatory receipts
Emission control capex
Profitable and Sustainable Growth
Integration of acquisitions
Operational efficiency
PPA and FSA tie ups

Business Model

Designed to deliver value-led growth

Core strengths

Parentage
Adani Group, the $21 Billion diversified organisation with transport and infrastructure utility portfolio, possessing strong internal capabilities in engineering, procurement, project management, project execution and commissioning.

Assets
India's largest private thermal power producer with six operational thermal power stations and a solar plant, with 12,450MW installed capacity.

Raw materials
Diversified fuel mix with two coastal plants running on imported coal and four hinterland plants running on domestic coal. Full tie-up of domestic coal requirements through long-term Fuel Supply Agreements (FSAs) with Coal India subsidiaries.

Logistics
Strategically located plants, with a mix of coastal assets using imported coal, and hinterland assets using domestic coal that are located close to source mines, providing a logistics cost advantage.

Execution
Our focus on operational efficiency and preference for long-term PPAs to tie-up merchant capacity have held us in good stead; 74% of gross capacity tied to long-term PPAs; average life of PPAs ~18 years; PLF of 68%; availability of 89% for long-term PPAs

Governance/Leadership
Visionary leadership team and strong corporate governance framework; the Board reflects a judicious mix of professionalism, competence and experience

Value creation process

	Segment	Activity
Development	Origination	• Market analysis • Strategic value identification • Investment case development
Development	Site Development	• Land acquisition • Permits and clearances
Development	Construction	• Engineering and design • Sourcing and contracting • Funding
Operations	Operations & Maintenance	• Lifecycle O&M Planning • Technology usage • Training and development
Operations	Fuel Management	• Fuel sourcing • Logistics coordination
Post-operations	Capital Management	• Capital structure redesign

Desired Outcomes

- Increase market share
- Redefine competitive dynamics
- Establish dominance

- Build bridges with communities
- Remove project execution hurdles

- Cost efficiency with proven advanced technology
- High quality and reliability
- Timely availability of funding

- Reliability and efficiency
- Predictability and safety
- Productivity improvement

- Adequate inventory position
- Timely fuel availability

- Cash flow optimisation

Creating value for all stakeholders

We engage with stakeholders frequently through various media to understand them and use their inputs for decision-making in our business. Engaging with stakeholders and responding to their expectations and concerns helps us identify the critical business issues.

Investors
We create long-term value by adding capacity and improving efficiency through prudent capital allocation. We engage with our investors on a quarterly basis and sometimes need basis to apprise them of developments related to the Company's sustainability performance, growth opportunities and debt management.

Customers
Our customers are primarily state-owned power distribution companies (DISCOMS). We continuously engage with our existing and new customers under established commercial and regulatory channels, for matters related to scheduling, billing, collections, and regulatory receivables.

Employees/ Contractual workforce
We strive towards creating a healthy and safe work environment for our employees as well as our contractual workforce. We have implemented safety management systems and energy management systems at all our sites. We also conduct regular training and development programmes for improving employee productivity.

Government/Regulators
We operate in a highly regulated business and need to continuously engage with the central and state governments, as well as central and state electricity regulatory commission to ensure that our businesses are compliant with the existing regulations and standards. Periodic reports are submitted on compliance, financials and CSR initiatives.

Local communities
With thermal power generation being a natural resource (water and coal) and emission intensive process, our operations have significant impact on the environment, and life and livelihood of communities inhabiting close to our sites. We engage with the local communities directly and through NGOs to provide educational facilities and employment opportunities, and conduct several programmes on education, health, women empowerment and livelihood.

Vendors and suppliers
Our vendors and suppliers are key to ensuring sustainable operations of all our plants. We engage with them continuously from the onboarding process, conduct site visits to equipment and spare parts manufacturing facilities for compliance monitoring. We have changed the payment cycle from two days a week to daily by deploying IT-enabled payment systems.

Operations & Maintenance

Ensuring reliability, safety and efficiency

Operations and maintenance (O&M) plays a critical part in seamlessly running our thermal power plants. We are using new-age technologies like data analytics, remotely operated equipment like robots and drones to strengthen our O&M strategy and execution.

Our O&M strategy focuses on maintaining plant availability, which is based on tracking efficiency parameters, compliance, budgeting and planning, developing a maintenance strategy based on the criticality of the power plants and inventory management. During the year under review, we introduced data-driven methods like root-cause analysis, failure mode effects analysis and others to improve our maintenance systems. We also incorporated the concept of 'spares pooling' to optimise inventory holding costs, without significantly increasing the risk to plant operations.

O&M strategy

Operational strategy

- Tracking efficiency parameters and working towards continuous improvement
- Equipment changeover process established for tracking compliance of changeover schedule
- 5-year generation rolling plan developed which helps in budgeting and planning exercise

Maintenance strategy

- Criticality-based classification of all equipment
- Develop maintenance strategy linked to this classification
- Comprehensive decision framework applied for maintenance strategy at equipment level
- Focus on root-clause analysis, failure mode effects analysis and zero forced outage drive for reliability improvement
- Overhaul Preparedness Index (OPI) tool to track the readiness of overhauling

Inventory management

- Inventory classified as Vital, Essential and Desireable based on criticality
- Level setting is stringently supervised ensuring optimum inventory
- Focus on spares development and indigenisation and the concept of Spares Pooling
- Source standardisation for frequently consumed spares and shifting to Annual Rate Contract

Delivering excellence

- ~45,000 man-years of experienced manpower
- Capability building & skill development (APTRI)
- Knowledge management through dissemination of best practices and learnings

- Reliability-Centred Maintenance (RCM)
- Zero Forced Outrage programme
- Thrust on automation & mechanisation
- Support from OEM and vendor development
- Indigenisation of spares

- Safety culture transformation through project CHETNA led by Du Pont
- Safety protocols for equipment, employees and contractors

- Continuous online parameter monitoring at plant & HO level (RONC)
- KPI benchmarking
- Focus on unit cycle efficiency
- New technology adoption

APTRI: Adani Power Training and Research Institute; KPI: Key Performance Indicators; RONC: Remote Operations Nerve Centre

Leveraging technology for actionable insights

Remote Operations Nerve Center (RONC)

RONC uses data generated from our plants for efficient decision-making, improved turnaround time for troubleshooting and easy transfer of technical knowhow. It uses remote monitoring, automated reporting, performance benchmarking and other tools to help improve our performance.

Remote monitoring

- Real-time monitoring of plant KPIs
- Data repository to enhance knowledge sharing

Reporting

- Automated reports
- Meaningful reports for data-driven decision-making

Coordination

- Power scheduling for revenue maximisation
- Subject matter expert in event of breakdowns

Analytics

- Plant performance benchmarking
- Integrated visualisation of the alerts and alarms for increasing focus on under-performance

Robotic Marine Inspection Crawler (RMIC)

RMIC facilitates remote inspection and cleaning of silt ingress in pipelines for up to 2 km. It allows us to continue with inspection and cleaning in adverse environmental condition, without affecting the plant. Besides, it is safer as people are not confined in the pipelines for the task.

Drones for Remote Inspection

With drones now used for inspection of high-rise structures (Natural Draft Cooling Tower and chimneys), we have reduced cost and time consumed significantly. Besides, it offers a safer alternative as people do not have to undertake such dangerous tasks anymore.

Going forward, we will incorporate technology further in our O&M processes for seamless working of our plants.

Operating Environment

Well positioned to tap opportunities

With power being one of the most critical infrastructure drivers of economic growth, India's electricity demand has increased significantly over the past decade. However, the power sector has its own set of legacy challenges – access to fuel, high T&D losses, and poor financial health of state distribution companies, among others.

The International Energy Agency (IEA) projects electricity demand in India to treble between 2018 and 2040, with a significant increase in base load demand. The government has undertaken significant reforms to improve power sector health such as fuel linkage under the Scheme for Harnessing and Allocating Koyala (Coal) Transparently in India (SHAKTI) and the Ujwal DISCOMS Assurance Yojana (UDAY) to encourage operational and financial turnaround at DISCOMS.

The Deendayal Upadhyaya Gram Jyoti Yojana (DUGJY) for rural electrification and the Pradhan Mantri Har Ghar Sahaj Bijli Yojana (Saubhagya) aimed at electrification of all households provides significant potential to tap into latent demand for power.

Energy deficit narrows but per capita consumption remains low

The success of various policy initiatives and capital investments made across the business segments have significantly narrowed energy deficit in India, with peak deficit decreasing from 10.6% in FY 2012 to 0.7% in FY 2020. However, India's per capita consumption still remains well below one-third of the global average at 1,181 KWh in FY19 (Source: CEA).

1,181 KWh

India's per capita electricity consumption

Significant reliance on conventional fuel sources

The Indian power sector has made significant inroads over the last decade, growing its installed capacity from about 200 GW in FY 2012 to about 370 GW in FY 2020. In terms of fuel mix, ~62% of total installed capacity, and ~76% of total generation is thermal, indicating India's dependence on conventional fuel sources (Source: CEA). Coal-fired (including lignite) thermal power plants accounted for ~55% of installed capacity.

~62%

Of total installed capacity is thermal

Risk mitigation matrix

Scenario	Risks	Particulars
Regulatory	• Compensation for change in law	• Well set and tested regulatory principles for domestic coal shortfall compensation • Change in law compensation for duties and taxes being recovered regularly
	• Change in environmental norms	• Suprecritical and Ultra-supercritical technology for new projects • Change in law clauses for emission control equipment installations like FGD
Tariff	• Merchant price volatility	• Proposed allocation of domestic coal for short-term power sales • Logistics cost advantage for REL and REGL
Capacity growth	• Delays in project execution	• Preference for acquisition of attractive assets under debt resolution schemes • All key enablers in place for 1,600 MW Godda project, progress as per plans
Fuel supply	• Fuel price volatility	• Pass through clauses in PPAs (Mundra 1,200 MW and Udupi 1,080 MW)
	• Domestic fuel availability	• Tie-up of long-term FSAs under SHAKTI policy • Regulatory approval for alternate coal usage compensation
Availability	• Low plant availability due to downtime	• Focus on operational excellence aimed at minimising downtime • Leveraging data analytics and adoption of latest technologies • Centralised pool of expertise to assist plant O&M in diagnostics, analysis, troubleshooting and solution implementation
	• Low commercial availability due to fuel shortage	• 84% of domestic fuel supply tied up • Satisfactory ramp up in SHAKTI FSA supplies • Availability of alternate coal to meet shortfall; compensation under PPAs
DISCOM health	• Financial weakness of DISCOMs • Delays in payment	• Preference for PPA tie up with financially strong DISCOMs • Rigorous invoicing and collection • Carrying Cost recovery, Late Payment Surcharge and L/C mechanisms

Investment Case

A compelling value driver

Our well-diversified portfolio with 74% of generation capacity tied up with long-term PPAs provides strong revenue visibility. Besides, integrated in-house logistics, robust O&M practices and focus on debt reduction, will further reduce operating cost, resulting in improved profitability.

Strategic portfolio provides scale and location advantage

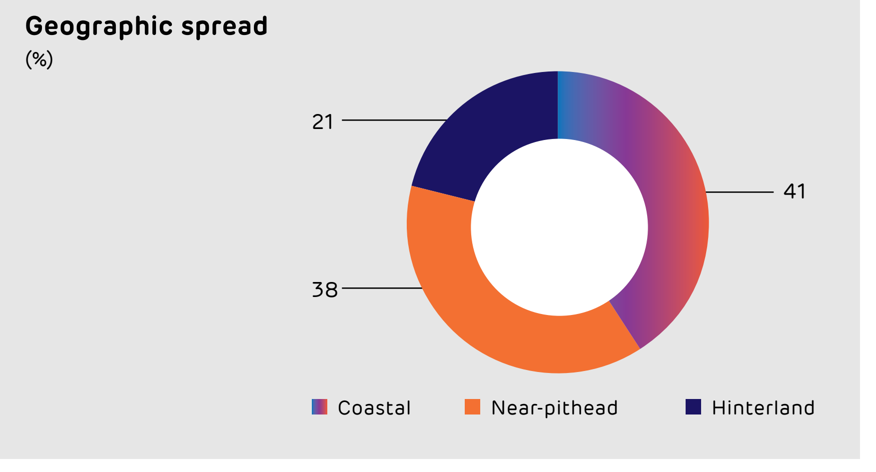
Our well-diversified operating fleet with pithead and coastal regulated plants comprising ~80% of generation capacity drives core operating profit, resulting in solid growth in recurring EBITDA. Further, we focus on capacity growth using Ultra-supercritical/Supercritical technologies, which improves efficiency further and reduces operating costs.

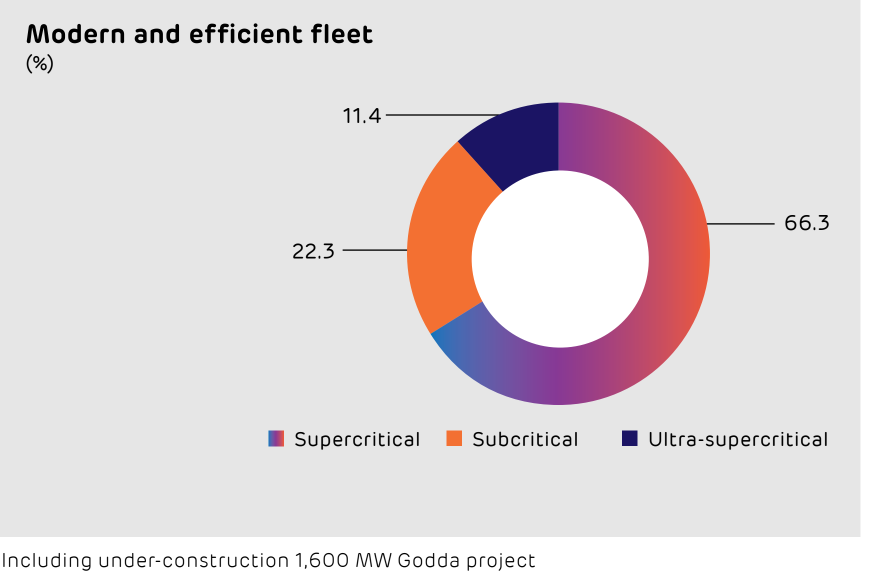
Opportunity to optimise debt structure

With a secure revenue stream of nearly 18 years at hand, we aim to undertake effective capital management by tapping into global pools of investment with a focus on long term investment in infrastructure. We will also actively pursue receipt of anticipated regulatory payments. Together, these efforts will allow us to free up cash flows, reduce finance cost, and enhance shareholder value.

(For updates on regulatory petitions, please refer to Management Discussion and Analysis section on Page 75)

Thermal portfolio mix[1]



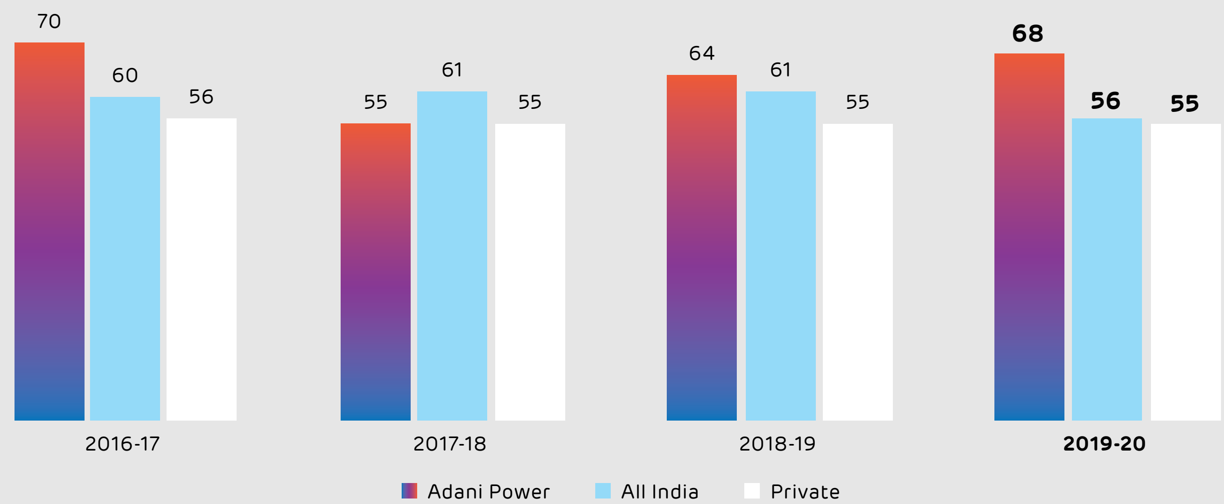


[1] Including under-construction 1,600 MW Godda project

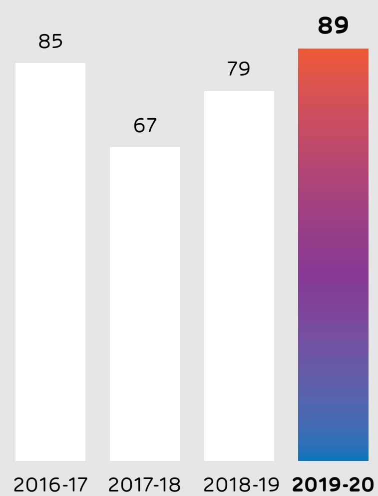
Robust operating history enabled by dynamic O&M practices

Our O&M process involves continuous tracking of efficiency parameters, overseeing maintenance schedules, classifying and managing inventory, and focusing on spares development and others. We also use new-age technologies like Remote Operations Nerve Center (RONC), Robotic Marine Inspection Crawler (RMIC) and drones for remote inspection. This results in consistently high PLF in comparison to the national average. Further, the attainment of normative availability under long-term PPAs ensures full recovery of capacity charge.

PLF trends
(%)



Commercial availability for long-term PPAs
(%)



Sector leading logistics capability provides competitive edge

Fuel management is key to revenue stability. We have invested significantly in our material handling infrastructure with more than 12,000 rake equivalents of fuel handled annually. As the only private power producer in India with in-house, mine-to-logistics capability, we derive significant cost benefits and enjoy higher efficiencies while handling 49 MMTPA of coal and 6 MMPTA of fly ash. Further, the integrated logistics capability eliminates the need to coordinate with multiple agencies and touchpoints.

49 MMTPA
Coal handled annually by in-house logistics

6 MMTPA
Fly ash handled annually by in-house logistics

Integrated ESG Framework

As India's largest private power producer, we are cognisant of our responsibility towards our stakeholders. Our ability to create long-term value is closely related with the way we manage our environmental, social and governance priorities.

Environmental	Social	Governance
Improved quality of raw material sourcing -> increase in plant efficiencies -> reduction in carbon emissions	Better vendor management -> development of local workforce to meet best industry practices	• Bankruptcy remote structure • Board Independence • Related party transaction as per covenanted structure
Reduction in pollution by fly ash utilisation; generating auxiliary income through fly ash sale	Access to larger pool of labour due to increased provision of improved source of livelihood	
Water table preservation due to sea water usage -> lower input cost	CSR efforts in the areas in which we operate -> preserves our social licence to operate	Sustainable international rating for proposed issuers

Access to a larger pool of capital at reduced cost -> value accretive returns

APL's ESG Score improved from 23 in 2014 to 59 in 2019 vis-à-vis sector average of 45

APL was ranked 30th among 153 corporates in the electric utility sector across the world for ESG practices by the DJSI

APL's global percentile ranking improved from 8 in 2014 to 65 in 2019

Environment Initiatives

Working towards a greener tomorrow

At Adani Power, 'Climate Change Mitigation and Adaptation' is at the top of our environmental priorities.

At Adani Power, our environmental performance is managed under our corporate sustainability management plan. Every year, in the subsequent quarters of publishing our Annual Report, we provide our comprehensive ESG disclosures through an Integrated Sustainability Report based on the sustainability standards of Global Reporting Initiative (GRI), Sustainable Development Goals (SDGs) and International Finance Corporation (IFC).

We have established a system for sustainability reporting with Board-level oversight:

- Sustainability and CSR Sub-Committee of the Board of Directors in place.
- Responsibility of sustainable performance and sustainability reporting rests with CEO.
- Sustainability reporting team formed at all locations, under the guidance of Chief Sustainability Officer (CSO).
- Integrated Management Systems covering Quality, Environment, Health and Safety implemented at all operating locations.
- Sustainability Report reviewed by the Apex Sustainability Committee—a group of functional heads and station heads—before submitting for Assurance by an external agency.
- Sustainability and CSR Sub-Committee appraises sustainability performance and report contents before releasing in public domain on our website.

Our environmental priorities

Climate Change Mitigation and Adaptation

Water Conservation

Waste Management

Energy Management

Air Emissions Management

Climate change

The power generation sector is witnessing an increased push for innovation and technology upgradation against the backdrop of growing climate change concerns. At APL, we have constantly demonstrated our commitment towards climate change mitigation by adopting the best-available technologies at our power plants, thereby ensuring efficient operations.

We were the first in India to commission Supercritical boilers at our Mundra (Gujarat) plant, saving ~2% of fuel per unit of power generated and leading to lower GHG emissions. To date, we have commissioned 12 units of 660 MW each based on the Supercritical technology.

With our 1,600 MW Godda thermal power project in Jharkhand, which is currently under construction, we are now moving towards the adoption of the next generation Ultra-supercritical technology. Further, for our future expansion plans, we remain committed to deploying the best available technologies to address India's energy requirements.

In addition, we have implemented all appropriate measures to minimise climate change related risks to our assets and operations, while adopting for climate change. Most of our thermal power plants are equipped with induced draft cooling towers with a re-circulation system which can function effectively if water temperature rises. Besides, our plants have inbuilt design and construction safety standards to withstand any adverse impact under different scenarios of climate change.

Resource conservation

We recognise the correlation between our operations and the impacts they have on the surrounding ecosystems. We take all the required measures to minimise our footprint and are committed to conserving resources. In addition, all our operational power plants are certified with internationally recognised standards of Environmental Management System (ISO 14001) and Energy Management System (ISO 50001) which allows control over the environmental aspects of thermal power generation and enables us to continuously improve our performance.

Water conservation and management

As water is one of the main requirements for thermal power plants, we are committed to optimising our water consumption and ensuring conservation. We have set an internal target of 2.5 m^3/MWh for surface water consumption at our hinterland plants, well below the stipulated limit of 3.5 m^3/MWh set by the MoEFCC. Although there is no regulatory limit on seawater withdrawal, we have set an internal target at our Mundra and Udupi power plants.

2.5 m^3/MWh

Internal water consumption target vs. regulatory limit of 3.5 m^3/MWh

Further, we have adopted an inside-out approach to minimise our impact on surroundings. De-silting and cleaning of community ponds have been undertaken to improve groundwater recharge. Within our premises, we have developed water storage capacity to meet 53 days of requirements for the Tiroda plant and 23 days for the Kawai plant to reduce surface water intake during lean season.

Air emissions management

In December 2015, the Ministry of Environment, Forest & Climate Change (MoEF&CC) issued the Environment (Protection) Amendment Rules, 2015, setting specific limits on water and stack emissions from thermal power plants for SOx, NOx, Particulate Matter (PM) and mercury.

Accordingly, the Central Electricity Authority (CEA) mandated all operating power plants to install suitable devices to achieve the new emission standards and the Central Pollution Control Board (CPCB) issued directives in this regard.

While all our existing operational units are already compliant with the new emission standards for mercury and PM, some units are in the process of installing new devices for meeting the SOx and NOx emission norms. During FY20, we initiated the International Commercial Bidding process for the installation of Flue Gas Desulphirisation (FGD) equipment. We are on track to meet the new emission standards for all our power plants, in accordance with the plan laid out by the CEA.

Waste management

Fly ash is a solid waste generated in coal-based power production process. As its disposal in land fills presents a significant challenge, the central government is focusing on utilising this fly ash. At Tiroda, we installed a High Concentration Slurry Disposal (HCSD) system for ash disposal, which solidifies the ash immediately. At our other plants, we have also taken various actions and developed infrastructure to make fly ash a valuable and in-demand material for cement, ready-mix concrete and other industries. This has helped us increase our fly ash utilisation and supply to specialised agencies.

Social Initiatives

Being a responsible corporate citizen

The Adani Foundation has been striving to create sustainable opportunities for the marginalised communities for over two decades now. Over the years, the focus has extended from geographies where the Adani Group operates its business, to regions that are in a dire need for timely and relevant interventions.

Today, the Adani Foundation reaches out to 3.4 Million people annually across 2,315 villages in 18 states of India. The success story of Adani Foundation is crafted by the communities who have taken ownership of the initiatives, ensuring that the impact is sustainable. This year, the Adani Foundation has taken a leap towards developing an inclusive society, with specific attention to projects that benefit women, children, differently-abled people, SC/ST and tribal communities, fisherfolk and farmers. It is doing so by facilitating quality education, enabling the youth with income-generating skills, promoting a healthy society, and supporting infrastructure development.

Coverage and impact

3.4 Million
Beneficiaries reached annually

2,315
Villages covered

18
States

Our Interventions

Education

The Adani Foundation believes that education is the stepping stone to lead a life of dignity and quality, especially for the underserved and the vulnerable. The main philosophy behind its educational initiatives is to make 'quality' education accessible and affordable to young minds. To reach out to the most marginalised population, the Adani Foundation runs cost-free schools as well as subsidised schools across India. Many smart learning programmes as well as projects to adopt government schools are being implemented in remote areas. The Foundation aids Aanganwadis and Balwaadis by creating a fun-filled environment for kids at an early age. It also provides timely infrastructural support to existing educational facilities as well as transportation support to college and school kids from marginalised section like tribal, fisherfolk, low income.

Aamchi Shala Aadarsh Shala

Looking at the challenges in marginalised communities, it is evident that Government schools are the only opportunity for rural students to secure formal education. In this context, Adani Foundation's 'Aamchi Shala Adarsha Shala' competition is a unique initiative in collaboration with the District Education department at Tiroda location of Gondia district in Maharashtra state, India. It aims to revive the government-run primary and secondary schools through a competition-based format.

By ensuring that the participating schools fulfil 41 parameters under 11 heads on which the competition is judged, the foundation catalyses an on-ground impact. The constant evaluation encourages participating schools to do better than other schools, thereby effectively spreading awareness about the importance of quality education and mobilising the community. With active involvement of teachers, SMC, Gram Panchayat members and the Foundation team, the overall education experience for government schools in Tiroda block in Maharashtra improved remarkably.

The intervention in the block resulted in a five-fold increase concerning the average number of students shifting from private to government schools. The average number of student participation in competitive examinations has increased by more than 75% compared to 2015-16. Considering the impact, the Government of Maharashtra decided to adopt the project in all government schools in Gondia district.

Gyanodaya

Gyanodaya is a digital learning mission, launched in July 2018 in the Godda district, Jharkhand, India through collaboration between the Adani Foundation, district administration of Godda and Eckovation Pvt. Ltd. During the year 2019-20, the Gyanodaya scaled new heights. The project which started with just 50 schools in the pilot phase, expanded its reach not only in every high school of the district but also in the middle as well as the senior secondary schools. Today, it is impacting 53,765 students from 246 schools in the district.

Within the limited available resources in a school, Gyanodaya's digital learning platform provides an effective model to reach and impact both students and teachers alike. The use of Artificial Intelligence (AI) for the personalised feedback based on the learning outcomes has set this model apart from other digital learning programmes. The visually appealing, easy-to-grasp and retainable concepts covered in the digital study materials is regularly vetted.

The initiative has helped reduce drop-out rates in the schools and helped promote girls' education in the aspirational district of Godda, Jharkhand. The decision of Jharkhand government to introduce this digital model in the government schools of 19 districts reaffirms the success of this model

Navodaya Coaching Centre

Navodaya Coaching Centre (NCC) is a unique experiment in school education within India. Its significance lies in the selection of talented rural children as the target group and the attempt to provide them with quality education comparable to the best residential school system.

The NCC started in Maharashtra – three centres at Zila Panchayat Upper Primary School Birsi, Zila Panchayat Upper Primary School Gumadhawada and Zila Panchayat High School and Junior College Kawalewada were already operational and are free of cost. This year, a new centre was

started at Berdipar. During the year, total 80 students from government schools benefited from these coaching centres.

Now in Kawai, Rajasthan, 97 students from 26 government schools have joined the classes and are taking lessons with interest to get admission in Jawahar Navodaya Vidyalayas. The Adani Foundation is providing coaching and other facilities like educational kits and refreshments. Regular weekly tests are conducted to review the progress of students. Similarly, four Navodaya centres are being run in villages of Raikheda, Gaitara, Tarashiv and Chicholi in Raipur district, Chhattisgarh in which a total of 69 students are enrolled.

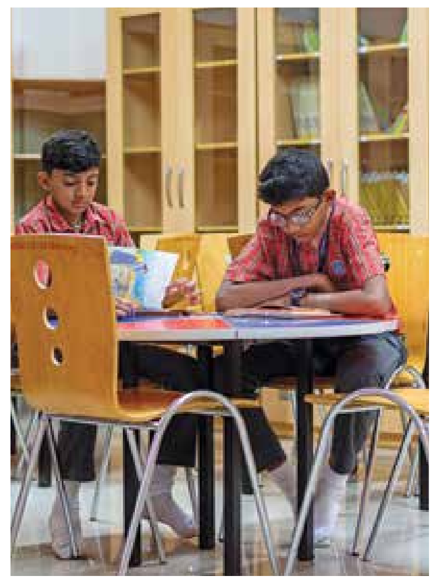
Scholarships to meritorious students

In order to encourage meritorious students to continue with their further studies, the Adani Foundation confers timely scholarships. During this financial year, a total of 832 meritorious students, out of 946 applications received met the criteria, residing around the Udupi plant (within the limits of 12 gram panchayats) were conferred the Adani Scholarships. These amounted to ₹ 23.00 Lakh. Student who had scored 80% and above were eligible to secure this scholarship. The scholarship was granted for use on levels like SSLC, Diploma, Pre-University Course (intermediate), Graduation, and Post-Graduation and for courses including but not limited to engineering, medical and nursing.

Super-100 & Super-200 programme

The Adani Foundation in collaboration with district administration provided residential coaching classes for conducive learning environment to top 100 students of Godda district for the preparation of Jharkhand Board exam held in March 2019. It resulted in a marked improvement in performance of the Super 100 boys and Super 100 girls. Out of 84 boys, 81.09% got 1st division, and 10.71% got 2nd division. Similarly, out of 93 girls, 90.32% got 1st division and 8.6% got 2nd division.

This outstanding performance of the Super 100 students and appreciation from district administration, led to the origin of Super 200 Programme on 8th November 2019. Its objective is to enable Super 200 boys and girls to succeed in 10th Board exam with 1st division marks and secure bright careers. The programme is operational in ITI Siktia, Women's College for Super 200 Boys and Kasturba Vidyalaya, Pathargama for Super 200 Girls in Godda district. A closing ceremony for the Super 200 programme was held in February 2020 to further motivate students ahead of the Board exam season.



Health

Bringing healthcare to remotest of regions, Adani Foundation's key focus is improving access to quality healthcare services for people belonging to the weaker sections of the society. In this pursuit, it runs Mobile Health Care Units (MHCUs), hospitals and clinics across the nation and organises general as well as specialised health camps.

These basic healthcare facilities were availed by community members in Kawai (Rajasthan), Tiroda (Maharashtra), Udupi (Karnataka), Raipur (Chhattisgarh) and Godda (Jharkhand) regions of our Power businesses. Apart from this, Adani Aarogya Card, a tailor-made health insurance policy was provided to 2,341 families, covering 9,483 community members of Mudarangadi and Yellur region in Udupi, Karnataka. The card holders can avail cash-less medical treatment amounting to ₹ 50,000/- per family.

Mobile Healthcare Units (MHUs)

MHCUs are deployed by Adani Foundation in the aforementioned regions, with the objective of providing basic healthcare facilities to villages in the vicinity. The facilities include diagnostics service, medicines, consultation and referrals by certified doctors at the doorstep of the community members. This year a total of 1,63,635 treatments were provided through nine MHCUs deployed across villages at these sites. As a result of this initiative, the patients save money on consultation

1,63,635
Treatments were provided through 9 MHCUs

fees, medicines and travel costs, reducing the possibility of losing livelihood. The emotional stress among family members of the patients is also negated when the needy community members get quality healthcare facilities of these MHCUs at their doorsteps.

In Raipur, Chhattisgarh, the MHCU doctor also visits schools in the area on a regular basis to educate children on health and personal hygiene. Health awareness about ailments like Diarrhoea, Scabies, Typhoid and seasonal diseases, along with health check-ups were conducted every week. About 1,820 students of 23 schools received consultations, along with medicines.

Health Camps

Adani Foundation regularly conducts various general and specialised medical camps in and around its operational locations for the benefit of local communities. At these camps, services of gynaecologists, orthopaedic surgeons, heart specialists, skin specialists, paediatricians, ophthalmologist and ENT surgeons are provided to the community members at no cost. Free of cost follow-up services are also made available and necessary discounts are negotiated in cases requiring surgery.

Four mega health camps were organised at Kunjed, Kawai, Phoolbaroda and Aton villages in Kawai, Rajasthan. With a team of 12 doctors and paramedical staff, Adani Foundation facilitated medical treatment by general physician, gynaecologist, paediatrician ENT specialist, dentist and ophthalmologist. 2,767 villagers were diagnosed by these specialists. This year, 39 health camps were organised in 39 villages of Tiroda, in which 4,410 people consulted and provided medicines.

Sustainable Livelihood Development

Adani Foundation's intervention to support sustainable livelihood generation is driven by the belief that a society made of empowered individuals with a decent standard of living leads to overall prosperity and development of the nation. The Foundation builds social capital by supporting initiatives towards preservation of traditional art and specific programmes are designed for fishermen communities, farmers and cattle owners, youth and women. Introducing alternative livelihood opportunities to marginalised sections of the society, for instance the women self-help groups in Tiroda that are involved in mushroom cultivation, agarbatti making and lac bangle making, leads to additional income.

Modern and Organic methods in agriculture

With the objective of promoting organic farming and boosting yield using System of Rice Intensification (SRI) method, Adani Foundation, in cooperation with respective block agriculture departments, conducted various training programmes for the farmers this year. They have been introduced to various innovative and cost-saving practices in farm cultivation, techniques that included low-water usage and less labour-intensive organic method of growing crops. This year, the project has been successfully implemented in 20,191 acres of land by 10,000 farmers of Tiroda region in Maharashtra. The SRI method has also been introduced at Surguja area in Chhattisgarh and at Dhamra region in Odisha. On an average, this method increased the average yield by 2.42 Qtl./acre giving an average benefit of ₹ 4,800/acre.

Farmers are being encouraged to develop kitchen gardens to ensure that their nutrition and dietary needs are met. 4,000 seed kits were distributed among farmers in 15 villages of Tiroda and nearly 13,000 fruit bearing saplings were distributed to 6,400 students of 77 government/aided schools in and around the Udupi power plant. Adani Foundation also encouraged lac cultivation to help farmers with an alternate livelihood by distributing 15 packets of lac insects to 200 farmers each, yielding 4kg-5kg of lac from one tree which is sold at a rate of ₹ 100-200/kg, giving a total earning of up to ₹ 12,000- ₹ 15,000 in a year.

Livestock Development

With the support of the Group companies, Adani Foundation initiated a Cattle Breed Improvement Programme (CBIP) in the villages of Kawai region in Baran district of Rajasthan and Tiroda region of Gondia district in Maharashtra. Taking into consideration the local needs of the cattle breeders and the availability of breedable cattle, four Integrated Livestock Development Centres (ILDCs) have been established – two in Kawai and two in Tiroda region.

A total of 2,336 Artificial Insemination (AI) procedures were conducted in the reporting period. Other supporting activities such as vaccination, deworming, infertility camps, castration, first aid and extension activities related to livestock development were carried out. These services were provided to the farmers at their doorsteps with the help of locally trained para-vets.

With an objective to increase the awareness and motivate farmers, 10 animal treatment camps were conducted this year. A total of 2,684 animals were treated in the medical camps and free medicines were also provided to cattle owners. As per the requirement, fodder seed and fertilizer were distributed to 368 farmers. H.S. & B.Q. vaccine was administered to cattle with the support of the Department of Animal Husbandry.

Community Infrastructure Development

Quality infrastructure bears a direct influence on living standards and economic development in the rural areas. Access to resources, increase in the avenues for developing livelihoods, safe and clean sources of drinking water, and access to qualitative primary healthcare systems lead to better productivity, reduction in morbidity and adequate employment. Need-based infrastructure support is given to villages in Tiroda, Godda, Kawai and Raipur, including construction and renovation of toilets, classrooms, libraries and laboratories in anganwadis, schools and colleges. Construction and renovation of roads connects to village, community halls and other public utility services are also facilitated by Adani Foundation.

Water Conservation

Rooftop rainwater harvesting, pond deepening, recharging bore-wells are affordable, easily implementable and highly replicable techniques for collection and storage of rainwater at surface or in sub-surface aquifer, before it is lost as run-off. While building check dams in a developing country like India is indispensable, the above mentioned methods of water conservation and management help in reducing the overall cost and the demand of treated water. These solutions have yielded a sustainable increase in groundwater levels and availability of water for consumption as well as irrigation.

Adani Foundation began its water conservation activities in Tiroda in 2012. In this region, which is known as the rice bowl of India, low rainfall was adversely affecting the paddy crop.

The focus of the water conservation activities here was to identify the irrigation system that are already existing (check dams/Malgujari tanks /percolation tanks/streams) rather than creating new infrastructure and also to create participatory irrigation management co-operative societies. The impact multiplied as water storage capacity under the initiative touched 10,71,520 CUM, benefiting 4,588 families, surrounding cattle and wildlife covering more than 11,494 acres of land.

In Godda, total deepening work of 68 ponds has been completed till date, increasing the water storage capacity by 494,713 CUM, across 3,061 acres benefiting 6,542 farmers. Apart from agriculture, alternative livelihood options like cattle rearing and pisciculture also got a boost. In Kawai, the water conservation programme has impacted 919 households and 2,580 cattle population.

In Udupi, five community RO plants were installed in the villages of Yellur, Mudarangadi, Tenka (R&R colony), Bada and Belapu. With a capacity of purifying 1,000 litres of water per hour and storage capacity of 5,000 litres of purified water per unit, this facility aimed to reduce water borne diseases in these regions. Villagers were also provided 12 litre water cans for carrying this potable drinking water – a total of 6,148 persons benefited from this initiative.

Disaster Relief work

Cyclone FANI caused large-scale devastation in 14 districts in Odisha – in 2019, Puri, Cuttack, Kendrapara and Jagatsinpur were severely affected. Community infrastructure was a matter of grave concern as the electricity structures were devastated and uprooted. Considering the severity of the destruction, Adani Foundation teams in Tiroda with the support of APML Employee Volunteers worked towards restoration of electricity in Puri area. The activities included erection of electric poles and stringing work; provision of GI metal sheet and required accessories, temporary housing facilities for affected communities.

During the Sangli floods in August, as heavy rain battered western Maharashtra, nearly 250 villages in Kolhapur and Sangli were flooded and cut off from the rest of the districts. As per the surveys conducted, 3,853 homes in Sangli district were damaged, with 625 completely destroyed. Adani Foundation provided medical aid, and facilitated bulb distribution, electrification of villages and public place sanitation in more than 25 villages, impacting ~2,000 families and more than 5,000 lives. A total of 36 APML Disaster Relief teams and MHCU teams were appointed in Sangli for 10 days. A total of 360 man days were spent by the 36 employees.

4,588

Families benefited from water conservation

Special Projects

SAKSHAM

More than 1,500 women in the aspirational district of Godda, Jharkhand, have been trained in stitching and tailoring, through Adani Skill Development Centre. These women have come together under the umbrella of a self-help group (SHG) called Phoolo Jhano Saksham Aajeevika Sakhi Mandal (PJSASM). Adani Foundation with support from the district administration of Godda has set up mega garment production hubs where the women are involved in stitching various items like school uniforms, bags and sweaters. The women have collectively earned over ₹ 1.86 Crore in the year 2018-2019 and 2019-20 through this initiative of Adani Foundation by stitching over 3,05,578 pairs of school uniforms.

District administration has entrusted faith on the group for supply of sweaters for 1.50 lakh school students. ₹ 50 Lakh were sanctioned for the sweater making project which is taking place at the Sunderpahari Centre.

Similarly, Adani Skill Development Centre runs another tailoring production centre with 15 advanced sewing machines in Raipur, Chhattisgarh where a group of 15 women of Saheli Shashakt Silai Samooh and 10 female trainees are engaged in sewing various kinds of bags, pants, shirts and blouses. The group has earned ₹ 2.35 Lakh between October 2019 to March 2020.

Fortune SuPoshan

Adani Foundation's SuPoshan project is an initiative by Adani Wilmar, implemented by Adani Foundation. It targets to alleviate malnutrition and anaemia among children in 0-5 years of age, adolescent girls, pregnant women, lactating mothers and women in the reproductive age. In this way, it is supporting the Ministry of Women and Child Development's Poshan Abhiyaan. This is facilitated by a community-based model – a SuPoshan Sangini is a village health volunteer who plays a pivotal role in spreading awareness, referrals and promoting behavioural change among the target groups to achieve the project objectives. Till date, 634 SuPoshan Sanginis are working in 1,369 villages and municipal wards across the country and providing services to 3,24,064 households. Thus, Fortune SuPoshan has been able to bind the Adani Foundation's three core areas of work – namely education, health and sustainable livelihood development – into one.

Udaan

Since 2010, more than 3.48 Lakh students/participants have had the opportunity to take part in Project Udaan, wherein students are given a chance to see and experience the operations of Adani Group businesses such as Port, Power & Edible Oil refining facilities, in five states across six locations at Mundra & Hazira (Gujarat), Kawai (Rajasthan), Tiroda (Maharashtra), Dhamra (Odisha) and Udupi (Karnataka). The exercise stimulates the young minds to dream big and inspires them become entrepreneurs, innovators and achievers of tomorrow.

3,24,064

Households benefit from the services of SuPoshan Sanginis

Corporate Information

Board of Directors

Mr. Gautam S. Adani
Chairman

Mr. Rajesh S. Adani
Managing Director

Mr. Vneet S Jaain
Whole-time Director

Mr. Raminder Singh Gujral
Director

Mr. Mukesh Shah
Director

Ms. Gauri Trivedi
Director

Chief Financial Officer

Mr. Suresh Chandra Jain
(w.e.f. 30th May, 2019)

Mr. Rajat Kumar Singh
(till 29th May, 2019)

Company Secretary

Mr. Deepak Pandya

Auditors

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

Registered Office

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

Registrar and Transfer Agent

M/s. KFin Technologies
Private Limited
Selenium Tower B, Plot 31-32,
Gachibowli, Financial District,
Nanakramguda, Serilingampally,
Hyderabad– 500 032.
Tel.: +91-40-67161526
Fax: +91-40-23001153
E-mail: einward.ris@kfintech.com
Website: www.kfintech.com

Directors' Report

Dear Shareholders,

Your Directors present herewith the 24th Annual Report along with the audited financial statements of your Company for the financial year ended March 31, 2020.

1. FINANCIAL PERFORMANCE:

The audited financial statements of the Company as on March 31, 2020 are prepared in accordance with the relevant applicable IND AS and Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and provisions of the Companies Act, 2013 ("Act").

The Financial highlight is depicted below:

(₹ in Crore)

Particulars	Consolidated Results		Standalone Results	
	FY 2019-20	FY 2018-19	FY 2019-20	FY 2018-19
Revenue from operations	26,467.72	23,884.18	1,005.32	2,404.20
Other Income	1,374.09	2,477.45	910.84	1,065.67
Total revenue	**27,841.81**	**26,361.63**	**1,916.16**	**3,469.87**
Operating and Administrative expenses	20,782.42	18,930.35	1,043.73	2,418.00
Operating Profit before finance costs, Depreciation and Tax	**7,059.39**	**7,431.28**	**872.43**	**1,051.87**
Depreciation and Amortization expenses	3,006.50	2,750.62	34.77	38.06
Profit before finance costs, exceptional items, tax and Deff tax adjustable in/(recoverable from) future tariff	**4,052.89**	**4,680.66**	**837.66**	**1,013.81**
Finance Costs	5,314.82	5,656.52	1,175.23	1,239.04
Exceptional Item	1,002.99	0	1,002.99	-
Loss before tax and Deff tax adjustable in/(recoverable from) future tariff	**(2,264.92)**	**(975.86)**	**(1,340.56)**	**(225.23)**
Tax expenses	55.54	33.92	-	-
Deff tax adjustable in/(recoverable from) future tariff (net of tax)	(45.69)	(25.38)	-	-
Loss for the year before share of (loss) from associate	**(2,274.77)**	**(984.40)**	**(1,340.56)**	**(225.23)**
Net Share of (loss) from associate	-	-	-	-
Loss for the period	**(2,274.77)**	**(984.40)**	**(1,340.56)**	**(225.23)**
Other Comprehensive Income	10.32	(7.74)	0.12	(1.17)
Total Comprehensive Loss for the year	**(2,264.45)**	**(992.14)**	**(1,340.44)**	**(226.40)**
Surplus brought forward from previous year	-	-	-	-
Balance available for appropriation	**(2,264.45)**	**(992.14)**	**(1,340.44)**	**(226.40)**
Balance carried to Balance Sheet	**(2,264.45)**	**(992.14)**	**(1,340.44)**	**(226.40)**

2. PERFORMANCE HIGHLIGHTS:

Consolidated:

The key aspects of your Company's consolidated performance during the financial year 2019-20 are as follows:

a) Revenue

The consolidated total revenue of your Company for FY 2019-20 stood at ₹ 27,841.81 Crore as against ₹ 26,361.63 Crore for FY 2018-19 showing an increase of 5.61%. The revenue is higher in FY 2019-20, mainly due to increase in quantum of power sold.

Your Company has sold 64.11 billion units of electricity during FY 2019-20 as against 55.24 billion units in FY 2018-19 from all the plants with increase in Plant Load Factor (PLF) from 64% in the previous year to 68% in the year 2019-20.

b) Operating and Administrative Expenses

The consolidated Operating and administrative expenses of ₹ 20,782.42 during FY 2019-20 which has increased by 9.78% from ₹ 18,930.35 Crore in FY 2018-19. It mainly consists of expenses in nature of fuel cost, purchase of trading goods, employee benefits expense, transmission expense, repairs and maintenance etc.

The increase in expense is primarily due to the consolidation of REL and REGL following their acquisition.

c) **Depreciation and Amortisation Expenses**

The consolidated Depreciation and Amortization Expenses of ₹ 3,006.50 Crore during FY 2019-20, which has increased by 9.30% from ₹ 2,750.62 Crore in FY 2018-19 mainly due to acquisition of Raipur Energen Ltd. (REL) and Raigarh Energy Generation Ltd. (REGL) during the year.

d) **Finance Costs**

The consolidated Finance costs of ₹ 5,314.82 Crore during FY 2019-20, which has decreased by 6.04% from ₹ 5,656.52 Crore in FY 2018-19 mainly due to repayments.

e) **Total Comprehensive Loss for the year**

Consolidated Total Comprehensive Loss for the year was ₹ 2,264.45 Crore as compared to Total Comprehensive Loss of ₹ 992.14 Crore in FY 2018-19.

COVID-19

The generation and supply of electricity are essential services. During the lockdown imposed by the Government to combat COVID-19, the Ministry of Power instructed various bodies and agencies of State Governments and Urban local administration to ensure that generation of power continues on an uninterrupted basis. Power demand was affected significantly due to the lockdown, as industrial and commercial establishments were shut down across the nation. This reduction in demand had an impact on the PLF of most of the power plants of the Company and its subsidiaries, during the last week of March 2020. However, in our view, the impact on power demand is short term in nature, and is expected to revive as the lockdown is lifted and economic revival ensues. Power distribution companies also faced cash flow shortages due to their inability to collect dues from customers during the lockdown period. However, the Government has ensured through proactive steps that the liquidity of power generating companies does not get affected adversely. The recently announced financial packages, which aim to provide liquidity to DISCOMs by lending against their receivables, are also expected to ease the transmission of cash flows in the power sector. The Company is also taking necessary steps to ensure adequate liquidity through the period of lockdown and for the rest of FY 2020-21.

3. DIVIDEND:

The Board of Directors of your company, after considering holistically the relevant circumstances and keeping in view the Company's dividend distribution policy, has decided that it would be prudent, not to recommend any Dividend for the year under review.

4. MATERIAL CHANGES AND COMMITMENTS:

There are no material changes which have occurred between the end of financial year of the company and the date of this report.

5. KEY DEVELOPMENTS:

Adani Power (Mundra) Ltd.

Pursuant to the Civil Appeal dated September 7, 2011 made by Adani Power Ltd. ["APL"] challenging the order of the Appellate Tribunal of Electricity ["APTEL"], whereby the APTEL had declared the termination of the 1,000 MW Power Purchase Agreement ["Bid-2 PPA"] with Gujarat Urja Vikas Nigam Ltd. ["GUVNL"] to be invalid, the Hon'ble Supreme Court on July 2, 2019 held that the termination is valid and the PPA stands terminated with effect from January 4, 2010.

The power supplied under the said PPA was generated from Units 5 & 6 of the 4,620 MW Mundra power plant. The plant was transferred to APL's wholly owned subsidiary Adani Power (Mundra) Ltd. ["APMuL"] by way of Slump Sale under a Scheme of Arrangement with effect from March 31, 2017.

APL had announced the termination of the Bid-2 PPA as one of the conditions subsequent of the said PPA, viz. tie up of a Fuel Supply Agreement ["FSA"] with the Gujarat Mineral Development Corporation ["GMDC"] could not be fulfilled. However, APL continued to supply power under the Bid-2 PPA after the Gujarat Electricity Regulatory Commission ["GERC"] and subsequently the APTEL did not uphold the termination notice.

Post requisite hearing on different dates, the Supreme Court has announced on July 2, 2019 that the Company's Civil Appeal has been allowed. It also directed the Central Electricity Regulatory Commission ["CERC"] to calculate the compensation payable to APMuL in accordance with Section 62 of The Electricity Act, 2003 for the past power supplies made under the original PPA for 1000 MW capacity from the date of its commencement.

Pursuant to the Court's order, GUVNL has stopped procuring power under the PPA, which was generated by Phase III of the Mundra power plant, and the capacity vacated thus is being utilised to supply power to the short term market. APMuL has also filed its petition with the CERC for determination of compensation as directed by the Supreme Court, and hearings are ongoing presently.

Raipur Energen Ltd.

APL completed the acquisition of GMR Chhattisgarh Energy Ltd. (GCEL), which owns and operates a

Directors' Report (Contd.)

1,370 MW (2 X 685 MW) Supercritical power plant at Raikheda village, in Raipur District of Chhattisgarh. 52.38% of the equity stake in GCEL was acquired from its Consortium of Lenders, following the approval of APL's resolution plan to acquire a controlling equity stake and restructure its debt. The balance 47.62% equity stake was acquired from the GMR Group. The acquisition of GCEL was concluded on August 2, 2019 at an Enterprise Valuation of approx. ₹ 3,530 Crore.

The Raikheda power plant, which utilises Boiler and Turbine Generator equipment supplied by Doosan Heavy Industries, S. Korea, is situated close to the coal bearing areas of Chhattisgarh. This locational advantage will allow GCEL to source domestic coal with lower logistics cost, and make it more competitive while bidding for long term Power Purchase Agreements (PPAs).

Subsequent to the acquisition, GCEL was renamed as Raipur Energen Ltd.

Raigarh Energy Generation Ltd.

APL completed the acquisition of Korba West Power Company Ltd. ["KWPCL"], a company undergoing corporate insolvency resolution process, pursuant to the provisions of the Insolvency and Bankruptcy Code, 2016 and the regulations made thereunder, in respect of which the Hon'ble National Company Law Tribunal, Ahmedabad ["NCLT"] had issued an order approving the resolution plan submitted by the Company. The acquisition of KWPCL was concluded on July 20, 2019 at an Enterprise Valuation of approx. ₹ 1,024 Crore.

Subsequent to the acquisition, KWPCL was renamed as Raigarh Energy Generation Ltd. ["REGL"]. It owns and operates a 600 MW thermal power plant in Raigarh District, Chhattisgarh, and has a 2.315 MMTPA long term FSA signed with Coal India Ltd. subsidiaries.

REGL restarted the operation of its power plant, which had been shut down prior to its acquisition by APL for rectification of its generator equipment, on December 21, 2019.

Adani Power Maharashtra Ltd.

The Hon'ble Maharashtra Electricity Regulatory Commission ["MERC"], vide its Order dated September 9, 2019 allowed compensation on account of non-availability of coal from the Lohara coal block to Adani Power Maharashtra Ltd. ["APML"]. This compensation has been granted in respect of the 1,320 MW PPA signed by APML with the Maharashtra Electricity Distribution Co. Ltd. ["MSEDCL"] for its 3,300 MW power plant at Tiroda, Dist. Gondia, Maharashtra.

As per the referred order from the MERC, the de-allocation of the Lohara coal block by the Ministry of Coal would qualify as Change in Law, and APML is entitled to claim compensation from the commencement of power supply under the PPA for the usage of alternative coal to meet the shortfall. Further, APML is also entitled to claim carrying costs on the claim amount till the date of the subject order.

Cross-appeals against the MERC order have been filed with the APTEL by both APML and MSEDCL, and the hearings are ongoing at present.

Adani Power Rajasthan Ltd.

The Hon'ble APTEL has issued an order on September 14, 2019, allowing the claim of compensation of Adani Power Rajasthan Ltd. ["APRL"] for non-availability / shortage in linkage coal supply from Coal India Ltd., and usage of alternate coal in respect of the 1,200 MW PPA signed by APRL with the Distribution Companies of Rajasthan ["Rajasthan DISCOMs"].

The APTEL has allowed compensation for domestic coal shortfall arising from change in law pertaining to the New Coal Distribution Policy, 2007 ["NCDP"] and the Scheme for Harnessing and Allocating Koyala (Coal) Transparently in India ["SHAKTI"] policy of the Government of India. In addition to this, the APTEL has granted carrying costs pertaining to the claim amounts.

RUVNL has filed appeal in Supreme Court against APTEL order, apart from a review petition with the APTEL against the same order. The APTEL has heard the matter and reserved its order, whereas the hearings in the Supreme Court are ongoing at present.

Adani Power (Jharkhand) Ltd.

Adani Power (Jharkhand) Ltd. ["APJL"] has received approval from the Office of Development Commissioner, Falta Special Economic Zone, Department of Commerce, Government of India for setting up of a unit for generation of power for export of electrical energy in respect of APJL's 2x800 MW Ultra-supercritical power project being implemented in Godda District, Jharkhand, for supply of power under a long term PPA arrangement to the Bangladesh Power Development Board, Government of Bangladesh.

6. FIXED DEPOSITS:

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

7. SUBSIDIARY COMPANIES AND ITS FINANCIAL PERFORMANCE:

Your Company has total 11 direct subsidiaries as on March 31, 2020.There has been no material change in the nature of the business of the subsidiaries.

The Financial performance of the key subsidiaries is as under:

- **Adani Power (Mundra) Limited [APMuL]:** APMuL's Mundra Power Plant has a total installed capacity of 4,620 MW. PLF for the year was 73.50%. The Mundra Power Plant contributed ₹ 13,294 Crore towards the total consolidated revenue and ₹ 1970 Crore towards the consolidated EBIDTA. APMuL had ₹1,426 Crore Comprehensive Loss during the year.
- **Adani Power Maharashtra Limited [APML]:** APML's Tiroda Power Plant has a total installed capacity of 3,300 MW. PLF for the year was 80.22%. The Tiroda Power Plant contributed ₹ 8,473 Crore towards the total consolidated revenue and ₹ 2,233 Crore towards the consolidated EBIDTA. APML had ₹36 Crore Comprehensive Profit during the year.
- **Adani Power Rajasthan Limited [APRL]:** APRL's Kawai Power Plant has a total installed capacity of 1,320 MW. PLF for the year was 69.00%. The Kawai Power Plant contributed ₹ 4,213 Crore towards the total consolidated revenue and ₹ 1993 Crore towards the consolidated EBIDTA. APRL had ₹ 927 Crore comprehensive Profit during the year.
- **Udupi Power Corporation Limited [UPCL]:** UPCL's Udupi Power Plant has a total installed capacity of 1,200 MW. PLF for the year was 31.10%.The Udupi Power Plant contributed ₹ 2,374 Crore towards the total consolidated revenue and ₹ 951 Crore towards the consolidated EBIDTA. UPCL had ₹98 Crore comprehensive profit during the year.
- **Raipur Energen Limited [REL] :** REL's Power Plant has a total installed capacity of 1370 MW. PLF for the year was 52.40%.The REL's Power Plant contributed ₹ 1,155 Crore towards the total consolidated revenue and ₹ 172 Crore towards the consolidated EBIDTA. REL had ₹ 214 Crore comprehensive loss during the year.
- **Raigarh Energy Generation Limited [REGL]:** REGL's Power Plant has a total installed capacity of 600 MW in Raigarh District, Chhattisgarh. PLF for the year was 12.20%.The REGL's Power Plant contributed ₹ 115 Crore towards the total consolidated revenue and ₹ (80) Crore towards the consolidated EBIDTA. REL had ₹ 379 Crore comprehensive loss during the year.

Subsidiary companies acquired:

1. **Raigarh Energy Generation Limited (REGL) [Formerly Known as Korba West Power Company Limited]:**
   Upon default in repayment of loans and borrowings to the Bank and Financial Institutions, REGL has preferred an application with the Hon'ble National Company Law Tribunal, Bench at Ahmedabad ("NCLT") for corporate insolvency resolution process ("CIRP") under the applicable provisions of the Insolvency and Bankruptcy Code, 2016. The NCLT has approved the resolution plan, as submitted by M/s. Adani Power Limited and as approved by committee of creditors of REGL, vide its order dated June 24, 2019.

   REGL owns and operates a 600 MW thermal power plant in Raigarh District, Chhattisgarh. Successful acquisition and implementation of the resolution plan for acquisition of KWPCL will consolidate APL's position as India's leading private sector thermal power producer.
2. **Raipur Energen Limited (REL) [Formerly Known as GMR Chhattisgarh Energy Limited]:**
   The Company has completed Acquisition of Raipur Energen Limited. (REL), on August 2, 2019, REL owns and operates a 1,370 MW (2 X 685 MW) Supercritical power plant at Raikheda village, in Raipur District of Chhattisgarh. 52.38% of the equity stake in REL was acquired from its Consortium of Lenders, following the approval of APL's resolution plan to acquire a controlling equity stake and restructure its debt. The balance 47.62% equity stake was acquired from the GMR Group.

8. CONSOLIDATED FINANCIAL STATEMENTS:

Pursuant to the provisions of Section 129, 134 and 136 of the Companies Act, 2013, read with rules framed there under and pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company had prepared consolidated financial statements of the Company and its subsidiaries and a separate statement containing the salient features of financial statements of subsidiaries, joint ventures and associates in Form AOC-1 are forming part of the Annual Report. The Financial Statements as stated above are also available on the website of the Company and can be accessed at https://www.adanipower.com/investors/investor-downloads.

The annual financial statements and related detailed information of the subsidiary companies shall be made available to the shareholders of the holding and

Directors' Report (Contd.)

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

9. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

During the year under review:

Mr. Rajat Kumar Singh had resigned as Chief Financial Officer of the Company with effect from close of business hours of May 29, 2019.

The Board of Directors on recommendation of Nomination and Remuneration Committee & Audit Committee appointed Mr. Suresh Chandra Jain as Chief Financial Officer and Key Managerial Personnel of the Company with effect from May 30, 2019.

Mr. Raminder Singh Gujral, whose existing term of five years as an Independent Director expires in August, 2020, was re-appointed as an Independent Director of the Company for a second term of five years upto August, 2025. The Board of Directors, upon recommendation of Nomination and Remuneration Committee, has re-appointed him as an Independent Director for a second term of five consecutive year upto August, 2025 and the Members have given their approval for the same in the Annual General Meeting of the Company held on August 8, 2019.

Director retiring by rotation

Pursuant to the requirements of the Companies Act, 2013 and Articles of Association of the Company, Mr. Gautam S. Adani (DIN: 00006273) retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. The Board recommends the re-appointment of Mr. Gautam S. Adani for your approval.

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

Independent Directors and their Meeting

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

Also, your Company has received annual declarations from all the Independent Directors of the Company confirming that they have already registered their names with the data bank maintained by the Indian Institute of Corporate Affairs ["IICA"] as prescribed by the Ministry of Corporate Affairs under the relevant rules and that the online proficiency self-assessment test as prescribed under the said relevant rules is applicable to them and they will attempt the said test in due course of time.

The Independent Directors met on February 24, 2020, without the attendance of Non-Independent Directors and members of the Management. The Independent Directors reviewed the performance of Non-Independent Directors and the Board as a whole; the performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

10. DIRECTORS' RESPONSIBILITY STATEMENT:

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

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

b. that such accounting policies have been selected and applied consistently and judgement and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2020 and of the loss of the Company for the year ended on that date;

c. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the

Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

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

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

f. That proper system to ensure compliance with the provisions of all applicable laws including the compliance of applicable Secretarial Standards were in place and were adequate and operating effectively.

11. BOARD EVALUATION:

The Board carried out an annual performance evaluation of its own performance and that of its committees and individual directors as per the formal mechanism for such evaluation adopted by the Board. The performance evaluation of all the Directors was carried out by the Nomination and Remuneration Committee.

The performance evaluation of the Chairman, the Non-Independent Directors and the Board as a whole was carried out by the Independent Directors. The exercise of performance evaluation was carried out through a structured evaluation process covering various aspects of the Board functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, contribution at the meetings and otherwise, independent judgment, governance issues etc.

12. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION:

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

13. INTERNAL FINANCIAL CONTROL (IFC) SYSTEM AND THEIR ADEQUACY:

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

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

There is a well-established multidisciplinary Management Audit & Assurance Services (MA&AS) that consists of professionally qualified accountants, engineers and SAP experienced executives which carries out extensive audit throughout the year, across all functional areas, engages specialised consultants on need basis, and submits its reports to the Management and Audit Committee about the compliance with internal controls and efficiency and effectiveness of operations and key processes risks.

Some Key Features of the Company's internal controls system are:

- Adequate documentation of Policies & Guidelines.
- Preparation & monitoring of Annual Budgets through monthly review for all operating & service functions.
- MA&AS department prepares Risk Based Internal Audit scope with the frequency of audit being decided by risk ratings of areas / functions. Risk based scope is discussed amongst MA&AS team, functional heads / process owners / CEO & CFO. The audit plan is formally reviewed and approved by Audit Committee of the Board.
- The entire internal audit processes are web enabled and managed on-line by Audit Management System.
- The Company has a strong compliance management system which runs on an online monitoring system.
- The Company has a well-defined delegation of power with authority limits for approving revenue & capex expenditure which is reviewed and suitably amended on an annual basis
- The Company uses ERP system (SAP) 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.
- 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 execution of Audit Plan, the adequacy & effectiveness of internal audit systems, and monitors implementation of internal audit recommendations including those relating to strengthening of company's risk management policies & systems.

Directors' Report (Contd.)

14. RISK MANAGEMENT:

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

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

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

1) Risk Identification
2) Risk Assessment & Prioritization and
3) Risk Mitigation and Communication

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

- Review Compliance to Risk Policy, Resolve bottlenecks to mitigate risk. Advise the Board of Directors on risk tolerance and appetite.
- Prioritise risk from stations / departments, track mitigation plan and escalate to steering committee. Prepare Steering Committee document and co-ordinate meeting.
- Review and update risk list. Track mitigation plan and share status update with CRO every month. Share Risk Review document with CRO.

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

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

15. BUSINESS RESPONSIBILITY REPORT:

The Business Responsibility Report for the year ended March 31, 2020 as stipulated under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed hereto and which forms part of this Report.

16. 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 Act 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.

17. AUDITORS & AUDITORS' REPORT:

Statutory Auditors:

M/s. S R B C & Co. LLP (324982E/E300003), Chartered Accountants, the Statutory Auditors of the Company have been appointed as Statutory Auditors of the Company by the Members of the Company till the Conclusion of 26th Annual General Meeting of the Company to be held in the calendar year 2022.They have confirmed that they are not disqualified from continuing as Statutory Auditors of the Company for financial year 2020-21.

Explanation to Auditors' Comment:

The Auditors' Qualification has been appropriately dealt with in Note No. 37 of the Notes to the standalone audited financial statements. The Auditors' Report is enclosed with the financial statements in this Annual Report.

Cost Auditors:

Your Company has appointed M/s Kiran J. Mehta & Co., Cost Accountants (Firm Reg. No. 100497) to conduct audit of cost records of the Company for the year ended March 31, 2021. The Cost Audit Report for the year 2018-19 was filed before the due date with the Ministry of Corporate Affairs.

The Company has maintained the cost accounts and records in accordance with Section 148 of the Companies Act, 2013 and Rule 8 of the Companies (Accounts) Rules, 2014.

Secretarial Auditor:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the rules made there under, M/s. Chirag Shah & Associates, Practicing Company Secretary, had been appointed to undertake the Secretarial Audit of the Company. The Secretarial Audit Report for financial year 2019-20 is annexed, which forms part of this report, as Annexure-B. There were no qualifications, reservation or adverse remarks given by Secretarial Auditor of the Company in the Secretarial Audit Report of the Company.

Reporting of frauds by auditors:

During the year under review, neither the statutory auditors nor the secretarial auditor has reported to the Audit Committee, under Section 143 (12) of the Act, any instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Board's Report.

18. AWARDS, CERTIFICATIONS AND ACCREDITATIONS:

In FY 2019-20, your Company's wholly owned subsidiary Companies have obtained various certifications / accreditations, as tabled herein below:

Sr. No.	Certification	Given as per/For	Conferred by	Year
Adani Power (Mundra) Limited, Mundra				
1	ISO 45001:2018	Occupational Health & Safety Management System	TuV Nord	August, 2019
2	ISO 50001:2018	Energy Management System	TuV Nord	August, 2019
3	5S Recertification	Workplace Management System	Quality Circle Forum of India	January, 2020
4	Team A - Par Excellence	5S case study in Competition at National Conclave on 5S at Surat	Quality Circle Forum of India	May, 2019
5	Team A -Gold	5S case study in Competition at the Lucknow Centre Convention on Quality Concepts	Quality Circle Forum of India	September, 2019
6	Team A - Par Excellence Team B - Excellence	5S case study in Competition at the National Convention on Quality Concepts at Varanasi	Quality Circle Forum of India	December, 2019
Adani Power Maharashtra Limited, Tiroda				
7	ISO 45001:2018	Occupational Health & Safety Management System	TuV Nord	March, 2020
8	ISO 50001:2018	Energy Management System	TuV Nord	March, 2020
9	5S Recertification	Workplace Management System	Quality Circle Forum of India	March, 2020
10	8th FICCI Safety Systems Excellence Awards in Power category of the Manufacturing Sector - Certificate of Appreciation	Excellent safety standards	The Federation of Indian Chambers of Commerce and Industry (FICCI)	September, 2019
11	IMC RBNQA Performance Excellence Trophy 2019	Performance Excellence	IMC Ramakrishna Bajaj National Quality Awards (IMC RBNQA) Trust	January, 2020
12	Team A - Par Excellence	5S case study in Competition at National Conclave on 5S at Surat	Quality Circle Forum of India	May, 2019
13	Team A -Gold	5S case study in Competition at the Lucknow Centre Convention on Quality Concepts	Quality Circle Forum of India	September, 2019
14	Team B -Gold	5S case study in Competition at the Lucknow Centre Convention on Quality Concepts	Quality Circle Forum of India	September, 2019
15	Team A - Par Excellence Team B - Excellence	5S case study in Competition at the National Convention on Quality Concepts at Varanasi	Quality Circle Forum of India	December, 2019

Directors' Report (Contd.)

Sr. No.	Certification	Given as per/For	Conferred by	Year
Adani Power Rajasthan Limited, Kawai				
16	ISO 45001:2018	Occupational Health & Safety Management System	TuV Nord	March, 2020
17	ISO 50001:2018	Energy Management System	TuV Nord	March, 2020
18	5S Recertification	Workplace Management System	Quality Circle Forum of India	March, 2020
19	Sword of Honor 2019	Excellent safety standards	British Safety Council (BSC)	October, 2019
20	Team A - Par Excellence	5S case study in Competition at National Conclave on 5S at Surat	Quality Circle Forum of India	May, 2019
21	Team A -Gold	5S case study in Competition at the Lucknow Centre Convention on Quality Concepts	Quality Circle Forum of India	September, 2019
22	Team A - Excellence Team B - Excellence	5S case study in Competition at the National Convention on Quality Concepts at Varanasi	Quality Circle Forum of India	December, 2019
Udupi Power Corporation Limited, Udupi				
23	ISO 45001:2018	Occupational Health & Safety Management System	Bureau Veritas	March, 2020
24	ISO 50001:2018	Energy Management System	Bureau Veritas	March, 2020
25	5S Recertification	Workplace Management System	Quality Circle Forum of India	January, 2020
26	8th FICCI Safety Systems Excellence Awards in Power category of the Manufacturing Sector - Platinum Prize	Excellent safety standards	The Federation of Indian Chambers of Commerce and Industry (FICCI)	September, 2019
27	Team A - Par Excellence	5S case study in Competition at National Conclave on 5S at Surat	Quality Circle Forum of India	May, 2019
28	Team A - Excellence	5S case study in Competition at the National Convention on Quality Concepts at Varanasi	Quality Circle Forum of India	December, 2019

19. CORPORATE GOVERNANCE:

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

In compliance with Corporate Governance requirements as per the 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.

20. MANAGEMENT DISCUSSION AND ANALYSIS:

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

21. SUSTAINABILITY & CORPORATE SOCIAL RESPONSIBILITY (S & CSR):

Our CSR Philosophy:

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

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

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

The updated policy is available on the website of the Company at https://www.adanipower.com/investors/corporate-governance.

Community Engagement and Development:

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

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

Implementation through Adani Foundation:

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

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

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

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

22. DISCLOSURES:

A. Number of Board Meetings:

The Board of Directors met 5 (Five) times during the year under review. The details of Board meetings and the attendance of the Directors are provided in the Corporate Governance Report which forms part of this Report.

B. Committees of Board:

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

C. Extract of Annual Return:

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

D. Vigil Mechanism / Whistle Blower Policy:

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

E. Particulars of Loans, Guarantees or Investments:

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

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

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

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

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with

Directors' Report (Contd.)

Rule 8 of The Companies (Accounts) Rules, 2014, as amended from time to time, is annexed to this Report as Annexure-D.

H. Particulars of Employees

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

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

I. Prevention of Sexual Harassment at Workplace:

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

J. Other Disclosures and Reporting

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

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

K. Policies

During the year under review, the Board of Directors of the Company has amended / approved changes in Related Party Transaction Policy and Code of internal procedures and conduct for regulating, monitoring and reporting of Trading by Insiders to comply with the recent amendments in the Companies Act, 2013 and SEBI Regulations. Accordingly, the updated policies are uploaded on website of the Company at https://www.adanipower.com/investors/corporate-governance.

L. Insurance

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

23. ACKNOWLEDGEMENT:

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

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

For and on behalf of the Board of Directors

GAUTAM S. ADANI
CHAIRMAN
(DIN: 00006273)

Place: AHMEDABAD
Date: April 27, 2020

Annexure - A to the Directors' Report

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended March 31, 2020

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

I. REGISTRATION AND OTHER DETAILS:

CIN	L40100GJ1996PLC030533
Registration Date	22nd August, 1996
Name of the Company	Adani Power Limited
Category / Sub-Category of the Company	Company Limited by Shares
Address of the Registered office and contact details	"Shikhar", Near Adani House, Mithakhali Six Roads, Navrangpura, Ahmedabad-380 009.
Whether listed company Yes / No	Yes, Listed Company
Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s. KFin Technologies Private Limited Selenium Tower B, Plot No 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally Hyderabad – 500 032 Tel.: +91-40-67161526, Fax: +91-40-23001153

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

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

Name and description of main Product / Services	NIC Code of the Product / Services	% to total turnover of the company
Power Generation	35102	52.57%
Trading activities	46610	47.43%

Annexure - A to the Directors' Report (Contd.)

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name and address of the Company	CIN	Holding/ Subsidiary/Associate	% of shares held	Applicable Section
1	Adani Power Maharashtra Limited Adani House, Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad-380 009	U40101GJ2007PLC050506	Subsidiary	100%	2(87)
2	Adani Power Rajasthan Limited Adani House, Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad-380 009	U40104GJ2008PLC052743	Subsidiary	100%	2(87)
3	Udupi Power Corporation Limited No. 160, Om Chambers, 1st Main Road Sheshadripuram Near Total Gaz Pump, Bangalore - 560020	U31909KA1996PLC019918	Subsidiary	100%	2(87)
4	Adani Power (Mundra) Limited Adani House, Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad-380 009	U40300GJ2015PLC082295	Subsidiary	100%	2(87)
5	Adani Power Resources Limited Adani House, Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad-380 009	U40100GJ2013PLC077749	Subsidiary	51%	2(87)
6	Adani Power (Jharkhand) Limited Adani House, Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad-380 009	U40100GJ2015PLC085448	Subsidiary	100%	2(87)
7	Adani Power Dahej Limited Adani House, Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad-380 009	U40100GJ2006PLC047672	Subsidiary	100%	2(87)
8	Pench Thermal Energy (MP) Limited (Formerly known as Adani Pench Power Limited) Adani House, Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad-380 009	U40100GJ2009PLC058171	Subsidiary	100%	2(87)
9	Kutchh Power Limited Adani House, Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad-380 009	U40100GJ2009PLC057562	Subsidiary	100%	2(87)
10	Raigarh Energy Generation Limited (Formerly known as Korba West Power Company Limited) SKIP House, 25/1 Museum Road Bangalore, Karnataka - 560025	U40102MP1995PLC009177	Subsidiary	100%	2(87)
11	Raipur Energen Limited (Formerly known as GMR Chhatishgarh Energy Limited) First Floor, E-122, Patel Nagar, City Centre, Site No.2, Gwalior, Madhya Pradesh - 474011	U40108KA2008PLC047974	Subsidiary	100%	2(87)

IV. SHARE HOLDING PATTERN

(Equity Share Capital Breakup as percentage of total equity as on March 31, 2020)

i) Category-wise Share Holding

	Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
A.	**Promoter**									
1	**Indian**									
a)	Individuals/HUF	2	-	2	0.00	2	-	2	0.00	0.00
b)	Central Government	-	-	-	-	-	-	-	-	-
c)	State Government(s)	-	-	-	-	-	-	-	-	-
d)	Bodies Corporate	-	-	-	-	-	-	-	-	-
e)	Banks/FI	-	-	-	-	-	-	-	-	-
f)	Any Others									
	Family Trust:									
	Gautam Shantilal Adani & Pritiben Gautambhai Adani (On behalf of Gautam S. Adani Family Trust)	16432820	-	16432820	0.43	16432820	-	16432820	0.43	0.00
	Gautam Shantilal Adani & Rajeshbhai Shantilal Adani (On behalf of S. B. Adani Family Trust)	1405179633	-	1405179633	36.43	1405179633	-	1405179633	36.43	0.00
	LLP:									
	Adani Tradeline LLP*	377180885	-	377180885	9.78	377180885	-	377180885	9.78	0.00
	Sub Total (A) (1)	**1798793340**	**-**	**1798793340**	**46.64**	**1798793340**	**-**	**1798793340**	**46.64**	**0.00**
2	**Foreign**									
a)	NRIs-Individuals	-	-	-	-	-	-	-	-	-
b)	Other-Individuals	-	-	-	-	-	-	-	-	-
c)	Bodies Corporate	1092819227	-	1092819227	28.33	1092819227	-	1092819227	28.33	0.00
d)	Bank/FI									
e)	Any Other									
	Sub Total (A) (2)	**1092819227**	**-**	**1092819227**	**28.33**	**1092819227**	**-**	**1092819227**	**28.33**	**0.00**
	Total Shareholding of Promoter and Promoter Group (A) = (A)(1)+(A)(2)	**2891612567**	**-**	**2891612567**	**74.97**	**2891612567**	**-**	**2891612567**	**74.97**	**0.00**
B.	**Public Shareholding**									
1	**Institutions**									
a)	Mutual Funds/UTI	105558097	-	105558097	2.74	35488510	-	35488510	0.92	-1.82
b)	Banks/FI	62688054	-	62688054	1.63	62606402	-	62606402	1.62	-0.01
c)	Central Govt.	-	-	-	-	-	-	-	-	-
d)	State Govt.	-	-	-	-	-	-	-	-	-
e)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
f)	Insurance Companies	-	-	-	-	-	-	-	-	-
g)	FII	385216211	-	385216211	9.99	476155954	-	476155954	12.35	2.36
h)	Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i)	Any Other	-	-	-	-	-	-	-	-	-
	Sub Total (B) (1)	**553462362**	**-**	**553462362**	**14.35**	**574250866**	**-**	**574250866**	**14.89**	**0.54**

Annexure - A to the Directors' Report (Contd.)

i) Category-wise Share Holding:

	Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
2	**Non-Institutions**									
a)	Bodies Corporate	22095818	7438	22103256	0.57	18004115	7438	18011553	0.47	-0.11
b)	Individuals									
i	Individual shareholders holding nominal share capital up to ₹ 1 Lakh	100180896	113714	100294610	2.60	98861079	105448	98966527	2.57	-0.03
ii	Individual shareholders holding nominal share capital in excess of ₹ 1 Lakh	50152771	519739	50672510	1.31	41549841	415606	41965447	1.09	-0.23
c	Others (specify)									
	Clearing Member	10067512	-	10067512	0.26	3438535	-	3438535	0.09	-0.17
	Non Resident Indian	3079593	-	3079593	0.08	2917282	-	2917282	0.08	0.00
	Foreign Bodies	221777910	-	221777910	5.75	221777910	-	221777910	-	0.00
	Foreign Nationals	1335096	-	1335096	0.03	1335096	-	1335096	0.03	0.00
	Directors/ Relatives	449795	-	449795	0.01	620795	-	620795	0.02	0.01
	Trusts	18058	-	18058	0.00	18058	-	18058	0.00	0.00
	Sub Total (B) (2)	**411223121**	**640891**	**411864012**	**10.68**	**390547016**	**528492**	**391075508**	**10.14**	**-0.54**
	Total Public Shareholding (B) = (B)(1)+(B)(2)	**964685483**	**640891**	**965326374**	**25.03**	**964797882**	**528492**	**965326374**	**25.03**	**0.00**
C.	**Shares held by Custodians for GDRs & ADRs**	-	-	-	-	-	-	-	-	-
	Grand Total (A)+(B)+(C)	**3856298050**	**640891**	**3856938941**	**100.00**	**3856410449**	**528492**	**3856938941**	**100.00**	**0.00**

ii) Shareholding of Promoters/Promoters Group:

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in shareholding during the year
		No. of Shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	No. of Shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	
1	Gautambhai Shantilal Adani	1	0.00	0.00	1	0.00	0.00	0.00
2	Rajeshbhai Shantilal Adani	1	0.00	0.00	1	0.00	0.00	0.00
3	Gautambhai Shantilal Adani & Pritiben Gautambhai Adani (on behalf of Gautam S. Adani Family Trust)	16432820	0.43	0.00	16432820	0.43	0.00	0.00
4	Gautambhai Shantilal Adani & Rajeshbhai Shantilal Adani (on behalf of S.B. Adani Family Trust)	1405179633	36.43	27.61	1405179633	36.43	21.76	0.00
5	Adani Properties Private limited	0	0.00	0.00	0	0.00	0.00	0.00
6	Adani Tradeline LLP*	377180885	9.78	2.04	377180885	9.78	2.57	0.00
7	Flourishing Trade And Investment Ltd	151062201	3.92	0.00	151062201	3.92	0.00	0.00
8	Worldwide Emerging Market Holding Ltd.	192846900	5.00	0.00	192846900	5.00	0.00	0.00
9	Afro Asia Trade and Investments Ltd.	265485675	6.88	0.00	265485675	6.88	0.00	0.00
10	Universal Trade and Investments Ltd.	291124451	7.55	0.00	291124451	7.55	0.00	0.00
11	Emerging Market Investment DMCC	192300000	4.99	0.00	192300000	4.99	0.00	0.00
	Total	**2891612567**	**74.97**	**29.65**	**2891612567**	**74.97**	**24.33**	**-**

*Formerly known as Parsa Kente Rail Infra LLP

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

	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
At the beginning of the year	2891612567	74.97	2891612567	74.97
Change during the year	-	-	-	-
At the end of the year	2891612567	74.97	2891612567	74.97

Annexure - A to the Directors' Report (Contd.)

iv) Share holding Pattern of top ten Shareholders (other than Directors, Promoter and Holders of GDRs and ADRs):

Sr. No.	Name of Shareholder	Shareholding at the beginning of the year		Change in Shareholding (No. of Shares)		Shareholding at the end of the year	
		No. of Shares	% of total shares of the Company	Increase	Decrease	No. of Shares	% of total shares of the Company
1	Opal Investment Private Limited	213236910	5.53	-	-	213236910	5.53
2	Elara India Opportunities Fund Limited	116715467	3.02	-	-	116715467	3.03
3	Life Insurance Corporation Of India	62128749	1.61	-	2052859	60075890	1.56
4	Cresta Fund Limited	45284851	1.17	1900000	-	47184851	1.22
5	Albula Investment Fund Ltd	23693640	0.61	-	-	23693640	0.61
6	Asia Investment Corporation (Mauritius) Ltd	22076686	0.57	16237535	-	38314221	0.99
7	New Leaina Investments Limited	18826509	0.49	17861989	-	36688498	0.95
8	Aditya Birla Sun Life Trustee Private Limited A/Caditya Birla Sun Life Arbitrage Fund#	18000000	0.47	5693640	-	23693640	0.61
9	Kotak Equity Arbitrage Fund#	17320000	0.45	-	3104173	14215827	0.37
10	LTS Investment Fund Ltd	16504480	0.43	7831996	-	24336476	0.63
11	APMS Investment Fund Limited*	12368847	0.32	11150991	-	23519838	0.61
12	Vespera Fund Limited*	14554224	0.38	6373000	-	20927224	0.54

*Not in the list of Top 10 shareholders as on April 1, 2019. The same is reflected above since the shareholder was one of the Top 10 shareholders as on March 31, 2020.

#ceased to be in the Top 10 shareholders as on March 31, 2020. The same is reflected above since the shareholder was one of the Top 10 shareholders as on April 1, 2019.

v) Shareholding of Directors and Key Managerial Personnel:

For each of the Directors and KMP	Shareholding at the beginning of the year		Change in Shareholding (No. of Shares)		Shareholding at the end of the year	
	No. of Shares	% of total shares of the Company	Increase	Decrease	No. of Shares	% of total shares of the Company
Mr. Gautam S. Adani	1	0.00	-	-	1	0.00
Mr. Rajesh S. Adani	1	0.00	-	-	1	0.00
Mr. Vneet S Jaain	-	-	70000	-	70000	0.00
Ms. Gauri Trivedi	-	-	-	-	-	-
Mr. Raminder Singh Gujral	445400	0.01	100000	-	545400	0.01
Mr. Mukesh Shah	4395	0.00	1000	-	5395	0.00
Mr. Suresh Chandra Jain	-	-	-	-	-	-
Mr. Deepak Pandya	-	-	-	-	-	-

V. INDEBTEDNESS

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

₹ in Crore

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	231.82	11,259.62	-	11491.44
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	7.49	-	7.49
Total (i+ii+iii)	**231.82**	**11,267.11**	**-**	**11,498.93**
Change in Indebtedness during the financial year				
• Addition	1.81	13,010.62	-	13,012.43
• Reduction	40.61	18,704.80	-	18,745.41
• Transfer on account of Scheme of Arrangement	-	-	-	-
Net Change	**(38.80)**	**(5,694.18)**	**-**	**(5,732.97)**
Indebtedness at the end of the financial year				
i) Principal Amount	191.21	5,565.35	-	5,756.56
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	1.81	7.59	-	9.40
Total (i+ii+iii)	**193.03**	**5,572.93**	**-**	**5,765.96**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

₹ in Lakh

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

Annexure - A to the Directors' Report (Contd.)

B. Remuneration to other Directors:

Independent Directors and Non- Executive Director

₹ in Lakh

	Mr. Raminder Singh Gujral	Ms. Gauri Trivedi	Mr. Mukesh Shah	Mr. Gautam Adani	Total
Particulars of Remuneration					
a) Fee for attending Board, committee meetings	5.00	3.00	6.00	0.00	**14.00**
b) Commission	0.00	0.00	0.00	0.00	**0.00**
c) Other, Please specify	0.00	0.00	0.00	0.00	**0.00**
Total (1)	**5.00**	**3.00**	**6.00**	**0.00**	**14.00**

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

₹ in Lakh

Sr. No.	Particulars of Remuneration	Chief Financial Officer		Company Secretary	Total Amount
		Mr. Rajat Kumar Singh (Upto 29.05.2019)	Mr. Suresh Chandra Jain (W.e.f. 30.05.2019)	Mr. Deepak Pandya	
1	Gross Salary				
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	55.43	361.40	42.31	459.14
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.51	2.86	2.59	5.96
	c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961				
2	Stock Option				
3	Sweat Equity				
4	Commission				
	as % of profit				
	Other, specify				
5	Other, Please specify				
	Employer Provident Fund	3.98	31.24	2.24	37.46
	Gratuity	0.84	6.53	0.74	8.11
	Others	0	0	0.30	0.30
	Total	**60.76**	**402.03**	**48.18**	**510.97**

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Not Applicable during the Financial Year 2019-20

Annexure - B to the Directors' Report

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020

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

To,
The Members,
ADANI POWER LIMITED

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

Based on our verification of the Company's 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 by using appropriate Information technology tools like virtual data sharing by way of data room and remote desktop access tools, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2020, 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. The physical Inspection or Verification of documents and records were taken to the extent possible.

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 March 31, 2020 according to the provisions of:

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

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

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

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

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

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

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

c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended;

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

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

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

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

h. The Securities and Exchange Board of India (Buyback of Securities) Regulations 2018 (Not Applicable to the Company during the Audit Period); and

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

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

a. The Electricity Act, 2003

b. Explosives Act, 1884

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

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

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

Annexure - B to the Directors' Report (Contd.)

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

1. During the audit period, the Company has passed the following Special Resolutions-
   i. Alteration of Articles of Association of the Company
   ii. Approval/ratification of material related party transactions entered into by the Company during the financial year ended March 31, 2019 as per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
   iii. Re-appointment of Mr. Raminder Singh Gujral as Independent Director for second term of five years
   iv. Approval of offer or invitation to subscribe to Securities for an amount not exceeding ₹ 7,000 Crore.
2. During the audit period, the Company has completed the acquisition of GMR Chhattisgarh Energy Limited (GECL), which owns and operates a 1370 MW (2x685 MW) supercritical power plant at Raikheda Village, Raipur District, Chhattisgarh. 52.38 % of the Equity Stake was acquired from its Consortium of Landers and the rest 47.62 % was acquired from the GMR Group. Subsequent to acquisition, GECL was renamed as Raipur Energen Limited.
3. During the audit period, the Company has completed the acquisition of Korba West Power Company Limited (KWPCL) through the order of Hon'ble National Company Law Tribunal (NCLT), who has approved the resolution plan of the Company under the Provisions of Insolvency and Bankruptcy Code, 2016. KWPCL owns and operates 600 MW thermal power plant in Raigarh District Chhattisgarh. Subsequent to acquisition, KWPCL was renamed as Raigarh Energy Generation Limited.

Place : AHMEDABAD
Date : April 27, 2020

CHIRAG SHAH
PARTNER
Chirag Shah & Associates,
Company Secretaries,
FCS No.: 5545
C.P. No. 3498
UDIN : F005545B000196219

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

'Annexure A'

To,
The Members
Adani Power 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.

CHIRAG SHAH
PARTNER
Chirag Shah & Associates,
Company Secretaries,
FCS No.: 5545
C.P. No. 3498

Place : AHMEDABAD
Date : April 27, 2020

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 2019-20 and the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the financial year 2019-20:

Sr. No.	Name of Director and KMP	Ratio of remuneration to median remuneration of Employees	% increase in remuneration in the financial year
1	**Executive Directors**		
	Mr. Rajesh S. Adani (Managing Director) DIN: 00006322	Nil	N.A.
	Mr. Vneet S Jaain (Whole-time Director) DIN: 00053906	Nil	N.A.
2	**Non-Executive Directors**		
	Mr. Gautam S. Adani (Chairman) DIN: 00006273	Nil	N.A.
	Mr. Raminder Singh Gujral^ (Non-Executive Independent Director) DIN: 0715393	0.36:1	N.A.
	Mr. Mukesh Shah^ (Non-Executive Independent Director) DIN: 00084402	0.43:1	N.A.
	Ms. Gauri Trivedi^ (Non-Executive Independent Director) DIN: 06502788	0.21:1	N.A.
3	**Key Managerial Personnel**		
	Mr. Rajat Kumar Singh (Chief Financial Officer) Upto May 29, 2019)	N.A.	N.A.
	Mr. Suresh Chandra Jain (Chief Financial Officer) appointed w.e.f. May 30, 2019)	N.A.	N.A.
	Mr. Deepak Pandya (Company Secretary)	N.A.	8.12

^Reflects sitting fees

ii) The Percentage increase in the median remuneration of employees in the financial year: 1.58%

iii) The number of permanent employees on the rolls of Company: 92 as on March 31, 2020.

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 annual increase in the management remuneration for FY 2019-20 – Not Applicable

The average annual increase in the salaries of employees other than the managerial personnel for FY 2019-20 was 7.43% which is driven by achievement of annual corporate goals and overall business, financial and operational performance of the Company.

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

Annexure - D to the Directors' Report

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

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

A. Conservation of Energy:

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

APMul, Mundra

- o Mundra PAT-II Cycle M&V (Measurement and verification) Audit completed in 2019-20 & secured 68011 Energy Saving Certificates. (The valve of these energy saving certificates is estimated at ₹ 3.4 Crore at minimum valuation of ₹ 500/- per certificate.)
- o In Mundra U#7 and 9, APH Baskets with new profile installed leading to Aux power savings of 12.70 Mus/Year
- o Magnetic Coupling Installation in FGD closed cycle cooling water pump (CCCW) Pump at APMuL, Mundra, energy saving 175680 Kwh/year.
- o Mundra Unit-6 TDBFP Recirculation Valve passing issue resolved, amounting to total coal saving of 32422 tons per year.

APML, Tiroda

- o Vacuum pump suction line modification was completed in Unit#2 & Unit#4 & improvement in condenser vacuum was observed. Saving was calculated to be 9kcal/kwh in Heat Rate at APML Tiroda.
- o Existing CT fills of M/s Paharpur make were replaced with low clogging fills of M/s Aero Solutions. Benefit of 4kcal/kwh is recorded with this initiative.
- o In Unit 1, Hot end baskets were replaced with modified baskets and including other activities such as Seal settings and basket cleaning led to a gain of 8.63kcal per kwh.
- o Unit 2, all 3 CEP pump's last stage removal to reduce throttling loss at deaerator control valve, resulting in APC savings of 2.2 Mus/year.
- o One number CW pump impeller coating was carried out, resulting in energy savings of 2-2.5 MUs/year.
- o In Unit 1, Debris filter replacement was done and along with other condenser activity (Condenser Chemical cleaning and jet cleaning) a gain on 0.83Kpa improvement in condenser vacuum was observed.
- o Bowl ring height reduction modification in coal mills were carried out, resulting in energy savings of 1.51 Mus/year/06 mills
- o Conventional light fittings were replaced by LED lights in High Mast, Plant area lighting and CHP tunnel area. Energy savings of 0.375 mus are expected per year.

APRL, Kawai

- o Removal of CEP last stage (7th Stage) to reduce throttling loss at Deaerator control valve was completed & subsequently resulted in annual energy saving of 1.242MU's in Unit#1.
- o CCCW Pump-1B Impeller trimming from 584mm to 570mm resulted in annual energy saving of 0.141MU's in Unit#1.
- o CW Pump-2B Coro-coating was completed resulted in annual energy saving of 0.741MU's in Unit#2.
- o 1230nos of 70W HPSV Lamp replaced with 14W LED Light at various locations of Plant resulted in annual energy saving of 0.228MU's.
- o 38nos of 150W Dome Light & FLD Lights replaced with 09nos of 150W LED Lights & 14nos of 150W FLD Lights replaced with 04nos of 150W LED Lights at DM & PT Plant resulted in annual energy saving of 0.026MU's.
- o Unit#1 & 2 Condenser tube jet cleaning (chemical cleaning in Unit 2), Debris filter cleaning & CT basin cleaning done resulting in heat rate improvement of 3.56Kcal/kwh for Unit#1 and 4.02Kcal/kwh for Unit#2.
- o Unit#1 & 2 HPH damaged parting plate replaced resulting in heat rate improvement of 3.50Kcal/kwh for Unit#1 and 2.07Kcal/kwh for Unit#2.

UPCL, Udupi

- o Stopping of Sea Power Pump by optimizing plant water requirement and maintaining water quality and COC. (Saving of around ₹ 0.5 Crore per year).
- o Running extra condenser vacuum pump during the full load operation for vacuum improvement of around 0.8 Kpa. (Benefit of ₹ 1.02 Crore per year).
- o Cleaning the chocked Unit#1 APH basket during the AOH there by saving the fan power consumption (Saving of around 2900 units per day).

REL

- o MDBFP-1B RC valve passing identified & attended leading to a monetary gain of ₹ 9.0 Lakh/month through aux power improvement.

Annexure - D to the Directors' Report (Contd.)

- o Wagon tippler Hydraulic power pack cooler replaced from water cooled to air cooled (radiator type) leading to saving of 614Kwh/day by stopping cooling pump.
- o Lighting replacement with LED under progress (around 1000 completed) Saving in term of MUs 0.15 Mus

REGL

Single vacuum pump operation achieved by arresting air ingress into condenser system and of condenser vacuum. Energy conserved in F7 19-20 is 0.09 MU.

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

- o Generated 40680 kWh power through solar panels installed inside APMuL plant
- o Solar Panel of 1 x 10kW capacity installed at Admin Building (21.9MWh Energy saving during FY2019-20) at APRL Kawai.
- o Solar Panel of 3 x 2kW capacity installed at Air strip (13.14 MWh Energy saving during FY 2019-20) at APRL Kawai.
- o Total 14479kwh was generated for this FY from 10kW solar panels installed on APML admin building.

c) The capital investment on energy conservation equipment: Nil

APMuL

1. APH basket replacement (FNC to DU) in Unit #9 ~ ₹ 6 Crore
2. Debris filter installation in Unit #1 ~ ₹ 1.255 Crore
3. Magna Drive installation in CCCW pump (FGD) ~ ₹ 12.5 Lakh
4. Installation of Brentwood fills (High efficient) in Cooling tower ~ ₹ 14.87 Crore.
5. High efficient drift eliminator installation in all 660 MW CT ₹ 1.72 Crore.
6. Condenser Chemical cleaning of Unit #9 ~ ₹ 9.67 Lakh
7. High Efficient CT fans installed in 660 MW units 4 no of CT cells ~ ₹ 30 Lakh.

APML

1. Cost of LED Lights – ₹ 38 Lakh
2. Vacuum pump suction line modification ₹ 16.86 Lakh
3. CW pump impeller coating - ₹ 9.28 Lakh
4. Debris filter replacement - ₹ 80.06 Lakh
5. Replacement of existing fills with Low Clogging Fills – ₹ 3.84 Crore

APRL

1. Cost of 14W LED for 1230nos: 250*1230 – ₹ 3.075 Lakh
2. Cost of 150W LED for 13nnos: 2500*13 – ₹ 0.325 Lakh
3. Cost of CCCW Pump-1B impeller trimming– ₹ 2.21 Lakh
4. Cost of CW Pump-2B Coro-coating– ₹ 5.13 Lakh

REL

1. Cost of radiator type cooler for wagon tippler – ₹ 2.35 Lakh

   Cost of LED lights – ₹ 7.52 Lakh.

B. Technology Absorption:

(i) The efforts made towards technology absorption:

(i) Sonic soot blower installed in Boiler to reduce ash accumulation at goose neck area of furnace at APMuL Mundra U-9.

(ii) Turbine fast cooling device installation to reduce turbine downtime at APRL Kawai.

(iii) APMuL Mundra - advance material handling equipment procured - The concept is to use Mobile Material Handling Equipment in the Turbine Hall for handling smaller components thereby reducing the dependence on the Turbine Hall EOT Crane. This has allowed parallel working pattern during Turbine OH and hence reduced OH time.

(iv) APMuL Mundra, APRL Kawai – corrosion preventive impressed current cathodic protection (ICCP) system implemented in CW piping & raw water piping system respectively. By installing ICCP, we are able to maintain corrosion potential -850 to -1200 MV with the help of DC source through Transformer rectifier to the external pipe surface to be protected and shifting corrosion to highly corrosive resistance MMO coated titanium anode having life of 25 years.

(v) APMuL Mundra U-5/6 - online Partial discharge (PD) monitoring of Generator implemented. It is used for Generator monitoring and reliability improvement.

(vi) APMuL Mundra - Generation of Bio diesel from Micro Algal feedstock through CO2 capture from Flue gases pilot project implemented. Sample from 1st batch of biomass has been tested and analysed.

(vii) Chemical spraying on Stock piles at west port, Mundra for dust suppression and prevention of coal quantity loss.

(viii) Thermography of coal stock pile is being carried out to identify hot spot in coal stock pile to prevent coal fire at yard at all plants and to eliminate energy loss.

Comparative study between UAV Ninja/Drone and 3D Scanner has been carried at west port Mundra for volumetric measurement to assess the suitability of the technologies.

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution:

- Reduction of overhauling time
- System life extension
- Exploring new source of fuel
- System reliability improvement

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

1. **Turbine Fast cooling Device - (APMuL, APRL, UPCL)**

   Supplier: Huaneng Power equipment co. Ltd., China

   Import Year: 2017-18

   Whether the technology fully absorbed: Yes

2. **Sonic Soot Blower Device - (APMuL)**

   Supplier: LC Sonic Ltd, Pune

   Import Year: 2018-19

   Whether the technology fully absorbed: Installed in Unit 9 (Further to be installed in all 660 MW units as per opportunity)

3. **ICCP – (APMuL, APML)**

   Supplier: Various (Indian and Foreign country)

   Import Year: 2019-20

   Whether the technology fully absorbed: Yes

(iv) The expenditure incurred on Research and Development: NIL

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

₹ in Crore

Particulars	
Foreign Exchange Earning	Nil
Foreign Exchange Outgo	428.48

Annexure to the Directors' Report

Annual Report on Corporate Social Responsibility (CSR) Activities for the financial year 2019-20 as per section 135 of The Companies Act, 2013

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

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

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

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

   Mr. Rajesh S. Adani, Chairman

   Mr. Vneet S Jaain, Member

   Ms. Gauri Trivedi, Member

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

   Average Net Loss of ₹ (2,067.11) Crore

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 2019-20 as per Section 135 of the Companies Act, 2013.

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

   Total amount spent for the financial year: Not Applicable

   Amount unspent, if any: Not Applicable

   Manner in which the amount spent during the financial year is detailed below: Not Applicable

   During FY 2019-20, the Company, along with its subsidiaries, have spent 8.58 Crore 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. **S&CSR Committee Responsibility Statement:**

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

GAUTAM S. ADANI
CHAIRMAN
(DIN: 00006273)

RAJESH S. ADANI
CHAIRMAN – S&CSR COMMITTEE
(DIN: 00006322)

Management Discussion and Analysis

Global economy

The world is gradually emerging from the unprecedented challenge posed by the COVID-19 pandemic. The interdependence and inter-connectedness of nations that has helped raise the global economy to its present heights is now also being viewed as a factor that exacerbates such a calamity, and increases geopolitical friction.

In an era when the global economy was hoping to come out of a slowdown induced by trade disputes and weak investments, the COVID-19 pandemic has come as a jolt. While sustained and co-ordinated efforts to contain the contagion are starting to bear fruit, there is a call globally to counter their heavy socio-economic impact, and rebuild economies that have been battered by lockdowns by becoming more self-reliant.

Year in review

In 2019, global GDP growth slowed down to 2.4%, from 3.0% a year earlier. This slowdown was caused by weakness in global trade and investment, and affected both developed economies, such as the Euro area, and developing economies. Many of the key indicators of economic activity were near their lowest levels since the global financial crisis. Particularly, the global trade in goods contracted during most of the year, and manufacturing activity slowed down noticeably.

The trade tensions between the two largest economies, which dominated global economic concerns for some time, have caused heightened policy uncertainty and prompted many countries across the world to adopt protectionist measures.

Outlook

The IMF projects the global economy to contract sharply by 3% in 2020 on account of the damage inflicted by the COVID-19 pandemic, which is worse than the global financial crisis of more than a decade ago. The forecast is also marked by high levels of uncertainty, with influencing factors being hard to predict given the uniqueness and scale of the crisis.

Governments and policy-makers across the world have realised that the strict norms of social distancing and lockdowns are producing unimaginable economic impact that will linger on after the peak of COVID-19 infections has passed. Even as nations focus on strengthening healthcare systems and working on possible cures, various large stimulus measures are being announced to restart the economic engine without further delay.

Economic policies being adopted by governments are aimed at softening the sharp impact inflicted on economic activity, health of the financial system, investment sentiments and business confidence, and easing out the lasting effects of a severe slowdown, while ensuring that recovery in economic activity takes place as quickly as possible, even while the world learns to live with the pandemic as a reality.

The IMF projects that if COVID-19 is brought under control by the second half of 2020, global economic growth could jump to 5.8% in 2021, as movement restrictions ease and economic normalisation starts to take place with the help of strong policy support.

Indian economy

The Indian economy has witnessed a slowdown in growth in the last few years, led by a slowdown in private consumption expenditure and slow credit growth due to the troubles faced by the banking sector on account of high levels of Non-Performing Assets and stretched balance sheets of both the borrowers and the lenders. This contagion has further spread into the co-operative and non-banking finance sector with continuing stress in the construction sector.

On the other hand, the Government has continued to support public expenditure with large scale investment in infrastructure as well as other public expenditure in defence production, healthcare, etc.

Year in review

The GDP growth for FY 2019-20 is expected to be around 5%, partially impacted by the COVID-19 pandemic near the end of the year. Private consumption expenditure and gross fixed capital formation have been impacted to the greatest extent in the continuing economic slowdown. On the other hand, agricultural output and allied activities have shown growth, with food grain output growing by 2.4% to 292 Million tons over FY 2018-19.

Manufacturing and electricity generation, which had been fluctuating during the course of the year, showed an improvement in the fourth quarter before the impact of COVID-19 took effect.

Outlook

The growth outlook for the Indian economy was optimistic prior to the COVID-19 outbreak, with factors conducive to rural demand growth, such as Rabi harvest and food prices, showing a favourable trend. Further, the steps taken by the Government to boost rural and infrastructure spending, and by the RBI to lower interest rates were showing promising effects.

However, this optimism has been cut short by the COVID-19 pandemic and the economic impact of the resultant lockdowns. Apart from the slump in domestic

Management Discussion and Analysis (Contd.)

demand and output, the global impact of the pandemic is expected to curtail external demand significantly, which would be only partially offset by the sharp reduction in international crude prices.

The RBI estimates that apart from resilient sectors such as agriculture and allied activities, other sectors of the economy will be affected adversely by the pandemic, depending upon its intensity, spread, and duration. In view of the uncertainties surrounding the direction this crisis and its resultant disruption take, only modest upside is expected from monetary, fiscal, and policy initiatives that are being taken in response at present. The IMF projects India's GDP growth at 1.9% for 2020, and a stronger growth of 7.4% in 2021.

The Indian Government has announced bold economic stimulus measures to combat the sharp slowdown caused by the lockdowns. It is expected that the various measures aimed at helping the MSME sector out of the morass of liquidity problems and lack of credit will help reinvigorate their economic activity. Similarly, various measures targeted at various economic segments are designed to address some long existing issues, such as labour reforms, to improve the investment climate and attract more investments from overseas, as the world tries to diversify its manufacturing base.

A pragmatic and realistic implementation as well as adoption of these incentives has the potential to help realise the Government's vision to build a USD 5 trillion economy even if the situation at present makes the challenge look daunting. The crisis presents a unique opportunity to leverage India's significant industrial base, improving infrastructure, strong power sector, abundance of natural resources, and its demographic strength to attract manufacturing and other industries to India under the "Make in India" scheme. If this can be achieved, India could reap multiple dividends in terms of expansion of share of manufacturing in GDP, re-emergence of investments in capital goods, lower unemployment, improvement in consumption demand, and faster economic growth.

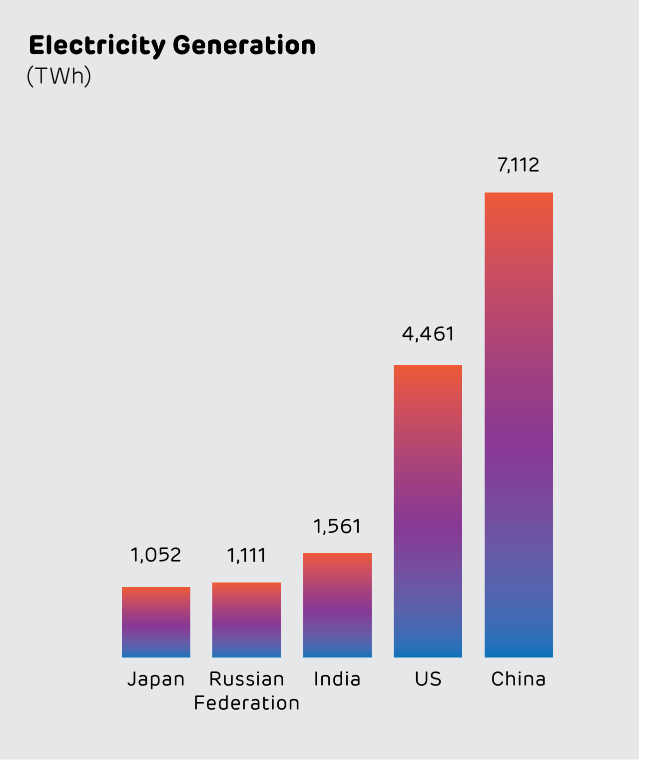
In the short term, significant monetary and liquidity measures taken by the RBI, and fiscal measures taken by the Government are expected to mitigate the adverse impact of COVID-19 on domestic demand, and help spur economic activity once normalcy is restored.

Indian power sector review

India is one of the largest electricity generation markets in the world, presenting growth opportunities for both domestic as well as international investors. According to the BP Statistical Review (2019), India was the world's third largest producer of electricity in 2018.

India's power sector has made significant inroads over the last decade, growing its installed capacity from ~200 GW in FY 2011-12 to ~370 GW in FY 2019-20.

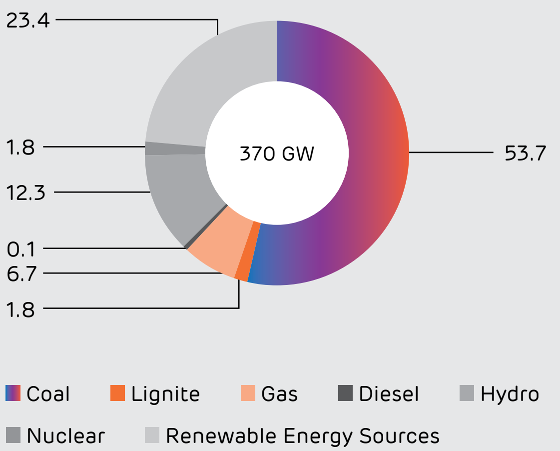
In terms of fuel mix, ~62% of the total installed capacity as of March 2020, and ~ 76% of the total generation is thermal, indicating India's dependence on conventional fuel sources. Coal-fired (including lignite) thermal power plants accounted for more than 55% of the total installed capacity.



(Source: BP Statistical Review of World Energy 2019)

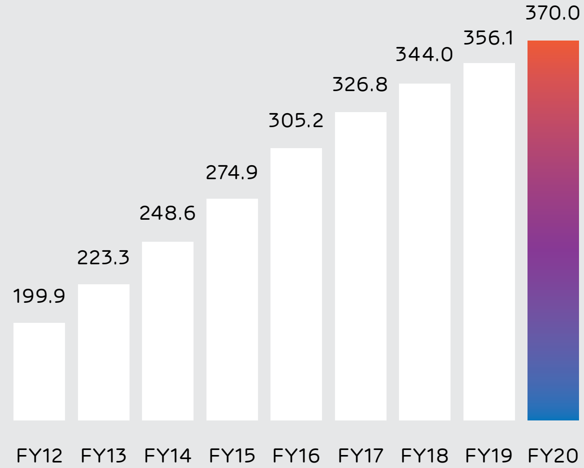
Source-wise Generation Capacity Mix as of March 31, 2020

(%)



Evolution of Installed Capacity in India

(GW)

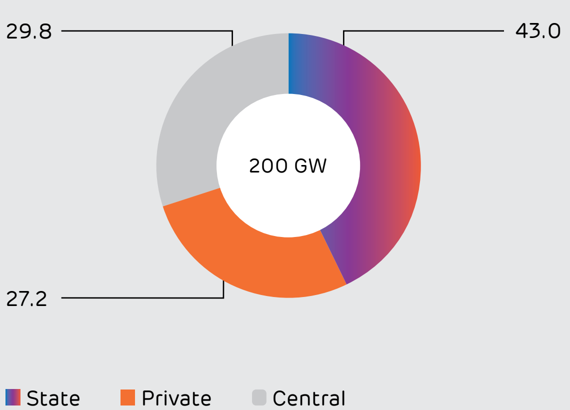


Source: CEA

In terms of ownership mix, as of March 2020, the private sector contributes ~ 46.8% of India's installed capacity. This proportion has increased from ~ 27.2% in FY 2011-12 owing to continued strong growth in demand and initiatives of the government to encourage private sector participation in power generation.

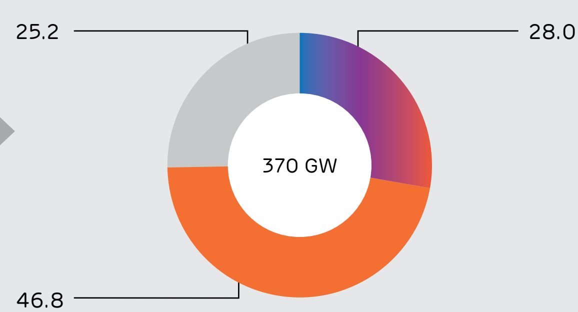
Installed Capacity (FY 2011-12)

(%)



Installed Capacity (FY 2019-20)

(%)



Source: CEA

Management Discussion and Analysis (Contd.)

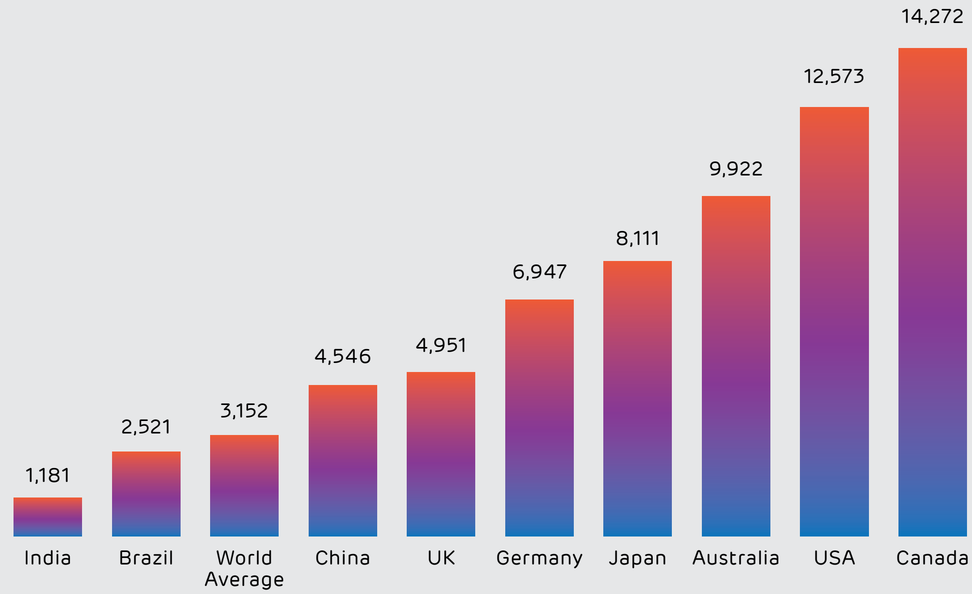
Energy requirement and peak availability

Energy deficit in India decreased from an interim high of 8.7% in FY 2012-13 to 0.5% in FY 2019-20. Peak deficit decreased from an interim high of 10.6% in FY 2011-12 to 0.7% in FY 2019-20.

Improvement in the power deficit situation signifies the success of various policy initiatives and capital investments made across the business segments. However, India's per capita consumption still remains well below its peers like China and Brazil and is less than one-third of the global average (as of December 2017). India's per capita electricity consumption was 1,181 KWh in FY 2019-20.

Per capita Consumption of Electricity

(kWh)



Demand for electricity is on the rise as India's economy gains in global importance. Various factors contributing to the rising per capita consumption, include:

1) improvement of electrification in villages;

2) GDP growth and general economic activity; and

3) growth in consumer electronic device penetration

The 19th Electric Power Survey projects demand to grow from 1,275 TWh in FY 2018-19 to 2,047 TWh in FY 2026-27, with peak demand growing from 177 GW to 299 GW in the same period.

Power consumption

India's Northern and Western regions accounted for majority of its energy requirements in FY 2019-20 at 30% and 31% respectively, while the Southern region accounted 27%, and the Eastern and North-Eastern region together constitute the balance 13% of national energy requirement.

Rising penetration of renewable sources and heavy monsoons, along with a slower economic growth, have resulted in a tempering of demand for thermal power. PLF of thermal power plants stood at 56.1% during FY 2019-20, versus 60.7% in FY 2017-18 and 61.1% in FY 2018-19. At the same time, various reforms initiated over the last few years are starting to show results, and are expected to help improve power demand gradually. Some key statistics related to the sector are:

- India is 100% electrified and, as per government data, all willing households have been connected to grid-based electricity, following the ambitious Pradhan Mantri Sahaj Bijli Har Ghar Yojana (SAUBHAGYA) initiatives

- Aggregate Technical & Commercial (AT&C) losses (March 2020) was recorded at 19.01% vis-à-vis a targeted 15% as envisaged under the Ujwal DISCOM Assurance Yojana (UDAY), scheme for March 2019 is a concern. Few major SAUBHAGYA beneficiary states, including J&K, UP and Bihar continue to have AT&C losses over 25%
- Share of generation for Renewable Energy Systems (RES) rose gradually from 8.6% in FY 2018-19 to 9.2% in FY 2019-20

Coronavirus impact

In the wake of the coronavirus outbreak, the Government of India imposed a country-wide lockdown, during which the following steps were undertaken for seamless functioning of the power sector:

The Ministry of Power advised power generators and transmission utilities, along with various administrative bodies to ensure that the generation and transmission of power, which are essential services, continue uninterrupted. Steps to ensure uninterrupted movement of fuel, raw materials and spares, machinery, and manpower were also covered.

Various steps were taken to ease liquidity constraints felt by DISCOMs due to the COVID-19 lockdown, such as the ₹ 90,000 Crore package for loans against DISCOM receivables from PFC and REC, and temporary reduction in payment security mechanism and late payment surcharges for eligible PPAs

The RBI also issued guidelines to Banks, FIs, and NBFCs to provide moratorium on term loan instalments and interest, as well as interest on cash credit, for a period of three months, and easing of working capital financing norms, to maintain liquidity in the financial system and prevent defaults by borrowers In order to provide relief to thermal power generators and increase liquidity in the system. Coal India Ltd. has also allowed the facility of Usance Letter of Credit to power plants for payment of coal instead of the existing requirement of cash advance for supply of coal under Fuel Supply Agreements (FSA).

Coal demand and supply

Over the years, overall coal consumption has increased continuously. However, FY 2019-20 witnessed a decline in domestic coal consumption due to tepid growth in power demand, and higher generation from renewable energy sources, including hydropower.

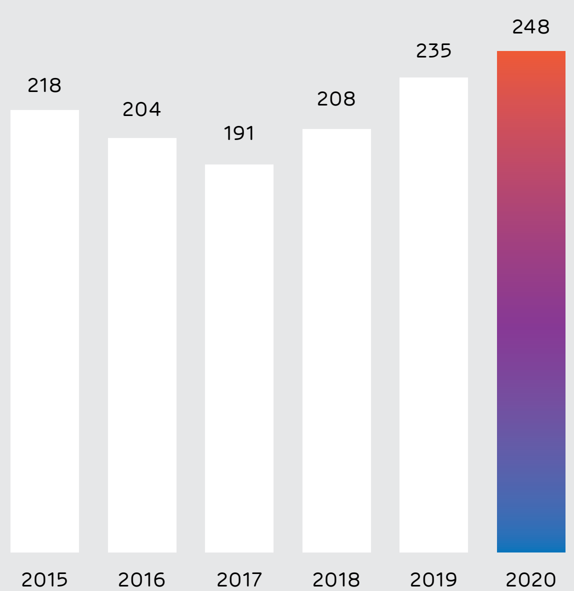
Coal production in India during FY 2019-20 registered a small growth of 1.2% at 738 MT vis-à-vis 729 MT in FY 2018-19. In comparison, coal production had grown by 2.4% in FY 2017-18 and 7.6% in FY 2018-19. Coal India Ltd. (CIL) and Singareni Collieries Company Limited (SCCL) produced 666 MT of coal in FY 2019-20 as against 671 MT in FY 2018-19. However, coal offtake from both the producers reduced by 4.7%, down from 676 MT in FY 2018-19 to 644 MT in FY 2019-20. The offtake of coal by the power sector from the two suppliers was lower by 5.7%, down from 547 MT in FY 2018-19 to 516 MT in FY 2019-20.

A slowdown in offtake of coal was observed in March 2020 due to the slump in demand after emergence of the coronavirus crisis led to a higher inventory of domestic coal. Coal stocks at thermal power plants of the country have risen to the highest-ever inventory of 52 MT at the end of March 2020, sufficient for 28 days. Coal inventory at mines also increased steeply to 80 MT, equivalent to 40 days of requirement.

Coal imports have been increasing through the last few years, with slower than expected growth in domestic production and rising demand from power and other sectors.

Total Coal Import

(Million Tonnes)



Slowdown in the demand for thermal coal from China during 2019 has impacted international coal prices significantly. HBA prices for March 2020 were 26% lower y-o-y at $67.1/Tonne, while Newcastle coal prices were 43% lower at $64/Tonne.

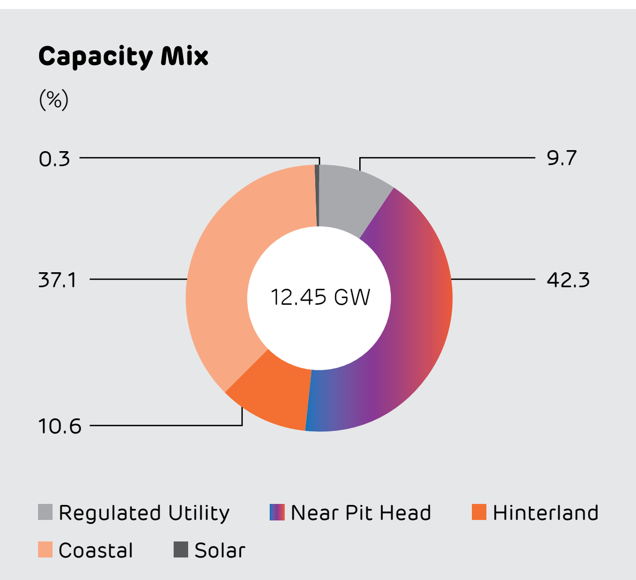
Management Discussion and Analysis (Contd.)

Adani Power Limited (APL): Delivering sustainable value

APL is the largest private thermal power producer in India, with a power generation capacity of 12,450 MW comprising 12,410 MW of thermal power plants and a 40 MW solar power project. APL has built and operates through its wholly owned subsidiaries 9,240 MW of thermal power capacity, including a 4,620 MW plant of APMuL at Mundra in Gujarat, a 3,300 MW plant of APML at Tiroda in Maharashtra, and a 1,320 MW plant of APRL at Kawai in Rajasthan. APJL, a wholly-owned subsidiary of the Company, is currently developing a 1,600 MW green field, ultra-supercritical power project in Jharkhand for supplying power to Bangladesh, a country witnessing base load demand growth and power deficit.

APL also acquired three thermal power plants with a total capacity of 3,170 MW, comprising a 1,200 MW plant of UPCL at Udupi in Karnataka, a 1,370 MW plant of REL at Raipur in Chhattisgarh, and a 600 MW plant of REGL at Raigarh in Chhattisgarh.

Various power plants of APL and its subsidiaries have specific geographic and competitive characteristics, enabling their categorisation as Regulated Utility (Udupi), Coastal (Mundra), Near-Pithead (Tiroda, Raipur, and Raigarh), and Hinterland (Kawai) segments.



APL operates modern and efficient fleets with sub- and supercritical technology, with long-term Power Purchase Agreements (PPAs) for 74% of its generation capacity, under Sections 62 and 63 of the Electricity Act. The Company commissioned India's first supercritical unit of 660 MW in Mundra in 2010 and commissioned one of the largest single location thermal power plants in the world with a generation capacity of 4,620 MW in Gujarat in 2012. In 2014, it commissioned one of the largest supercritical thermal power plants with a generation capacity of 3,300 MW in Tiroda in Maharashtra.

APL's plants are located across various geographical terrains, ranging from coastal areas to hinterland. It has extensive experience of working with a range of power plant technologies of subcritical and supercritical type.

APL's considerable competitive advantage in the form of its ability to manage sourcing and logistics of 49 MMPTA coal within India and from abroad, for use within its power plants, as well as handling 6 MMTPA of fly ash. This entails management of multiple touch-points and interfaces with various agencies, handling of the equivalent of 12,000 railway rakes every year, and co-ordination of loading of 25 rakes on a daily basis, with 36-40 rakes in circulation at all times.

SWOT analysis

Strengths

- Proven capabilities in undertaking the execution of large power projects based on modern technology, with adherence to time and cost limits
- Demonstrated capability of turning around stressed power projects after acquisition
- Committed and agile teams with deep sector experience and domain expertise in O&M, power sector regulation, project management, and business development
- The only Independent Power Producer in India with in-house, mine-to-plant logistics capability
- Mix of coastal, pit-head and hinterland projects in major demand centres and close to fuel source
- Competitive tariffs allowing a comfortable Merit Order Despatch position and high levels of offtake
- More than 74% of installed and upcoming greenfield capacity tied up in long-term PPAs with availability-based tariff mechanism, ensuring revenue stability and recovery of capacity costs
- Fuel cost pass through in majority of imported coal-based PPAs, providing stability to cash flows and support to profitability
- 84% of domestic coal requirements tied up in long-term Fuel Supply Agreements (FSAs), providing long-term visibility on fuel security

- Regulatory approvals for carrying cost, along with late payment surcharge mechanism, provide protection against delays in award of regulatory claims and payment from power procurers

Weakness

- Dependence on monopolistic state-owned coal suppliers for domestic coal requirements exposes the Company to disruptions in fuel availability
- Some PPAs based on domestic coal supply do not provide escalation for coal price increases, while in other cases, escalation is partial
- Events of change in law are compensated through the regulatory process, which can take significant time, and expose the Company to cash flow mismatches in the interim
- 26% of capacity is untied and subject to short-term market risk, without stable domestic fuel supply

Opportunities

- Stressed power assets with locational advantage available at attractive valuations, providing an opportunity to expand capacity while avoiding execution risk
- Anticipated demand growth spurred by economic growth as well as government reforms such as Ujwal DISCOM Assurance Yojana (UDAY), Pradhan Mantri Sahaj Bijli Har Ghar Yojana (SAUBHAGYA), and Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY)
- Limited amount of new thermal power capacity to be installed over the coming years, while base load demand is expected to increase with a growing economy. This will create opportunities for both merchant power and long-term tie-ups.
- Improving demand and coal supplies will lead to improvements in PLFs

Threats

- Increasing preference globally and in India for renewable power, especially solar power, could constrain growth prospects for thermal power generation in the long run
- Reluctance of state DISCOMs to tie up power demand through long-term PPAs, in view of subdued rates in merchant and short-term markets
- Volatility in international coal prices may affect the Merit Order Position of PPAs with coal price pass through, leading to lower capacity utilisation
- Inability of domestic coal miners to raise production in line with demand growth could impact capacity utilisation and increase dependence on imported coal

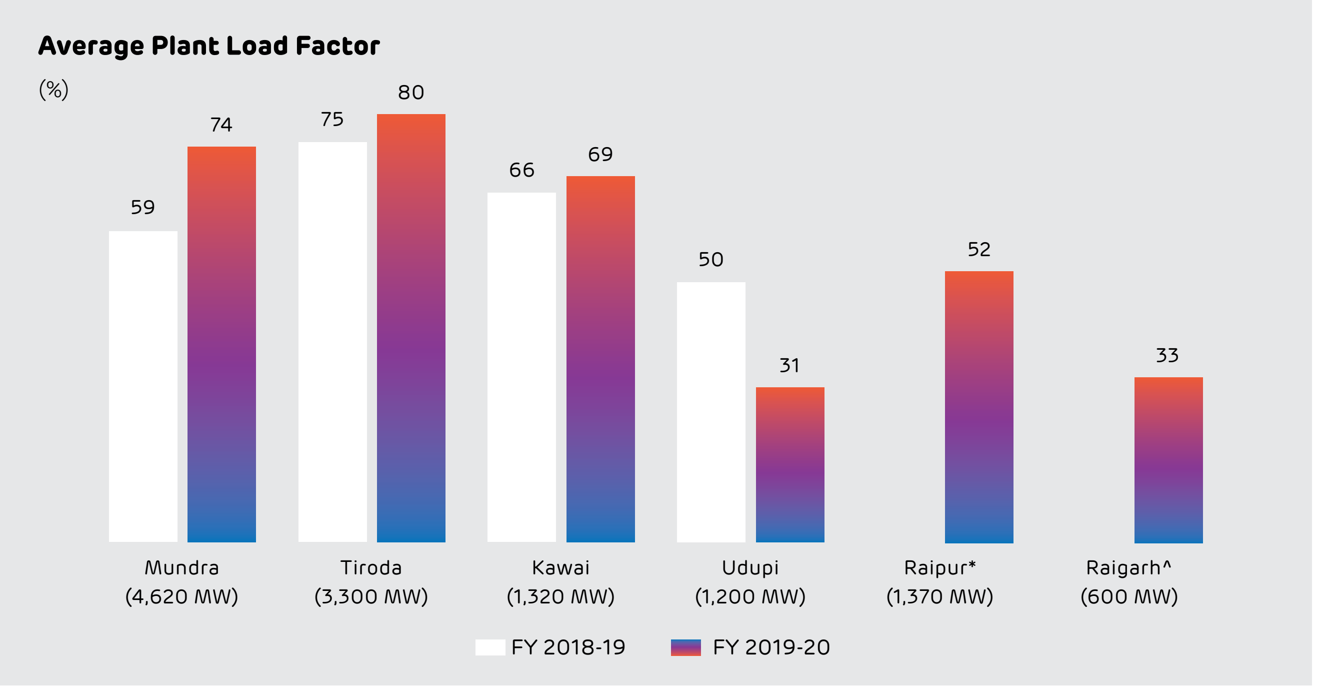
Operating performance

The Company's operating performance showed improvement in FY 2019-20, led by enhanced domestic coal availability in Tiroda and Kawai, with incremental generation being added by Raipur and Raigarh post acquisition. Slower growth in power demand, coupled with higher renewable generation and heavy monsoons, resulted in low PLF for Udupi. Weakness in the merchant and short term power markets due to improved supplies also resulted in underutilisation of the open capacities of the Mundra power plant, which have been freed up after the Supreme Court accepted the Company's petition to terminate the Bid-2 PPA with GUVNL. However, the Mundra plant recorded higher PLF in FY 2019-20 as compared to FY 2018-19 after implementation of the High Powered Committee's recommendations. The PLF of the Kawai power plant also improved on the basis of improved domestic coal availability, after ramp up of coal supplies under the FSAs signed under the SHAKTI policy.

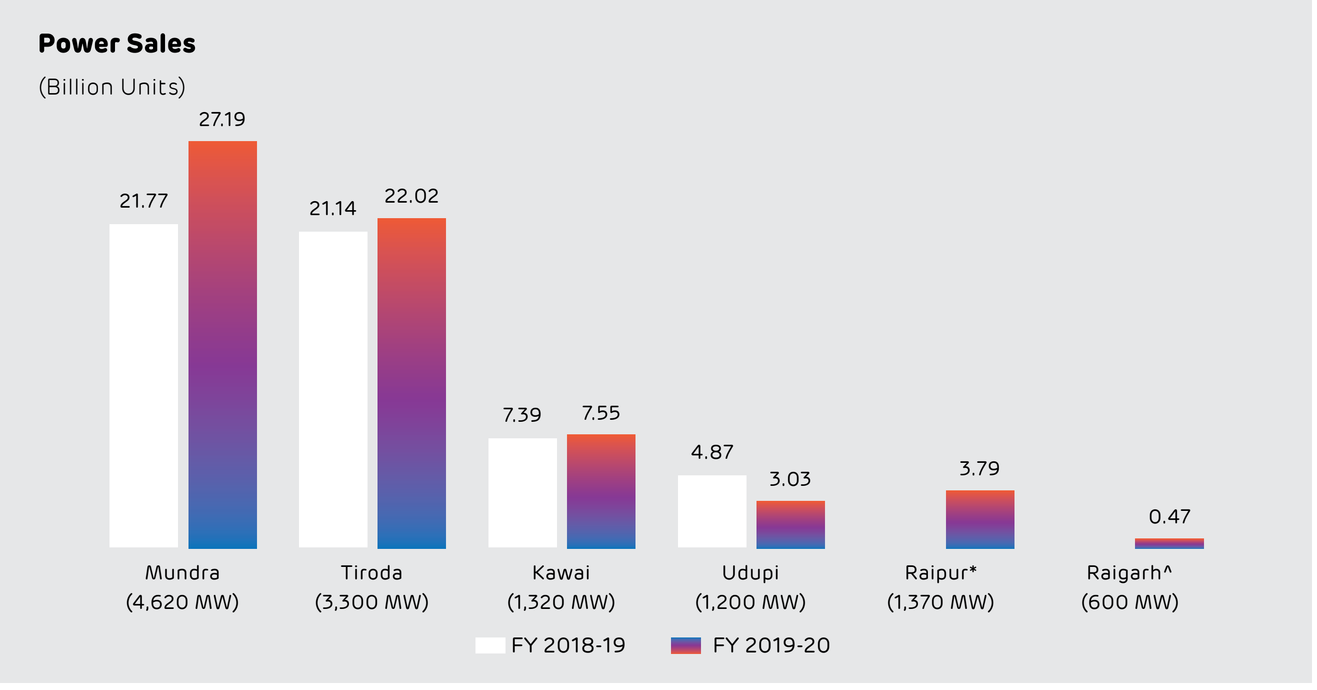
Average Plant Load Factor (PLF) during FY 2019-20 was at 68%, up from 64% in FY 2018-19. Units sold in FY 2019-20 were 64.1 Billion Units (BUs), up by 16% from 55.2 BUs in FY 2018-19. The higher growth in power sales is attributable to addition of power sold by the Raipur and Raigarh power plants, which were acquired during FY 2019-20.

Management Discussion and Analysis (Contd.)

PLF and power sales trend by plants in FY 2019-20 over FY 2018-19



* Effective PLF for Operational period (August'19 to March'20) ^ Effective PLF for Operational period (December'19 to March'20)



* Effective PLF for Operational period (August'19 to March'20) ^ Effective PLF for Operational period (December'19 to March'20)

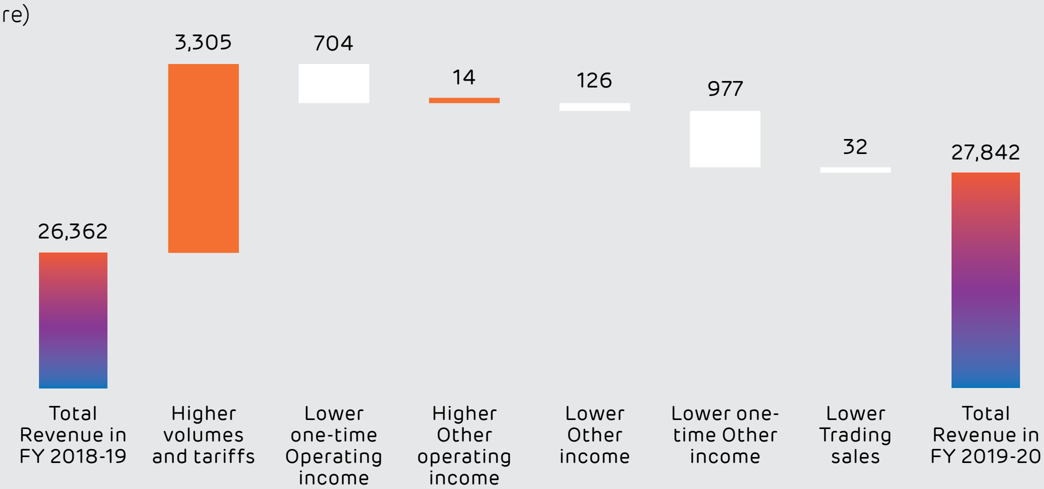
Financial performance

Consolidated total income rose 5.6% in FY 2019-20 to ₹ 27,842 Crore, from ₹ 26,362 Crore in FY 2018-19, driven by growth in power sales, primarily due to higher volumes and improved fuel cost recovery after implementation of the High Powered Committee's (HPC) recommendations for Mundra, additional revenue from Raipur and Raigarh post acquisition, and improved tariffs at Tiroda and Kawai. This growth was offset by lower volumes at Udupi on account of lower power demand in Karnataka, due to heavy rainfall and higher generation from renewable energy, as well as lower recognition of one-time income on account of various regulatory orders during FY 2019-20, as compared with the previous year.

The growth in operating revenues was offset partially by a reduction in other income, owing to lower recognition of net regulatory income pertaining to prior periods of ₹1,285 Crore in FY 2019-20, compared to ₹ 2,864 Crore in the previous year based on the regulatory orders received during the respective periods.

Revenue Progression

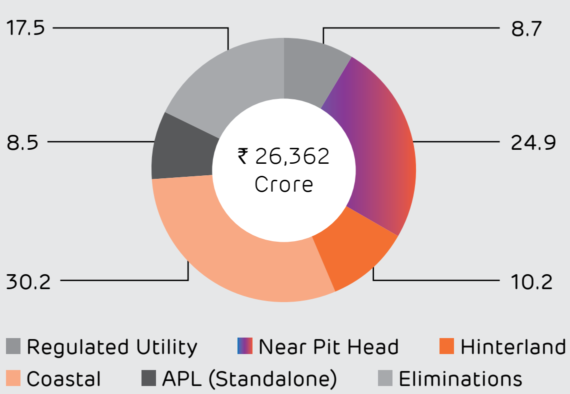
(₹ in Crore)



Revenue growth during FY 2019-20 was mainly contributed by the Coastal segment, while contribution of the Near-pithead segment reduced due to lower one-time revenue recognition for Tiroda. Lower PLF at Udupi resulted in lower contribution from Regulated Utility segment.

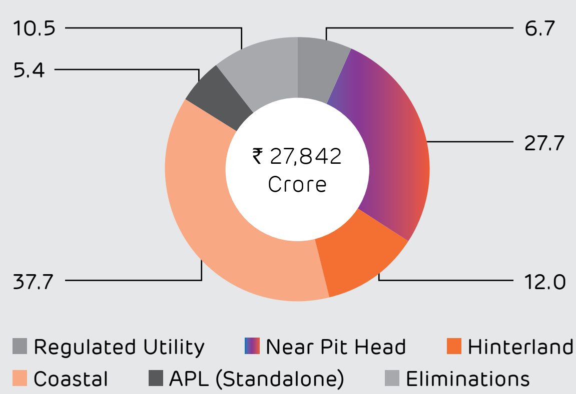
Revenue Mix FY 2018-19

(%)



Revenue Mix FY 2019-20

(%)

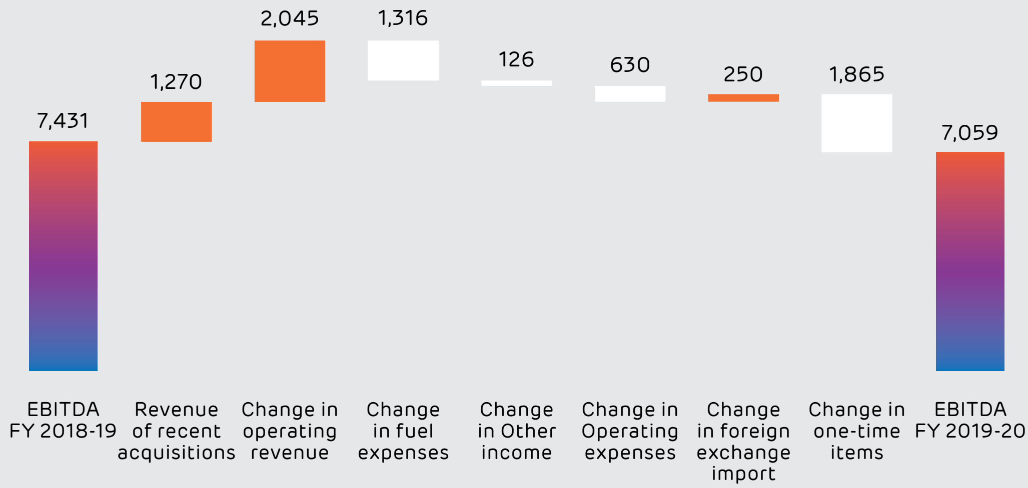


Management Discussion and Analysis (Contd.)

Consolidated EBITDA declined by 5% to ₹ 7,059 Crore in FY 2019-20 from ₹ 7,431 Crore in FY 2018-19, primarily on account of lower net regulatory income and higher one-time provisioning as compared with the previous year. One time provisioning as part of expenses in FY 2019-20 was ₹ 329 Crore, compared to ₹ 145 Crore in FY 2018-19. Normalised EBITDA, after adjusting exceptional and one time revenue recognition as well as additional provisioning, was ₹ 6,104 Crore in FY 2019-20 as compared to the normalised EBITDA of ₹ 4,611 Crore in FY 2018-19.

EBITDA Progression

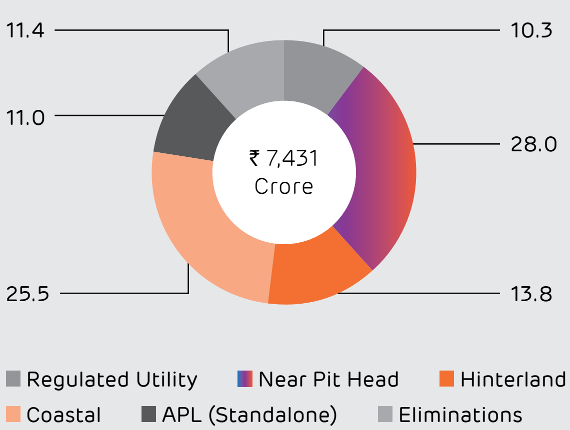
(₹ in Crore)



The largest contribution to consolidated EBITDA was from Near-pithead plants. However, EBITDA from this segment fell due to lower one-time revenue recognition at Tiroda and ramp-up phase of Raipur and Raigarh plants. Contribution from the Coastal segment reduced due to lower one-time revenues and higher one-time expenses.

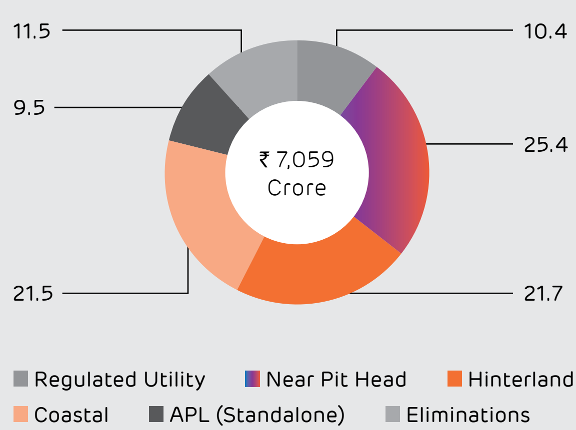
EBITDA Mix FY 2018-19

(%)



EBITDA Mix FY 2019-20

(%)



Total Comprehensive Loss after Tax increased from ₹ (-) 992.14 Crore in FY 2018-19 to ₹ (-) 2,264.45 Crore in FY 2019-20.

Total borrowings as of March 31, 2020 were ₹ 55,198.77 Crore vis-à-vis ₹ 46,979.70 Crore as on March 31, 2019. The increase in borrowings was mainly attributable to additional debt of the recently acquired companies and the under-construction 1,600 MW Godda power project, in addition to higher working capital borrowings due to an enhanced level of operations.

Consolidated net worth of the Company including Unsecured Perpetual Securities ["UPS"] stood at ₹ 6,480.45 Crore as on March 31, 2020 vis-à-vis ₹ 7,712.29 Crore, as on March 31, 2019. During the year, the Company issued additional UPS of ₹ 615 Crore.

Key ratios

APL Consolidated Ratios	2019-20	2018-19
Debtor Turnover (Days)	113	136
Senior Debt ISCR (x)	1.11	1.24
Current Ratio (x)	0.80	0.73
External Debt to Net Worth (x)	7.13	5.49
External Debt to EBITDA (x)	6.55	5.70
EBITDA Margin (%)	25%	28%
PAT Margin (%)	-8%	-4%
Return on Net Worth (%)	**-35%**	-13%

Regulatory developments

Adani Power (Mundra) Ltd. (APMuL)

Pursuant to the Civil Appeal dated September 7, 2011 made by Adani Power Ltd. ["APL"] challenging the order of the Appellate Tribunal of Electricity ["APTEL"], whereby the APTEL had declared the termination of the 1,000 MW Power Purchase Agreement ["Bid-2 PPA"] with Gujarat Urja Vikas Nigam Ltd. ["GUVNL"] to be invalid, the Hon'ble Supreme Court on July 2, 2019 held that the termination is valid and the PPA stands terminated with effect from January 4, 2010. The power supplied under the said PPA was generated from Units 5 & 6 of the 4,620 MW Mundra power plant. The plant was transferred to APL's wholly owned subsidiary Adani Power (Mundra) Ltd. ["APMuL"] by way of Slump Sale under a Scheme of Arrangement with effect from March 31, 2017.

APL had announced the termination of the Bid-2 PPA as one of the conditions subsequent of the said PPA, viz. tie up of a Fuel Supply Agreement ["FSA"] with the Gujarat Mineral Development Corporation ["GMDC"] could not be fulfilled. However, APL continued to supply power under the Bid-2 PPA after the Gujarat Electricity Regulatory Commission ["GERC"] and subsequently the APTEL did not uphold the termination notice.

Post requisite hearing on different dates, the Supreme Court has announced on July 2, 2019 that the Company's Civil Appeal has been allowed. It also directed the Central Electricity Regulatory Commission ["CERC"] to calculate the compensation payable to APMuL in accordance with Section 62 of The Electricity Act, 2003 for the past power supplies made under the original PPA for 1000 MW capacity from the date of its commencement. .

Pursuant to the Court's order, GUVNL has stopped procuring power under the PPA, which was generated by Phase III of the Mundra power plant, and the capacity vacated thus is being utilised to supply power to the short term market. APMuL has also filed its petition with the CERC for determination of compensation as directed by the Supreme Court, and hearings are ongoing presently.

Adani Power Maharashtra Ltd. (APML)

The Hon'ble Maharashtra Electricity Regulatory Commission ["MERC"], vide its Order dated September 9, 2019 allowed compensation on account of non-availability of coal from the Lohara coal block to Adani Power Maharashtra Ltd. ["APML"]. This compensation has been granted in respect of the 1,320 MW PPA signed by APML with the Maharashtra Electricity Distribution Co. Ltd. ["MSEDCL"] for its 3,300 MW power plant at Tiroda, Dist. Gondia, Maharashtra.

As per the referred order from the MERC, the de-allocation of the Lohara coal block by the Ministry of Coal would qualify as Change in Law, and APML is entitled to claim compensation from the commencement of power supply under the PPA for the usage of alternative coal to meet the shortfall. Further, APML is also entitled to claim carrying costs on the claim amount till the date of the subject order.

Cross-appeals against the MERC order have been filed with the APTEL by both APML and MSEDCL, and the hearings are ongoing at present.

Adani Power Rajasthan Ltd. (APRL)

The Hon'ble APTEL has issued an order on September 14, 2019, allowing the claim of compensation of Adani Power Rajasthan Ltd. ["APRL"] for non-availability / shortage in linkage coal supply from Coal India Ltd., and usage of alternate coal in respect of the 1,200 MW PPA signed by APRL with the Distribution Companies of Rajasthan ["Rajasthan DISCOMs"].

The APTEL has allowed compensation for domestic coal shortfall arising from change in law pertaining to the New Coal Distribution Policy, 2007 ["NCDP"] and the Scheme for Harnessing and Allocating Koyala (Coal) Transparently in India ["SHAKTI"] policy of the Government of India. In

Management Discussion and Analysis (Contd.)

addition to this, the APTEL has granted carrying costs pertaining to the claim amounts.

RUVNL has filed appeal in Supreme Court against APTEL order, apart from a review petition with the APTEL against the same order. The APTEL has heard the matter and reserved its order, whereas the hearings in the Supreme Court are ongoing at present.

Other corporate developments

Raipur Energen Ltd. (REL)

APL completed the acquisition of GMR Chhattisgarh Energy Ltd. (GCEL), which owns and operates a 1,370 MW (2 X 685 MW) Supercritical power plant at Raikheda village, in Raipur District of Chhattisgarh. The Company acquired 52.38% of the equity stake in GCEL from its Consortium of Lenders, following the approval of APL's resolution plan to acquire a controlling equity stake and restructure its debt. The balance 47.62% equity stake was acquired from the GMR Group. The acquisition of GCEL was concluded on August 2, 2019 at an enterprise value of ~₹ 3,530 Crore.

The Raikheda power plant is strategically located near the coal mining areas of Chhattisgarh and has Boiler and Turbine Generator equipment supplied by Doosan Heavy Industries, S. Korea. The locational advantage will allow GCEL to source domestic coal with lower logistics cost, and make it more competitive while bidding for long-term PPAs.

Subsequent to the acquisition, GCEL was renamed as Raipur Energen Ltd. ["REL"]

Raigarh Energy Generation Ltd. (REGL)

APL completed the acquisition of Korba West Power Company Ltd. (KWPCL), a company undergoing corporate insolvency resolution process, pursuant to the provisions of the Insolvency and Bankruptcy Code, 2016 and the regulations made thereunder. The National Company Law Tribunal, Ahmedabad (NCLT") issued an order approving the resolution plan submitted by the Company and the acquisition of KWPCL was concluded on July 20, 2019 at an enterprise value of ~₹ 1,204 Crore.

After the acquisition, KWPCL was renamed as Raigarh Energy Generation Ltd. (REGL). It owns and operates a 600 MW thermal power plant in Raigarh District, Chhattisgarh, and has a 2.315 MMTPA long-term FSA signed with Coal India Ltd. subsidiaries.

REGL restarted operations of the power plant, which had been shut down prior to its acquisition by APL for rectification of its generator equipment on December 21, 2019.

Adani Power (Jharkhand) Ltd. (APJL)

Adani Power (Jharkhand) Ltd. ["APJL"] has received approval from the Office of Development Commissioner, Falta Special Economic Zone, Department of Commerce, Government of India for setting up of a unit for generation of power for export of electrical energy in respect of APJL's 2x800 MW Ultra-supercritical power project being implemented in Godda District, Jharkhand, for supply of power under a long-term PPA arrangement to the Bangladesh Power Development Board, Government of Bangladesh.

APJL has tied up debt financing with consortium of financial institutions comprising REC Ltd (REC) and Power Finance Corporation Ltd (PFC) and achieved financial closure. REC and PFC have sanctioned Rupee Term Loan facility of ₹ 10,075 Crore in the ratio of 50:50. APJL has also drawn down ₹ 2,109 Crore under this facility as of March 31, 2020.

People practices

At APL, our people are our biggest asset. We continuously endeavour to upgrade their knowledge and skills, enhancing their ability to perform.

The average employee age at APL is 36 years, which provides us a great mix of experience, enthusiasm and positive energy. We emphasise employee wellbeing and safety and have implemented safety initiatives like Chetna, which sensitise our people on safe working and living.

APL is building a conducive workplace with the key pillars of capability building, digitalisation, employee engagement and governance systems. It has also implemented Oracle fusion technology for employee life cycle management. Performance appraisal and learning modules have helped the Company to standardise its systems with real-time and accurate data. Competency assessment and development have been taken up on priority in all major service and core functions. APL also conducted Gallup employee engagement survey and based on the outcome, it is driving focused action plan for enhanced engagement.

APL believes in internal grooming of our people, preparing them to take on higher responsibilities rather than going in for lateral hiring. The Company has undertaken steps to identify and groom successors for all the critical positions to build a pipeline of successors and identifies young managers and high-potential people to be groomed as future leaders. .

With special focus on learning and development, APL has rolled out various learning initiative under Transition Leadership Programs like North-star and Takshashila, in association with leading Management Institutes.

The Company also undertook cultural diagnostic survey focusing on trust, care and values, thereby creating a culture of Respect, Trust and Care across the enterprise.

Corporate Governance Report

1. Company's philosophy on code of governance

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

Tenets of our Corporate Governance Philosophy –

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

The Company believes that sustainable and long term growth of every stakeholder depends upon the judicious and effective use of available resources and consistent endeavour to achieve excellence in business along with active participation in the growth of society, building of environmental balances and significant contribution in economic growth.

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

2. Board of Directors

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

a) Composition of the Board

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

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

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

None of the Directors on the Company's Board is a Member of more than 10 (ten) Committees, and Chairman of more than 5 (five) Committees (Committees being, Audit Committee and Stakeholders' Relationship Committee) across all the companies in which he/she is a Director. All the Directors have made necessary disclosures regarding Committee positions held by them in other companies and do not hold the office of Director in more than 10 (ten) public companies as on March 31, 2020.

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

Corporate Governance Report (Contd.)

The composition of the Board of Directors as on April 27, 2020 and number of other Directorships & Memberships / Chairmanships of Committees held by them as on March 31, 2020 and attendance of each Director at the Board Meetings and last Annual General Meeting held during the year under review are as under:

Sr. No.	Name of Directors (DIN) of Directors	Category of Directorship	Directorship in other Companies#	Details of Membership and Chairmanship in the Committees of other Companies##		Details of the Board Meetings held and attended by the Directors of the Company		Attendance at last AGM held on August 8, 2019
				Chairman	Member	Held during the tenure	Attended	
1	Mr. Gautam S. Adani (Chairman) (DIN 00006273)	Promoter & Non-Executive Director	5	-	-	5	5	Yes
2	Mr. Rajesh S. Adani (Managing Director) (DIN 00006322)	Promoter & Executive Director	5	1	5	5	5	Yes
3	Mr. Vneet S Jaain (Whole-time Director) (DIN 00053906)	Executive Director	3	-	-	5	5	Yes
4	Mr. Raminder Singh Gujral (DIN: 07175393)	Independent & Non - Executive Director	2	-	1	5	5	Yes
5	Mr. Mukesh Shah (DIN:00084402)	Independent & Non - Executive Director	5	-	-	5	5	No**
6	Ms. Gauri Trivedi (DIN: 06502788)	Independent & Non - Executive Director	4	0	2	5	4	Yes

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

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

**Due to inability to attend the AGM held on August 8, 2019, Mr. Mukesh Shah had authorised and requested Mr. Raminder Singh Gujral, a member of Audit Committee, to attend the said AGM. Accordingly, Mr. Raminder Singh Gujral, acting Chairman of the Audit Committee in absence of Mr. Mukesh Shah, had attended the said AGM.

Details of name of other listed entities where Directors of the Company are Directors and the category of Directorship as on March 31, 2020 are as under:

Name of Director	Name of other Listed entities in which the concerned Director is a Director	Category of Directorship
Mr. Gautam S. Adani (DIN: 00006273)	Adani Ports and Special Economic Zone Ltd.	Promoter & Executive
	Adani Transmission Ltd.	Promoter & Executive
	Adani Gas Ltd.	Promoter & Non-Executive
	Adani Enterprises Ltd.	Promoter & Executive
	Adani Green Energy Ltd.	Promoter & Non-Executive
Mr. Rajesh S. Adani (DIN: 00006322)	Adani Ports and Special Economic Zone Ltd.	Promoter & Non-Executive
	Adani Transmission Ltd.	Promoter & Executive
	Adani Enterprises Ltd.	Promoter & Executive
	Adani Green Energy Ltd.	Promoter & Non-Executive
Mr. Vneet S Jaain (DIN: 00053906)	-	-
Mr. Raminder Singh Gujral (DIN: 07175393)	Reliance Industries Limited	Non-Executive & Independent Director
Mr. Mukesh Shah (DIN:00084402)	Asian Granito India Limited	Non-Executive & Independent Director
Ms. Gauri Trivedi (DIN: 06502788)	Denis Chem Lab Limited	Non-Executive & Independent Director

b) Board Meetings and Procedure

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

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

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

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

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

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.

During the year under review Board met five times on May 29, 2019, June 29, 2019, August 7, 2019, November 13, 2019 and February 6, 2020. The Board meets at least once in every quarter to review the Company's operations and the maximum time gap between any two meetings is not more than 120 days. The necessary quorum was present in all the meetings.

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.

During the year, the Board of Directors accepted all recommendations of the Committees of the Board, which were statutory in nature and required to be recommended by the Committee and approved by the Board of Directors. Hence, the Company is in compliance of condition of clause 10(j) of schedule V of the SEBI Listing Regulations.

During the year under review, the Board of Directors of the Company has amended / approved changes in Related Party Transaction Policy; and Code of internal procedures and conduct for regulating, monitoring and reporting of Trading by Insiders to comply with the recent amendments in the Companies Act, 2013 and SEBI Regulations. Accordingly, the updated policies are uploaded on website of the Company at http://www.adanipower.com/investors/corporate-governance.

Skills / expertise competencies of the Board of Directors:

The following is the list of core skills / competencies identified by the Board of Directors as required in the context of the Company's business and that the said skills are available within the Board Members:

Corporate Governance Report (Contd.)

Business Leadership	Leadership experience including in areas of business development, strategic planning, succession planning, driving change and long-term growth and guiding the Company and its senior management towards its vision and values.
Financial Expertise	Knowledge and skills in accounting, finance, treasury management, tax and financial management of large corporations with understanding of capital allocation, funding and financial reporting processes.
Risk Management	Ability to understand and asses the key risks to the organization, legal compliances and ensure that appropriate policies and procedures are in place to effectively manage risk.
Global Experience	Global mindset and staying updated on global market opportunities, competition experience in driving business success around the world with an understanding of diverse business environments, economic conditions and regulatory frameworks.
Merger & Acquisition	Ability to assess 'build or buy' & timing of decisions, analyze the fit of a target with the company's strategy and evaluate operational integration plans.
Corporate Governance & ESG	Experience in implementing good corporate governance practices, reviewing compliance and governance practices for a sustainable growth of the company and protecting stakeholder's interest.
Technology & Innovations	Experience or knowledge of emerging areas of technology such as digital, artificial intelligence, cyber security, data center, data security etc.

In the table below, the specific areas of focus or expertise of individual Board members have been highlighted.

	Areas of Skills/ Expertise						
Name of Director	Business Leadership	Financial Expertise	Risk Management	Global Experience	Corporate Governance & ESG	Merger & Acquisition	Technology & Innovation
Shri Gautam Adani Chairman	✓	✓	✓	✓	✓	✓	✓
Shri Rajesh Adani Managing Director	✓	✓	✓	✓	✓	✓	✓
Mr. Vneet S Jaain Whole-time Director	✓	✓	✓	✓	✓	✓	✓
Mr. R.S. Gujral Independent Director	✓	✓	✓	✓	✓	✓	✓
Mr. Mukesh Shah Independent Director	✓	✓	✓	-	✓	✓	-
Ms. Gauri Trivedi Independent Director	✓	✓	✓	-	✓	-	-

Note - Each Director may possess varied combinations of skills/ expertise within the described set of parameters and it is not necessary that all Directors possess all skills/ expertise listed therein.

Directors' Induction and Familiarisation:

All new Independent Directors are taken through a detailed induction and familiarization program when they join the Board of your Company. The induction program is an exhaustive one that covers the history and culture of Adani Group, background of the Company and its growth, various milestones in the Company's existence since its incorporation, the present structure and an overview of the businesses and functions.

Deep dives and immersion sessions are conducted by senior executives on their respective ports/ business units. Key aspects that are covered in these sessions include:

- Industry / market trends
- The Port's performance
- Growth Strategy

Confirmation as regards independence of Independent Directors

In the opinion of the Board, all the existing Independent Directors fulfil the conditions specified in the Listing Regulations and are independent of the Management.

Disclosures regarding appointment/re-appointment of Directors:

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

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.

c) Code of Conduct:

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

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

3. Committees of the Board

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

A. Audit Committee

B. Nomination and Remuneration Committee

C. Stakeholders' Relationship Committee

D. Sustainability and Corporate Social Responsibility Committee

E. Risk Management Committee

A) Audit Committee:

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

i) Meeting, Attendance, Constitution & Composition of Audit Committee:

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

During the year under review, Audit Committee Meetings were held four times on May 29, 2019, August 7, 2019, November 13, 2019 and February 6, 2020. The intervening gap between two meetings did not exceed 120 days.

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

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

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

The Board of Directors review the Minutes of the Audit Committee Meetings at subsequent Board Meetings.

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

Due to inability to attend the AGM held on August 8, 2019, Mr. Mukesh Shah had authorised and requested Mr. Raminder Singh Gujral, a member of Audit Committee, to attend the said AGM. Accordingly, Mr. Raminder Singh Gujral, acting Chairman of the Audit Committee in absence of Mr. Mukesh Shah, had attended the said AGM.

Corporate Governance Report (Contd.)

ii) **Broad Terms of reference:**

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

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

18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;
21. Reviewing financial statements, in particular the investments made by the Company's unlisted subsidiaries;
22. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding ₹ 100 Crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments.

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;
5. The appointment, removal and terms of remuneration of the Chief Internal Auditor; and
6. Statement of deviations :
    a. Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s).
    b. Annual statement of funds utilized for purposes other than those stated in the offer document / prospectus /notice.

B) Nomination & Remuneration Committee:

i) Meeting, Attendance, Constitution & Composition of Nomination & Remuneration Committee:

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

During the year under review, Nomination & Remuneration Committee met on May 29, 2019.

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

Name & Designation	Category	No. of Meetings	
		Held During the tenure	Attended
Mr. Gautam S. Adani, Member	Promoter & Non-Executive Director	1	1
Mr. Raminder Singh Gujral, Chairman	Independent & Non-Executive Director	1	1
Mr. Mukesh Shah, Member	Independent & Non-Executive Director	1	1

The Quorum of the Committee is of two members.

The Board of Directors review the Minutes of the Nomination & Remuneration Committee Meetings at subsequent Board Meetings.

The Company Secretary and Compliance Officer act as Secretary of the Committee.

ii) Broad terms of Reference

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

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employee;
2. Formulation of criteria for evaluation of performance of Independent Directors and the Board;
3. Devising a policy on Board diversity;
4. Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with

Corporate Governance Report (Contd.)

the criteria laid down and recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance;

5. To extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
6. To recommend/review remuneration of the Managing Director(s) and Whole-time Director(s)/Executive Director(s) based on their performance and defined assessment criteria;
7. To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable;
8. To perform such other functions as may be necessary or appropriate for the performance of its duties;
9. To recommend to the board, all remuneration, in whatever form, payable to senior management.

iii) Remuneration Policy

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

a. Remuneration to Non-Executive Directors:
The Non-Executive Independent Directors of the Company are paid remuneration by way of commission and sitting fees. In terms of Shareholders' approval obtained at the Annual General Meeting held on August 21, 2010 the commission can be paid at a rate not exceeding 1% per annum of net profits of the Company. However, due to inadequate profit and accumulated losses, the Company has not paid the commission to any Non-Executive Director during the year. Non-Executive Directors are paid ₹ 50,000/- as sitting fees for attending meeting of Board of Directors & Audit Committee and ₹ 25,000/- for attending meeting of Corporate Social Responsibility Committee, Stakeholders' Relationship Committee, Nomination & Remuneration Committee and Risk Management Committee & 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.

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

c. Remuneration to Executive Directors:
The remuneration of the Executive Directors is recommended by the Nomination and Remuneration Committee to the Board 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. On the recommendation of the Nomination and Remuneration Committee, the remuneration paid/payable by way of salary, perquisites and allowances (fixed component), incentive and/or commission (variable components) to its Executive Directors within the limits prescribed under the Act is approved by the Board of Directors and by the members in the General Meeting.

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

iv) Details of Remuneration:

a. **Non-Executive Directors:**

The details of sitting fees and commission paid to Non-Executive Directors during the financial year 2019-20 are as under:

(₹ in Lakh)

Name	Commission	Sitting Fees	Total
Mr. Raminder Singh Gujral	N.A.	5.00	5.00
Mr. Mukesh Shah	N.A.	6.00	6.00
Ms. Gauri Trivedi	N.A.	2.25	2.25

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 Independent Directors of the Company. The Company has not granted stock options to Non-Executive Directors.

b. **Executive Directors:**

No remuneration is paid to Managing Director / Whole Time Director / Executive Director during the financial year 2019-20.

c. **Details of shares of the Company held by Directors as on March 31, 2020, are as under:**

Name	No. of shares
Mr. Gautam S. Adani	1
Mr. Rajesh S. Adani	1
Mr. Vneet S Jaain	70,000
Mr. Raminder Singh Gujral	5,45,400
Mr. Mukesh Shah	5,395

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

C) Stakeholders' Relationship Committee:

i) Meeting, Attendance, Constitution and Composition of Stakeholders' Relationship Committee:

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

During the year under review, Stakeholders' Relationship Committee met four times on May 28, 2019, August 7, 2019, November 12, 2019 and February 6, 2020.

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

Name & Designation	Category	No. of Meetings	
		Held During the tenure	Attended
Mr. Rajesh S. Adani, Member	Promoter & Executive Director	4	4
Mr. Mukesh Shah, Member	Independent & Non- Executive Director	4	4
Ms. Gauri Trivedi, Chairperson	Independent & Non- Executive Director	4	3

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

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

ii) Brief terms of reference:

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

a) Resolving the grievances of the security holders including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.

Corporate Governance Report (Contd.)

b) Reviewing the measures taken for effective exercise of voting rights by shareholders.

c) Reviewing of adherence to the service standards adopted in respect of various services being rendered by the Registrar & Share Transfer Agent.

d) Reviewing the various measures and initiatives taken for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

e) 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.

iii) Investor Grievance Redressal:

Details of complaints received and redressed during the year:

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

Nature of Complaints	Complaint received	Complaint resolved
Non-receipt of refund order	1	1
Non-receipt of dividend warrants	3	3
Non-receipt of annual report	0	0
Non-receipt / credit of shares	0	0
Total	**4**	**4**

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

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

Meeting, Attendance, Constitution & Composition of S & CSR Committee:

The Sustainability and Corporate Social Responsibility Committee of the Company was constituted on May 15, 2014 and subsequently reconstituted from time to time to comply with statutory requirement.

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

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

During the year under review, S& CSR Committee Meeting was held on May 28, 2019.

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

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

The Board of Directors review the minutes of the Sustainability and Corporate Social Responsibility Committee Meetings at its subsequent Board Meetings.

The Company Secretary and Compliance Officer act as Secretary of the Committee.

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

i) The powers, role and terms of reference of Sustainability and Corporate Social Responsibility Committee covers the areas as contemplated under Section 135 of the Act. The brief terms of reference of Sustainability and Corporate Social Responsibility Committee are as under:

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

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

3. To monitor the implementation framework of CSR Policy.

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

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

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

ii) CSR Policy:

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

E) Risk Management Committee:

Meeting, Attendance, Constitution & Composition of the Risk Management Committee

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

During the year under review, the Risk Management Committee met on November 12, 2019.

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

Name & Designation	Category	No. of Meetings	
		Held During the tenure	Attended
Mr. Rajesh S. Adani, Chairman	Promoter & Executive Director	1	1
Mr. Vneet S Jaain, Member	Non-Independent & Executive Director	1	1
Mr. Mukesh Shah, Member	Independent & Non-Executive Director	1	1
Mr. Suresh Chandra Jain, Member	Chief Financial Officer	1	1

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

The Board of Directors review the Minutes of the Risk Management Committee Meetings at subsequent Board Meetings. The Company Secretary and Compliance Officer act as Secretary of the Committee.

The powers, role and terms of reference of Risk Management Committee covers the areas as contemplated under Regulation 21 of the SEBI Listing Regulations. The brief terms of reference of Risk Management Committee are as under:

1. To review the Company's risk governance structure, risk assessment and minimisation procedures and the guidelines, strategies and policies for risk mitigation on short term as well as long term basis;

2. To monitor and review the risk management plan of the Company;

3. To review the current and expected risk exposures of the organization, to ensure the same are identified, qualitatively and quantitatively evaluated, analysed and appropriately managed;

Corporate Governance Report (Contd.)

4. 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;

5. To review cyber security function of the Company;

6. To oversee management processes, standards and strategies designed to manage Health, Safety & Environment and Social risks and ensure maintaining the highest standards and compliance with applicable statutory provisions.

4. Subsidiary Companies:

None of the subsidiaries of the Company other than Adani Power (Mundra) Limited (APMuL), Adani Power Maharashtra Limited (APML), Adani Power Rajasthan Limited (APRL) and Udupi Power Corporation Limited (UPCL) comes under the purview of the Material Non-Listed Subsidiary as per criteria given in Regulation 16(1) (c) of Listing Regulations. The Company has nominated Mr. Raminder Singh Gujral, Independent Director of the Company, as a Director on the Board of Adani Power (Mundra) Limited, Mr. Mukesh Shah, Independent Director of the Company, has been nominated as a Director on the Board of Adani Power Maharashtra Limited and Adani Power Rajasthan Limited, and also, Ms. Gauri Trivedi, Independent Director of the Company, has been nominated as Director on the Board of Udupi Power Corporation Limited. The Company is not required to nominate an Independent Director on the Board of any other Subsidiary Companies. The Audit Committee of the Company reviews the Financial Statements and Investments made by unlisted subsidiary companies and the minutes of the unlisted subsidiary companies are placed at the Board Meeting of the Company.

For more effective governance, the Company monitors performance of subsidiary companies, inter alia, 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.adanipower.com/investors/corporate-governance

5. Whistle Blower Policy:

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

The Audit Committee monitored and reviewed investigations of the whistle blower complaints received during the year. During the year under review, there were no cases of whistle blower.

6. General Body Meetings:

a. Annual General Meetings:

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

Financial Year	Date	Location of Meeting	Time	No. of special Resolutions passed
2018-19	08.08.2019	H.T. Parekh Hall, AMA Complex, ATIRA, Dr. Vikram Sarabhai Marg, Ahmedabad-380 015.	11:30 a.m.	3
2017-18	06.08.2018	J.B. Auditorium, Ahmedabad Management Association, AMA Complex, ATIRA, Dr. Vikram Sarabhai Marg, Ahmedabad- 380 015	10:30 a.m.	5
2016-17	10.08.2017		09.30 a.m.	1

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

No

c. Whether any resolutions are proposed to be conducted through postal ballot:

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

d. Procedure for postal ballot:

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

7. Other Disclosures:

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

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

c) 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) The Chief Executive Officer and the Chief Financial Officer have furnished a Certificate to the Board for the year ended on March 31, 2020 in compliance with Regulation 17(8) of Listing Regulations. The certificate is appended as an Annexure to this report. They have also provided quarterly certificates on financial results while placing the same before the Board pursuant to Regulation 33 of the Listing Regulations.

e) 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.

f) 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 as applicable.

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 also adopted Material Events Policy, Website Content Archival Policy and Policy on Preservation of Documents which is uploaded on the website of the Company at http://www.adanipower.com/investors/corporate-governance.

i) Details of the familiarisation programme of the independent directors are available on the website of the company at http://www.adanipower.com/investors/corporate-governance.

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 complies with all applicable secretarial standards.

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

n) The Company has executed fresh Listing Agreements with the Stock Exchanges pursuant to Securities and Exchange Board of India (Listing

Corporate Governance Report (Contd.)

Obligations and Disclosure Requirements) Regulations, 2015.

o) 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 24th AGM to be held on Thursday, June 25, 2020.

p) The Company has obtained certificate from CS Chirag Shah, Practising Company Secretary confirming that none of the Directors of the Company is debarred or disqualified by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such authority from being appointed or continuing as Director of the Company and the same is also attached to this Report.

q) Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditors and all entities in the network firm / network entity of which the statutory auditor is a part, is given below:

(₹ in Crore)

M/s. S R B C & Co. LLP	FY 2019-20
Payment to Statutory Auditors	
Audit Fees	2.01
Other Services	0.04
Reimbursement of Expenses	1.19
Total	**3.24**

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

8. Means of Communication:

a. Financial Results:

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

These results are not sent individually to the shareholders but are put on the website of the Company.

b. News Releases, Presentation etc.:

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

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

c. website:

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

d. 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.

9. General Shareholders Information:

a. Company Registration details:

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

b. Annual General Meeting:

Day and Date	Time	Venue
Thursday, June 25, 2020	11:30 a.m.	The Company is conducting meeting through VC / OAVM pursuant to the MCA Circular dated May 5,2020 and SEBI Circular dated May 12, 2020, hence there is no requirement to have a venue for the AGM. For details please refer to the Notice of this AGM.

c. Registered Office:

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

d. Financial Calendar for 2020-21:

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

Particulars	Tentative Schedule
Quarterly Results	
Quarter ending on June 30, 2020	Mid August, 2020
Quarter ending on September 30, 2020	Mid November, 2020
Quarter ending on December 31, 2020	Mid February, 2021
Annual Result of 2020-21	End May, 2021

e. Book closure date:

The Register of Members and Share Transfer Books of the Company will be closed from Thursday, June 18, 2020 to Thursday, June 25, 2020 (both days inclusive) for the purpose of 24th Annual General Meeting.

f. Dividend Distribution Policy:

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

g. Unclaimed Shares Lying in the Escrow Account:

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

The details of Unclaimed Shares as on March 31, 2020 issued pursuant to Initial Public offer (IPO) are as under:

Sr. No.	Particulars	Cases	No. of Shares
1	Aggregate number of shareholders and the outstanding shares in the suspense account (i.e. Adani Power Limited unclaimed shares demat suspense account) lying at the beginning of the year , i.e. April 1, 2019	159	24647
2	Number of shareholders who approached issuer for transfer of shares from suspense account during the year	0	0
3	Number of shareholders to whom shares were transferred from the suspense account during the year	0	0
4	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year, i.e. March 31, 2020	159	24647

Corporate Governance Report (Contd.)

h. Listing on Stock Exchanges:

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

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

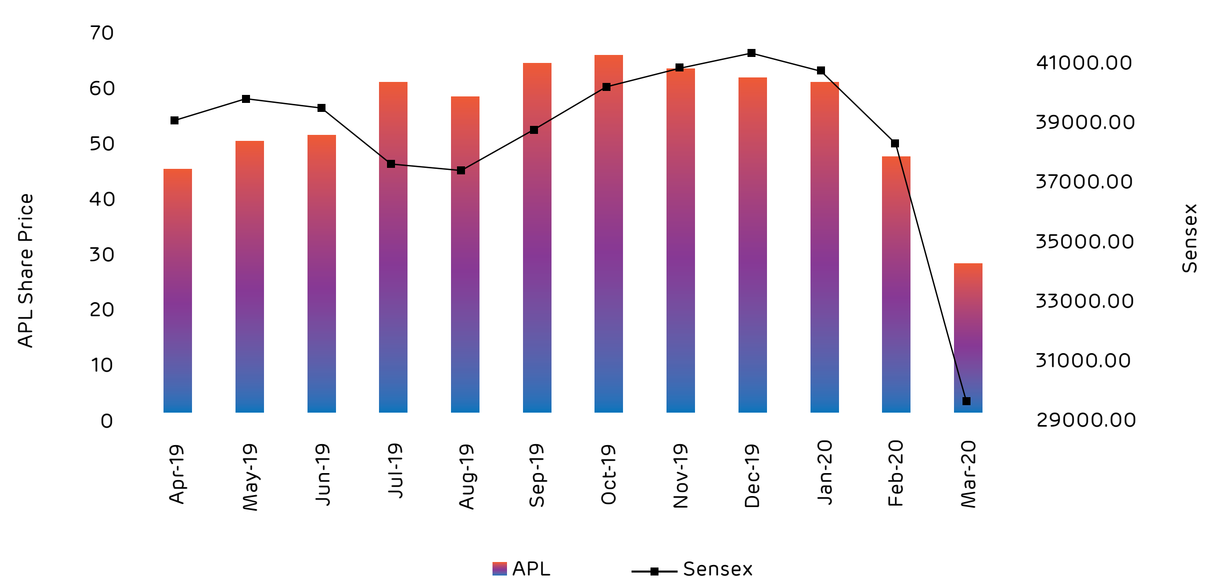
Annual listing fees for the financial year 2020-21 have been paid by the Company to BSE and NSE.

i. Market Price Data

Month	BSE			NSE			Total Volume of BSE &NSE
	High (₹)	Low (₹)	Volume	High (₹)	Low (₹)	Volume	
April, 2019	55.8	53.8	183476711	55.8	44	16022016771	16205493482
May, 2019	53.25	49.4	295941744	53.3	37.35	18862930399	19158872143
June, 2019	52.3	51	204643544	52.35	44.3	10030039270	10234682814
July, 2019	68.75	64.7	587749607	68.75	50.8	39224752381	39812501988
August, 2019	63.5	55.15	1353755869	63.5	55.15	11850591086	13204346955
September, 2019	69.85	55.7	1650158681	69.9	55.7	14791682930	16441841611
October, 2019	67.75	58.4	1002268663	67.8	58.4	9979704590	10981973253
November, 2019	73.75	59.15	1454252157	73.8	59.15	15521879645	16976131802
December, 2019	64.2	58.5	577061121	64.2	58.45	6677237499	7254298620
January, 2020	65.95	58.05	926785462	65.95	58	11428616269	12355401731
February, 2020	62.55	46.5	686528795	62.65	46.5	7481388185	8167916980
March, 2020	50	24.3	861732362	50.05	23	7542440413	8404172775

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

BSE Sensex



k. Registrar & Transfer Agents:

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

l. Share Transfer Procedure:

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 Stakeholders' Relationship Committee. All the physical transfers received are processed by the R & T Agent and are approved by the Stakeholders' Relationship Committee well within the statutory period of one month. The Stakeholders' Relationship Committee meets 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 March 31, 2020 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 September 30, 2019 and March 31, 2020 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 etc. should be addressed to R & T Agent of the Company at the address given above.

m. Shareholding as on March 31, 2020:

(a) Distribution of Shareholding as on March 31, 2020:

No. of shares	No. of shares	% to shares	Total no. of accounts	% to total accounts
1 – 5000	3,89,08,198	1.0088	2,69,645	87.4007
5001 – 10000	1,64,05,387	0.4253	20,143	6.5290
10001 – 20000	1,45,12,249	0.3763	9,470	3.0695
20001 – 30000	79,32,770	0.2057	3,074	0.9964
30001 – 40000	55,32,665	0.1434	1,530	0.4959
40001 – 50000	57,55,410	0.1492	1,210	0.3922
50001 – 100000	1,36,17,342	0.3531	1,829	0.5928
100001 & above	3,75,42,74,920	97.3382	1,615	0.5235
Total	**3,85,69,38,941**	**100.0000**	**3,08,516**	**100.0000**

Corporate Governance Report (Contd.)

(b) Category wise Shareholding Pattern as on March 31, 2020:

Category	No. of shares held		Total No. of Shares	% of Holding
	Physical	Electronic		
Promoter and Promoter Group	-	2891612567	2891612567	74.97
Mutual Funds	-	35488510	35488510	0.92
Banks/FI/Central Govt./State Govts/ Trusts & Insurance Companies	-	62638425	62638425	1.62
Foreign Institutional Investors/ Portfolio Investor	-	476155954	476155954	12.35
NRI	-	4941587	4941587	0.13
Foreign Nationals	-	1335096	1335096	0.03
Foreign Companies	-	221777910	221777910	5.75
Other Corporate Bodies	7438	17990150	17997588	0.47
Clearing Member	-	3438535	3438535	0.09
Directors / Relatives of Director	-	620795	620795	0.02
Indian Public / HUF	521054	140410920	140931974	3.65
Total	**528492**	**3855978050**	**3856938941**	**100.00**

n. Dematerialization of Shares and Liquidity:

The Company's shares are compulsorily traded in dematerialised form. Equity shares of the Company representing 99.98% of the Company's share capital are dematerialised as on March 31, 2020.

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

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

o. Debenture Trustees (for privately placed debentures):

As on March 31, 2020, the Company has no outstanding Debentures, which were issued earlier on private placement basis.

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

Nil

q. Commodity Price Risk / Foreign Exchange Risk and Hedging

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

r. Site location:

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

s. Address for Correspondence:

a. Mr. Deepak Pandya,
Company Secretary & Compliance Officer,
Adani Corporate House, Shantigram,
Near Vaishnodevi Circle, S.G. Highway,
Ahmedabad - 382421.
Tel.: +91-79-25555696 Fax: +91-79-25557177
E-mail: deepak.pandya@adani.com

b. Address for Correspondence in respect of transfer/dematerialization of shares, change of address of members and other queries:
M/s. KFin Technologies Private Limited
Selenium Tower B, Plot 31-32,
Gachibowli, Financial District,
Nanakramguda, Serilingampally,
Hyderabad– 500 032.
Tel.: +91-40-67161526
Fax: +91-40-23001153
E-mail: einward.ris@kfintech.com
Website: www.kfintech.com

t. Credit Rating:

Rating Agency	Facility	Rating/Outlook
Care Ratings Limited	Bank Facilities of APL Standalone (Solar Bitta loan)	Long Term Rating: CARE BB+ Stable, Short Term Rating: CARE A4+

Non-Mandatory Requirements:

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

a) **The Board:**
The Non-Executive Chairman during the financial year 2019-20 was not reimbursed any expenses for maintenance of the Chairman's office or performance of his duties.

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

c) **Audit Qualification:**
The Auditors' Qualification has been appropriately dealt with in Note No. 37 of the Notes to the standalone audited financial statements.

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

e) **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 Managing 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

I, Rajesh S. Adani, Managing Director of Adani Power Limited hereby declare that as of March 31, 2020, all the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct and Ethics for Directors and Senior Management Personnel laid down by the Company.

For Adani Power Limited

Place: AHMEDABAD
Date: April 27, 2020

RAJESH. S. ADANI
MANAGING 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.

f) **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.

Certificate on Corporate Governance

To,
The Members of
Adani Power Limited

We have examined the compliance of conditions of Corporate Governance by Adani Power Limited ("the Company") for the year ended on March 31, 2020 as stipulated in the applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, pursuant to the Listing Agreement of the Company with the Stock Exchanges.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

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

CHIRAG SHAH
PARTNER
Chirag Shah & Associates,
Company Secretaries,
Membership No.: 5545
C.P. No. 3498
UDIN : F005545B000196417

Place : AHMEDABAD
Date : April 27, 2020

Certificate of Non-Disqualification of Directors

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
ADANI POWER LIMITED
Registered Office – Shikhar,
Near Adani House,
Mithakhali Six Road,
Navrangpura Ahmedabad 380009.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Adani Power Limited** having CIN L40100GJ1996PLC030533 and having registered office at Registered Office – Shikhar, Near Adani House, Mithakhali Six Road, Navrangpura Ahmedabad 380009. (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Mr. Gautam S. Adani	00006273	26/12/2005
2.	Mr. Rajesh S. Adani	00006322	12/06/2007
3.	Mr. Vneet S Jaain	00053906	14/05/2012
4.	Mr. Raminder Singh Gujral	07175393	11/08/2015
5.	Mr. Mukesh Shah	00084402	31/03/2018
6.	Ms. Gauri Trivedi	06502788	24/10/2018

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate 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, Chirag Shah and Associates

CHIRAG SHAH
PARTNER
Membership No.: 5545
C.P. No. 3498
UDIN : F005545B000196406

Place : AHMEDABAD
Date : April 27, 2020

Certificate of Chief Executive officer and Chief Financial Officer

The Board of Directors
Adani Power Limited

We, Rajesh S. Adani, Managing Director & Chief Executive Officer and Suresh Chandra Jain, Chief Financial Officer of Adani Power Limited certify that:

A) We have reviewed the financial statements and the cash flow statements of the Company for the year ended March 31, 2020 and:

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.

B) To the best of our knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2020 which are fraudulent, illegal or violative of the Company's Code of Conduct.

C) We accept responsibility for establishing and maintaining internal control system and that we have evaluated the effectiveness of the internal control system of the Company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal control system, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

D) We further certify that we have indicated to the auditors and the Audit Committee:

a) There have been no significant changes in internal control over financial reporting system during the year;

b) There have been no significant changes in accounting policies during the year except for the changes disclosed in the notes to the financial statements, if any; and

c) There have been no instances of significant fraud, of which we have become aware, involving management or an employee having a significant role in the Company's internal control system over financial reporting.

Place : AHMEDABAD
Date : April 27, 2020

RAJESH S. ADANI
MANAGING DIRECTOR

SURESH CHANDRA JAIN
CHIEF FINANCIAL OFFICER

Business Responsibility Report

SECTION A: General Information about the Company

1. **Corporate Identity Number (CIN):** L40100GJ1996PLC030533
2. **Name of the Company:** Adani Power Limited
3. **Registered Office Address:** "Shikhar", Nr. Adani House, Mithakhali Six Roads, Navrangpura, Ahmedabad - 380 009, Gujarat, India
4. **Website:** www.adanipower.com
5. **Email id:** investor.apl@adani.com
6. **Financial Year reported:** April 1, 2019 to March 31, 2020
7. **Sector(s) that the Company is engaged in (industrial activity code-wise):**

Group	Class	Sub- Class	Description
351	3510	35102	Electric Power Generation by Coal Based Thermal Power Plants
351	3510	35105	Electric power generation using solar energy
466	4661	46610	Coal Trading

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

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

   Power Generation and Coal Trading

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

   (i) Solar Power Plant at Bitta, Kutch, Gujarat; and (ii) Thermal Power Plants at Mundra,Gujarat; (iii) Tiroda, Maharashtra; (iv) Kawai, Rajasthan; (v) Udupi, Karnataka (VI) Raikheda, Chhattisgarh; and (Vii) Raigarh, Chhattisgarh.

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

SECTION B: Financial Details of the Company

1. **Paid up capital (INR):** ₹ 3,856.94 Crore
2. **Total turnover (INR):** ₹ 1,916.16 Crore
3. **Total comprehensive loss for the year:** ₹ (1,340.44) Crore
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 2019-20, the Company, along with its subsidiaries, have spent ₹ 8.50 Crore towards CSR activities.

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

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

SECTION C: Other Details

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

   Yes, the Company has total 9 subsidiary companies as on March 31, 2020.

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.

Business Responsibility Report (Contd.)

SECTION D: BR Information

1. Details of Director / Directors responsible for BR:

a) Details of the Director / Directors responsible for implementation of the BR Policy/polices:

DIN : 00053906
Name : Mr. Vneet S Jaain
Designation : Whole-time Director

b) Details of the BR head:

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

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

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

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

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

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

3. **Governance related to BR:**

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

The CEO periodically assesses the BR performance of the Company.

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

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

SECTION E: Principle-wise Performance

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

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

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

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

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

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

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

The product of the company is Electricity. In today's world, electricity acts as central nervous system that powers modern day society. Access to reliable electric power is now considered as one of the basic necessity for society and human development. Environmental concerns have been incorporated in the design and business by adopting criteria for site selection and conducting Environmental Impact Assessment. In operational phase, the Company has developed Environment Management System (EMS) with in-built mechanism for identification of potential non-conformances and opportunities for improvements. The EMS is ISO 14001:2015 certified. Emissions form all operation is monitored and controlled as per design. Occupational health and safety management is integrated in business by adopting Health and Safety management system and taking ISO 45001:20018 Occupational Health & Safety Standard as per international standards. Company also has Risk Identification and management framework across all operations and corporate office.

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

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

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

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

Not significant as the product is electricity

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

To promote sustainable sourcing, Company has built the sustainability concern into its processes for vendor development and procurement management. Starting from the vender on boarding process, applicant vendors are evaluated based on comprehensive criteria that include vendor's capability and performance on environmental, occupational health

Business Responsibility Report (Contd.)

and safety, labour practices and quality management. After on boarding of the vendor, there is a system of periodical evaluation of vendor on comprehensive criteria that includes compliance with environmental, social and occupational health and safety parameters Vis-à- vis job execution as per quality criteria. This system fosters and promotes the sustainability concerns among vendors of the company.

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

4. **Has the Company undertaken any steps to procure goods and services from local and small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve the capacity and capability of local and small vendors?**
Indigenously manufactured or supplied material and services are considered as local. It is one of the focus area of the company to regularly indigenise the materials required for the operation and maintenance where any major equipment like boilers and turbines is imported at the time of the project. This serves two benefits that is optimisation of cost of operations and maintenance and support to the local Indian economy. Most of the employee base is Indian and most of the services are provided by Indian workmen and professionals.

5. **Does the company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste? (Separately as < 5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so?**
Ash is the major waste generated at the thermal power plant. A significant portion of this ash is recycled by selling it to cement (PPC) manufacturers in the region, thereby decreasing its environmental burden. Hazardous waste like used and waste oils are disposed through authorized recyclers. Also the Company publishes its Sustainability Report every year and disclose the detailed management approach for material issues and performance indicators as per GRI & IR Standards that includes waste management"

Principle 3: Business should promote the wellbeing of all employees

1. **Please indicate total number of employees:**
The Company has a total of 89 employees as on March 31, 2020.

2. **Please indicate total number of employees hired on temporary/contractual/casual basis:**
The Company hired zero employees on contractual basis as on March 31, 2020.

3. **Please indicate the number of permanent women employees:**
The Company has zero women employee as on March 31, 2020.

4. **Please indicate the number of permanent employees with disabilities.**
The Company has zero permanent employee with disabilities as on March 31, 2020.

5. **Do you have an employee association that is recognized by the Management?**
The Company does not have an employee association recognized by the management.

6. **What Percentage of permanent employees who are members of this recognized employee association?**
Not applicable.

7. **Please indicate the number of complaints relating to child labor, forced labor, involuntary labor, sexual harassment in the last financial year and those pending as on the end of the financial year.**
There were no complaints of this nature during the financial year.

8. **What Percentage of under mentioned employees were given safety and skill up-gradation training in the last year?**
Employee training and skills development is an integral aspect of the Company's human resource strategy. The Company's training programs extend to all permanent and contractual employees, which are rolled out as per the annual training calendar and individual employee training needs. Training needs are addressed through class room, on the job and online programs. All contractual employees are given mandatory safety training on induction as well as on the job skills related training through the Contractors and the Company.

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

1. **Has the company mapped its internal and external stakeholders?**
Yes the company has mapped its stakeholders and has a systematic stakeholder engagement process. The key stakeholders of the company include business

partners, customers, employees, suppliers, regulatory agencies and local communities in the vicinity of its operations.

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

   The Company has identified disadvantaged, vulnerable & marginalized stakeholders. Through Adani Foundation it works for the development of the said stakeholder group.

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

   Adani Group, as a responsible business, has been committed to inclusive growth and sustainable development of disadvantaged rural and urban communities, thereby contributing towards nation-building.

   Its CSR arm Adani Foundation works in four key areas namely, Education, Community Health, Sustainable Livelihood Development and Community Infrastructure Development while aligning its initiatives with the Sustainable Development Goals (SDGs) of the United Nations.

   Through its activities, Adani Power lays immense emphasis on long-term behavioural change through special projects namely SuPoshan, Swachhagraha, Saksham and Udaan. It perceives its role as an 'enabler' and 'facilitator', bridging the gaps between existing opportunities and potential beneficiaries, while investing in new facilities and infrastructure. This approach has optimized community and individual growth in a sustainable manner.

   After two decades, the Adani Foundation is functional across 2250 villages in 18 states of India, uplifting lives of 3.2 million people a year with a multi-faceted approach of development. By empowering communities, it continues to inspire the hope of a better future.

   Education

   Adani Power believes that Education is the stepping stone to lead a life of dignity and quality, especially for the underserved and the vulnerable. The main philosophy behind its educational initiatives is to make 'quality' education accessible and affordable to the young minds. To reach out to the most marginalized population, Adani Power runs several cost-free schools as well as subsidized schools across India. Many smart learning programs as well as projects to adopt government schools are being implemented in remote areas.

   Aamchi Shala Aadarsh Shala: Aamchi Shala Aadrash Shala competition is one of its kind initiatives by Adani Power in collaboration with the District Education department. The initiative is driven purely by motivation, reviving the Government primary and secondary schools that are losing their strength to private schools, through a competition-based format.

   This format inculcates a competitive spirit on which the programme thrives, encouraging schools to do better than other schools, thereby effectively spreading awareness about the importance of quality education and mobilizing the community. With active involvement of teachers, SMC, Gram Panchayat members and Adani Power team, Adani Power was able to improve overall education experience for Government schools in Tiroda block and other blocks of Gondia district Maharashtra.

   Through constant evaluation, Adani Power ensures that objectives of fulfilling 41 parameters under 11 heads on which the competition is judged are met by the participating schools, and this in turn results in an overall, on-ground impact.

   Tiroda block is a backward region that ranks low on social indicators and students studying in government schools are commonly from poor economic background and marginalized communities. Looking at the challenges in the community, it was evident that Government schools are the only opportunity for rural students to get the right quality education. Adani Power decided to get involved through 'Aamchi Shala Adarsha Shala' and make Government schools more competitive.

   Adani Power's intervention in the block resulted in a 5-fold increase concerning the average number of students shifting from private to Government schools. The average number of student participation in competitive examinations has increased by more than 75% compared to 2015-16. Considering the impact, the Government decided to adopt the project in all Government Schools in Gondia district.

   Gyanodaya Godda: Gyanodaya (http://gyanodayajharkhand.in) is a digital learning mission, launched in July 2018 in the Godda district, Jharkhand State, India through joint collaboration among Adani Power, the District Administration – Godda and Eckovation. In the year 2019-20, the Gyanodaya scaled new heights. The project which started with just 50 schools in the pilot phase, expanded its reach not only in every high school of the district but also in the middle as well as the senior secondary schools. Today it is impacting 53,765 students from 246 schools in the district.

Business Responsibility Report (Contd.)

The use of Artificial Intelligence for the personalized feedback based on the learning outcomes has made this model set apart. The classroom teaching-learning is made highly interactive with the use of digital methods such as PPTs, video presentations, practical demos, online training and other digital platforms. The adoption of Virtual Reality technology has given Gyanodaya a cutting-edge over the rising attempts of bringing Sci-Fi in education. Bringing the gamification factor in academics has made education more exciting.

The visually appealing, easy-to-grasp and retainable concepts covered in the study materials has led to a big leap in the class-wise attendance compared to the figures of past years. The pre-boards results conducted at high schools have given an imprint of what to expect in the State Board Examinations 2020 from the gen-next of Godda district.

The quality of the digital content is regularly vetted and ensured by the empowered committee appointed by the district administration and the state government. Within the limited available resources in a school, Gyanodaya's digital learning platform provides an effective model to reach and impact both the students and the teachers alike.

The initiative has helped reduce drop-out rates in the schools and helped promote girls' education in the aspirational district of Godda, Jharkhand. The decision of Jharkhand government to introduce this digital model in the government schools of 19 districts reaffirms the success of this model.

Coaching Centres and remedial classes: Navodaya Coaching Centre (NCC) is a unique experiment in school education within India. Its significance lies in the selection of talented rural children as the target group and the attempt to provide them with quality education comparable to the best residential school system.

Three centres at Zila Panchayat Upper Primary School Birshi, Zila Panchayat Upper primary school Gumadhawada and Zila Panchayat High School and Junior College Kawalewada were already operational and are free of cost. This year, a new centre was started at Berdipar. In the year 2019-20 total 80 students from Government schools have benefitted with these coaching centres.

In Kawai, Rajasthan 97 students from 26 Government schools have joined the classes and are taking lessons with interest to get admission in Jawahar Navodaya Vidyalayas. Adani Power is providing coaching and other facilities like educational kits and refreshments. Regular weekly tests are conducted to review the progress of students.

Similarly, four Navodaya centrs are being run in villages of Raikheda, Gaitara, Tarashiv and Chicholi in Raipur, Chhattisgarh in which a total of 69 students are enrolled.

Project Gyan Jyoti: Under this programme, e-learning kits were provided to all the Government schools in Tiroda block of Maharashtra. The objective of the programme is to make the rural youngsters of the region tech-savvy and comfortable to use digital systems. This year the programme covered a total of 13,062 students from 126 schools. The software is based on plug-and-play-model, consisting of rhymes, colours, numbers, alphabets and short stories etc, and the outcome has been very encouraging.

Special coaching classes of English and Maths for Government Upper Primary Schools: With education being the top-most priority in rural areas, Maharashtra Government spends considerable budget to make education a priority even in the remotest of villages. Though ample facilities are provided to the rural schools, many remain underutilised. To complement the efforts of the Government and to address the issue of poor performance of students, especially in subjects like Mathematics and English, the Adani Power started 'Champion Square' classes for the benefit of the rural students in Zila Panchayat Upper Primary Schools of Khairbodi, Mendipur, Ramatola and Kachewani villages around Tiroda. These special classes have helped the students to improve in these subjects, which is evident from their annual results. A total of 247 students attended these classes on a regular basis.

Similar coaching classes were conducted under Apna School initiative for 830 students from 8 villages of Godda district in Jharkhand. Students up to 5th standard received extra coaching classes and were selected from areas where literacy rate is below 50%. Under Adani Gyan Jyoti Yojna, special coaching classes were conducted for 492 students of classes up to 10th standard.

It was heartening to note that these students showed tremendous improvement in their board examination results.

Scholarships & Education Kit Distribution: A total of 832 meritorious students (out of 946 applications received who met criteria) residing around the Udupi Power Corporation Ltd plant (within the limits of 12 Gram Panchayats) were conferred the Adani Scholarships amounting to ₹ 23.00 Lakh. Student who had scored 80% and above were eligible to secure this scholarship. This scholarship was granted for use on levels like SSLC, Diploma, PUC, Graduation, Post-Graduation and for courses including but not limited to engineering, medical and nursing.

To encourage students belonging to economically deprived background in rural areas to continue with their education and go to school, Udupi Power Corporation Limited distributed quality education kits. These were given to students studying in Kannada medium government schools and government aided schools in the Udupi district. The kit included a bag, slates, notebooks, geometry box and umbrella.

A total of 6436 students from 77 Schools benefited from this distribution which amounted to ₹ 48.00 Lakh. The initiative instilled a positive sentiment amongst the beneficiaries and lead to an increase in students' strength in the government schools. For this, the teams on ground received appreciation from the Department of Education as well as the District Administration of Udupi district.

Infrastructure support for educational institutions: Many renovation programs are carried out along with the help of teachers, students, and Panchayat members. The intervention has helped in improvement of students' result up to 10% in just a span of 1 year. The employees from the company volunteer for this programme helping those from underprivileged sections of the society. In FY 2019-20, a total 20 anganwadis were renovated and were provided with 5 sets of tables and chairs (one set contains 1 table and 6 chairs).

In Kawai, floor mats, white boards and ceiling fans were among the infrastructure support provided to 32 government schools benefitting more than 5500 students.

The students were also provided free eye checkup and spectacles for those who needed them. 2028 students were screened in the 32 Government schools, out of which 188 students were found to be requiring spectacles.

Raipur Energen Limited recruited 12 "Guru Sangis" (subject teachers' support) to aid a total of 11 government schools where about 1329 children (452 in Primary sections, 712 in Middle sections & 165 in High School) have benefitted. Concurrently, health awareness programs on cleanliness, hygiene and seasonal diseases were also conducted in each school.

A transport facility is being provided to female students in Raipur, Chhattisgarh, who want to attend college. The nearest college is about 22 kms from the villages. Adani Power is helping ferry around 111 girls from 7 villages who are pursuing higher studies.

Five community libraries located at Raikheda, Bhatapara, Gaitera, Gaurkheda & Chicholi near Raipur were inaugurated in 2009. About 21,600 visits comprising of men, women, children and drop-out youth used the libraries to read magazines, newspapers, comics and books as per their interests. Besides it, several programs like painting and quiz competitions as well as celebration of important days were also organized at the libraries. 62 college students have completed their graduate and post-graduate courses with the help of the library services.

Nurturing sporting talent: Archery is a sport which is passed on through generations among the tribal community in Maharashtra. To help nurture these skills, Adani Power set up the Adani and Tribal Development Department (A&TDD) Archery Coaching Academy at Majjitpur. A total of 36 students were selected from Ashram Schools under Integrated Tribal Development project, Deori. Archery coaching classes run daily for 2 hours each in the morning and evening. The results of the personalized coaching received by the students are noteworthy. Three students from the Academy were selected for state level archery tournament. One student won the silver medal in 30m category and bronze in the 20m category at the National Janjati Sports Competition in Kanpur, Uttar Pradesh. The student also won the bronze (in 20m category) at the State level sub-junior archery competition held at Washim.

In Kawai, Adani Power is providing support to Government schools for district, state and national level sports tournaments. Local youth clubs are also being motivated to engage in sports activities for betterment of the community. This year 15 schools were given financial assistance to promote sporting culture among students. Three local cricket clubs at Dhara, Nimoda and Kawai village were given monetary assistance to nurture 853 players while 300 sports uniforms were distributed among players representing 10 schools.

Community Health

Adani Power firmly believes that improving the health of its citizens can directly result in economic growth of the nation. Healthy people can utilise growth opportunities made available to them in a better way. Adani Power is committed to raising the standards of and strengthening healthcare systems in and around our operational locations in India. In this pursuit, it runs Mobile Healthcare Units (MHUs) across the nation, hospitals and clinics, and general as well as specialized health camps. In line with this,

Business Responsibility Report (Contd.)

With an aim to spread awareness and provide basic healthcare facilities to the community members in Kawai (Rajasthan), Tiroda (Maharashtra), Udupi (Karnataka), Raipur (Chhattisgarh) and Godda (Jharkhand) regions of our Power businesses, Adani Power has undertaken various activities during the year.

Mobile Health Care Units (MHCU): MHCUs are deployed by Adani in the above mentioned regions, with the objective of providing basic healthcare facilities to villages in the vicinity. The facilities provided include diagnostics service, medicines, consultation and referrals by certified doctors at the doorstep of the community members.

This year a total of 1,63,635 treatments were provided through 9 MHCUs deployed across villages in these sites. As a result of this initiative, the patients save money on consultation fees, medicines and travel costs, thereby reducing the possibility of losing livelihood. The emotional stress among family members of the patients is also negated when the needy community members get quality healthcare facilities of these MHCUs at their doorsteps.

In Raipur, Chhattisgarh, the MHCU doctor also visits schools in the area on a regular basis to educate children on health and personal hygiene. Health awareness about ailments like Diarrhoea, Scabies, Typhoid and Seasonal Diseases along with health check-ups were conducted every week. About 1820 students of 23 schools received consultations along with medicines.

Heath Camps: Adani Power regularly conducts various general and specialised medical camps in and around its operational locations for the benefit of local communities. At these camps, services of gynaecologists, orthopaedic surgeons, heart specialists, skin specialists, paediatricians, ophthalmologist and ENT surgeons are provided to the community members at no cost. Free of cost follow-up services are also made available and necessary discounts are negotiated in cases requiring surgery.

Four mega health camps were organised at Kunjed, Kawai, Phoolbaroda and Aton villages in Kawai. With a team of 12 doctors and paramedical staff, Adani Power facilitated medical treatment by General Physician, Gynaecologist, Paediatrician, ENT specialist, dentist and ophthalmologist. Approximately 2767 villagers were diagnosed by these specialists. This year, 39 health camps were organised in 39 villages of Tiroda, in which 4410 people consulted and provided medicines.

Assistance to underprivileged patients: Long-term illness or any health condition not only impacts one physically but also mentally and financially. The entire family bears the brunt for the deteriorating health and financial condition of such patients. Some major ailments like cancer, TB, AIDS and others need surgery or lengthy treatments. For such needy patients, Adani Power started assistant programme for poor patients and provided support to 18 patients from the villages of Udupi. Adani Aarogya Card, a tailor-made health insurance policy was provided to community members of Mudarangadi and Yellur region in Udupi, Karnataka, with an objective to facilitate the card holders to avail cash-less medical treatment during the time of illness. These cards were issued to 2,341 families, covering 9,483 villagers in the above mentioned regions. The Adani Aarogya Card enables the villagers of all age groups to avail cashless medical treatment amounting to ₹ 50,000/- per family.

Health and Sanitation: Awareness on health and sanitation is one of the necessary issues to be addressed in the rural communities. Women, children and the elderly population in 27 villages in Kawai region of Rajasthan, participated in the awareness drives on various health issues and diseases which included activities like demonstrations on handwashing and other health and hygiene practices, sanitation, awareness about healthy and nutritious diet, and seasonal diseases. Wall paintings were used to convey important messages in relation to the health and hygiene issues in the area. 20 Health Awareness Programs were organized in Government Schools of Raipur, Chhattisgarh, reaching out to 1712 students.

Sustainable Livelihood Development

Empowering people through sustainable livelihoods helps them to transform their lives, contribute to the well-being of their family as well as the growth of the nation. Adani Power builds social capital by promoting self-help groups, supporting initiatives towards preservation of traditional art and organizing skill development training. By introducing these alternative livelihood opportunities to marginalized sections of the society, the rural folk at grassroots level can lead a life of self-reliance and happiness.

Modern and Organic methods in agriculture: With the objective of promoting organic farming and boosting yield using System of Rice Intensification (SRI) method, Adani Power, in cooperation with respective Block Agriculture Departments, conducted various training programmes for the farmers this year. They have been introduced to various innovative and cost-saving practices in farm cultivation, techniques that included low-water usage and less labour-intensive organic method of growing crops. This year the project has been successfully implemented in 20,191 acres of land by 10,000 farmers of Tiroda region in Maharashtra. The SRI method has also been introduced at Surguja area in Chhattisgarh and at Dhamra region in Odisha. As a result of this initiative, farmers today are saving big on input cost and are getting more income owing to increased yield too. On an average, this method increased the average yield by 2.42 Quintal/acre giving an average benefit of ₹ 4800/acre.

Farmers are also being encouraged to develop kitchen gardens to ensure that their nutrition and dietary needs are met. 4000 seeds kits were distributed among farmers in 15 villages of Tiroda to develop gardens in their backyard growing vegetables like Spinach, Ladies Finger, Bottle Gourd, Carrot etc. In a similar project, social forestry is being encouraged in Udupi, Karnataka. Nearly 13,000 fruit bearing saplings were distributed to 6,400 students of 77 Government/ Govt-aided schools in and around the Udupi plant.

Adani Power is also encouraging lac cultivation among farmers in Tiroda, to help them with an alternate livelihood. This year we have distributed 15 packets of lac insects to 200 farmers each. Each farmer is extracting 4kg-5kg of lac from one tree and selling it at a rate of ₹ 100-200/kg, giving a total earning of upto ₹ 12000- ₹ 15000.

Livestock Development: With the support of the Group companies, Adani Power initiated a Cattle Breed Improvement Programme (CBIP) in the Kawai region in Baran district of Rajasthan and Tiroda region of Gondia district in Maharashtra. Taking into consideration the local needs of the cattle breeders and the availability of breed-able cattle, four Integrated Livestock Development Centres (ILDCs) have been established – two in Kawai and two in Tiroda region.

A total of 2336 AI procedures were conducted in the reporting period. Other supporting activities such as castration, first aid and extension activities related to livestock development were carried out. These services were provided to the farmers at their doorsteps.

With an objective to increase the awareness and motivate farmers, 10 animal treatment camps were conducted this year. A total of 2684 animals were treated in the medical camps and free medicines were also provided to cattle owners. As per the requirement, fodder seed and fertilizer were distributed to 368 farmers. Preventive vaccination against H.S. & B.Q. was administered to cattle with the support of the Department of Animal Husbandry.

Phoolo Jhano Saksham Aajeevika Sakhi Mandal: More than 1500 women in the aspirational district of Godda, Jharkhand, have been trained in stitching and tailoring, through Adani Skill Development Centre. These women have come together under the umbrella of a self-help group (SHG) called Phoolo Jhano Saksham Aajeevika Sakhi Mandal (PJSASM). Adani Power with support from the District Administration of Godda has set up mega garment production hubs where the women are involved in stitching various items like school uniforms, bags and sweaters. The women have collectively earned over ₹ 1.86 Crore in the year 2018-2019 and 2019-20 through this initiative of Adani by stitching over 3,05,578 pairs of school uniforms.

District Administration has entrusted faith on the group for supply of sweaters for 1.50 lakh school students. ₹ 50 Lakh were sanctioned for sweater making project which is taking place at the Sunderpahari Centre. Women group of PJSASM are engaged during this juncture in producing around one lakh masks and approx. 200 aprons to help fight the COVID-19 outbreak.

Women Self-Help Groups in Tiroda are involved in Mushroom Cultivation, Agarbatti making and Lac bangle making. About 100 women are growing mushrooms which when sold earn them a yearly income of ₹ 60,000. To further boost the production of mushrooms, Adani Power has set up a mushroom spawn unit in the premises of APML, Tiroda.

Adani Skill Development Centre in association with Adani Power runs a tailoring production centre with 15 highly advanced sewing machines in Raipur, Chhattisgarh. A group of 15 women of "Saheli Shashakt Silai Samooh" (4S) and 10 female trainees are engaged in sewing work at the centre. The group is stitching and designing school, college and luggage bags along with sewing of pants, shirts and blouses. The group has produced about 10,500 fabrics and bags and earned ₹ 2.35 Lac from Oct 2019 to Mar 2020.

Rural Infrastructure Development

Quality rural infrastructure bears a direct influence on living standards and economic development in the rural areas. Lack of it can even push the rural populace towards poverty and deprivation in the long run. At Adani Power, we have committed ourselves to building sustainable rural infrastructure to overcome developmental challenges at the rural areas keeping national goals in view.

Water Conservation

Rooftop Rain Water Harvesting, Pond Deepening, Recharging Bore-wells are affordable, easily

Business Responsibility Report (Contd.)

implementable and highly replicable techniques for collection and storage of rain water at surface or in sub-surface aquifer, before it is lost as run-off. While building check dams in a developing country like India is indispensable, the above mentioned methods of water conservation and management help in reducing the overall cost and the demand of treated water and also economize the treatment plants' operation, maintenance and other distribution costs. These solutions have continued to yield a sustainable increase in groundwater levels and availability of water for consumption as well as irrigation. To give an overview, Adani Power's initiatives resulted in deepening of 350 ponds and building of 20 check dams, thereby increasing the water storage capacity to 78,17,468 CUM. Major water conservation efforts were focused in the regions of Mundra (Kutch), Tiroda (Maharashtra), Godda (Jharkhand) and Kawai (Rajasthan).

Adani Power began its water conservation activities in Tiroda in 2012. Here, water conservation practices reaped larger benefits as the results catered to the large agricultural community in this district which is referred to as a rice bowl in Maharashtra. Agricultural productivity was reducing year by year due to less rain and low water availability for the paddy crop at the time of grain formation stage. The focus of the water conservation activities here was to identify the irrigation system that are already existing (check dams / Malgujari tanks / percolation tanks / streams) rather than creating new infrastructure and also to create participatory irrigation management co-operative societies. The impact multiplied as water storage capacity under the initiative touched 10,71,520 CUM, benefitting 4,588 families, surrounding cattle & wild life covering more than 11,494 acres of land.

In Godda, total deepening work of 68 Ponds has been completed till date, increasing the water storage capacity by 494,713 CUM, across 3061 acres benefitting 6542 farmers. Apart from agriculture, alternative livelihood options like cattle rearing and pisciculture also got a boost.

In Kawai, the water conservation program has impacted 919 households and 2580 cattle population directly and more than 500 farmers have benefited indirectly who bring their cattle for grazing and drinking water.

In Udupi region of Karnataka, five community RO plants were installed in the villages of Yellur, Mudarangadi, Tenka (R&R colony), Bada and Belapu. These RO plants have a capacity of purifying 1,000 litres of water per hour and storage capacity of 5,000 litres of purified water per unit. Villagers were provided with free water cans of 12 litre capacity to enable them to carry this potable drinking water. The objective of this programme is to reduce water borne disease in the region. With these installed RO plants Adani Power encourages the community to gradually handle the day-to-day operation and maintenance of the units to inculcate a sense of ownership. A total population of 6148 is getting the benefit of safe potable drinking water due to this initiative.

Apart from water conservation, miscellaneous infrastructure support is given to villages to ensure prosperous communities in the villages where Adani Power carries out its activities in Tiroda, Godda, Kawai and Raipur. The infrastructure support includes construction and renovation of toilets, classrooms, libraries and laboratories in anganwadis, schools and colleges. Construction and renovation of roads, houses, community halls and other public utility services are also facilitated by Adani Power.

Disaster Relief work: Cyclone FANI caused large-scale devastation in 14 Districts in Odisha – namely Angul, Balasore, Bhadrak, Cuttack, Dhenkanal, Ganjam, Jagatsinghpur, Jajpur, Kendrapara, Keonjhar, Khordha, Mayurbhanj, Nayagarh and Puri. In 2019, Puri, Cuttack, Kendrapara and Jagatsinpur were severely affected. Community infrastructure was a matter of grave concern – the electricity structures were devastated and uprooted. A team from Adani Power realized that people were bound to stay indoors in pitch darkness.

Considering the severity of the destruction, Adani Power at Tiroda with the support of APML Employee Volunteers contributed towards rehabilitation and restoration of electricity in Puri area. The activities included erection of Electric Poles and stringing work; provision of GI metal sheet and required accessories, temporary housing facilities for affected communities.

Sangli floods, Maharashtra: As heavy rain battered western Maharashtra in August, nearly 250 villages in Kolhapur and Sangli were flooded and cut off from the rest of the districts. The overflowing Krishna River caused havoc in several talukas of the two districts in what may be the worst flood in recent years. As per the surveys conducted, 3,853 homes in Sangli district have been damaged in the floods, with 625 completely destroyed. Around 100 villages in Sangli district were cut off due to the floods.

Adani Power carried out several activities such as providing medical aid, bulb distribution, electrification of villages & public place sanitation activity covering more than 25 villages, touching nearly 2000 families and more than 5000 lives. A total of 36 APML Disaster Relief teams and MHCU teams were appointed in

Sangli for 10 days. In 26 villages the team worked on retaining electric supply of households as well as organised health camps in affected areas. A total of 360 man days were spent by the 36 employees.

Principle 5: Business Should Respect and Promote Human Rights

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

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

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

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

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

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

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

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

2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the Management?**

   No stakeholder complaints were received during the last financial year.

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

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

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

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

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

Business Responsibility Report (Contd.)

available on the following webpage: http://www.adanipower.com.

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

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

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

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

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

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

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

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

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

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

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

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

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

   (i) Association of Power Producers (APP)

   (ii) Confederation of Indian Industry (CII)

   (iii) Associated Chambers of Commerce and Industry of India (ASSOCHAM)

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

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

   (vi) Ahmedabad Management Association (AMA)

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

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

Principle 8: Business should support inclusive growth and equitable development

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

   The company has formulated and implemented a Corporate Social Responsibility Policy (CSR). Adani Foundation is the Corporate Social Responsibility (CSR) wing of Adani Group and is dedicated to undertake various activities for the sustainable development of communities around the areas of operations of the Group companies.

Adani Foundation works in four core areas of development namely, Education, Community Health, Sustainable Livelihood Development and Rural Infrastructure Development. It lays special focus upon the marginalized sections of the communities. Adani Foundation presently operates in 2250 villages and urban centres across 18 Indian states, transforming lives of 3.2 million individuals.

The list of major CSR initiatives is given in response to Question-3 of Principle-4.

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

   Adani Foundation is the well-structured Corporate Social Responsibility (CSR) arm of Adani Group. It is registered under Bombay Public Charity Trust Act 1950 and Society Registration Act 1860.

   The CSR programmes are carried out by and large through Adani Foundation (AF) which has a dedicated team of experienced professionals that comprises of experts in the domains of education, healthcare, infrastructure development, livelihood and other requisite fields to carry out the development work meant for the communities. Adani Foundation has been forming knowledge partnerships with several government agencies, governmental supported organizations and non-governmental organizations, besides engaging additional resources and expertise as and when needed.

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

   Yes, regular impact assessment studies are carried out by Adani Foundation to evaluate its various on-going programmes and to analyse the quantum of transformation the initiatives have been able to bring in the communities. Monthly, quarterly and yearly reviews of the welfare programmes and initiatives are carried out with the involvement of various different levels of the management to improve the programme implementation continually and usher meaningful outcomes. Third-party Objective Impact Assessment and additional Need Assessments are carried out by competent agencies from time to time too.

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

   The Companies Monetary Contribution to Community Development projects in FY 2019-20 was ₹ 858.26 Lakh including all subsidiaries

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

   Yes. Community participation is encouraged at numerous stages of our CSR initiatives, including programme planning, implementation, management, assessment and evaluation in various degrees. Our community development efforts are strengthened through participatory rural appraisals as well as by working closely with Village Development Committees (VDCs), Cluster Development Advisory Committee (CDAC), and Advisory Council with representation from the Community, Governments and the Company. Such bottom-up and participatory approach leads to a greater sense of ownership among the community members, 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 2019-20?**

   There are no customer complaints / consumer cases pending as of end of financial year – 2019-20.

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

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

3. **Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as of end of FY 2019-20?**

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

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

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

Independent Auditor's Report

To the Members of Adani Power Limited

Report on the Audit of the Standalone Financial Statements

Qualified Opinion

We have audited the accompanying standalone financial statements of Adani Power Limited (the "Company"), which comprise the Balance sheet as at March 31, 2020, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

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

Basis for Qualified Opinion

We draw attention to Note 37 to the standalone financial statements regarding Adani Power (Mundra) Limited ("APMuL"), a wholly owned subsidiary, having Mundra Thermal Power Undertaking, which has been incurring significant operational losses since earlier years, whereby net worth of APMuL has been completely eroded. For the reasons stated by the management in the Note, the performance and the financial position of APMuL over the foreseeable future is dependent on the outcome of resolution of various matters with the discoms / regulators and improvement in its future operational performance. We have not been able to corroborate the Management's contention of realising the carrying value of its investments related to APMuL aggregating to ₹ 5,269.80 crores. Accordingly, we are unable to comment on the appropriateness of the carrying value of such investments and their consequential impact on the financial results and the financial position of the Company as at and for the year ended March 31, 2020. Our audit report for the previous year ended March 31, 2019 was also qualified in respect of this matter.

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

Emphasis of Matter

We draw attention to Note 39 of the standalone financial statements, as regards the management's evaluation of COVID-19 impact on the future performance of the Company and its subsidiaries. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2020. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the 'Basis for Qualified Opinion' section we have determined the matters described below to be the key audit matters to be communicated in our report. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key audit matters	How our audit addressed the key audit matter
Impairment testing of Company's investments in and loans to subsidiaries (other than APMuL)	
As at March 31, 2020, the carrying value of the Company's investments (in equity shares, unsecured perpetual securities and compulsorily convertible debentures) and loans given to the wholly owned subsidiaries (other than Adani Power (Mundra) Limited) amounted to ₹ 12,946.45 crores and ₹ 3,230.92 crores, which comprises 71.8% of the total assets of the Company.	Our audit procedures in relation to evaluation of impairment testing of investments in and loans to wholly owned subsidiaries included the following: - We obtained an understanding from the management, assessed and tested the design and operating effectiveness of the Company's key controls over the impairment assessment of such investments.
The Company accounts for above investments in subsidiaries at cost (subject to impairment assessment). Management regularly reviews whether there are any indicators of impairment of the investments by reference to Ind AS 36 'Impairment of Assets'.	- We evaluated the Company's process regarding impairment assessment by involving our valuation experts, where necessary, to assist in assessing the appropriateness of the valuation model including the independent assessment of the underlying assumptions relating to discount rate, terminal value etc.
For determining the value in use of the underlying businesses, discounted cash flow projections are used which has sensitivity around the key assumptions, such as revenue growth, tariff rate, coal cost and discount rates that require considerable judgements. Independent external valuers were also involved in the fair value and value in use assessments, where appropriate.	- We evaluated the cash flow forecasts (with underlying economic growth rate) by comparing them to the approved budgets and our understanding of the internal and external factors.
This is a Key Audit Matter as the amount of investments and loans to subsidiaries is material to the separate financial statements of the Company and the determination of recoverable value for impairment assessment involves significant management judgement.	- We checked the mathematical accuracy of the impairment model and agreed relevant data back to the latest budgets, actual past results and other supporting documents.
Also, refer note 40 to the standalone financial statements for details regarding management's assessment of impairment of investments in and loans to subsidiaries other than Adani Power (Mundra) Limited.	- We assessed the Company's sensitivity analysis and evaluated whether any reasonably foreseeable change in assumptions could lead to material change in fair valuation.
	- We compared the carrying values of the investments and loans to subsidiaries with their respective net assets values and earnings for the period. - We evaluated the disclosures made in the Standalone Financial Statements.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

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

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

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

Independent Auditor's Report (Contd.)

Responsibilities of the Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended including the Companies (Indian Accounting Standards) Amendment Rules, 2019. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2020 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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

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

    (a) We have sought and except for the matter described in the Basis for Qualified Opinion paragraph, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

    (b) Except for the matter described in the Basis for Qualified Opinion paragraph, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

    (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

    (d) Except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended including the Companies (Indian Accounting Standards) Amendment Rules, 2019;

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

    (f) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164(2) of the Act;

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

    (h) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

    (i) The Company has not paid any managerial remuneration to its directors and thus, the provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2020;

    (j) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

        i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 36 to the standalone financial statements;

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

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

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

per Navin Agrawal
Partner
Membership Number: 056102
UDIN: 20056102AAAAAS6212

Place: Bengaluru
Date: April 27, 2020

Independent Auditor's Report Annexure 1

Referred to in Paragraph 1 of Report on Other Legal and Regulatory Requirements of our report of even date for the year ended March 31, 2020

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

(b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given by the management, the title deeds of immovable properties included in Property, Plant and Equipment are held in the name of the Company, except for freehold land aggregating to ₹ 1.86 crores, for which the title is in dispute and pending resolution in the Civil Court, Kutch as at March 31, 2020.

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

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

(b) The schedule of repayment of principal and payment of interest has been stipulated for the loans granted and the repayment/receipts are regular, as per the contractual terms agreed.

(c) There are no amounts of loans granted to companies, firms or other parties listed in the register maintained under section 189 of the Act which are overdue for more than ninety days.

(iv) In our opinion and according to the information and explanations given to us, provisions of section 185 of the Companies Act 2013, in respect of loans to directors including the entities in which they are interested and in respect of loans and advances given, investments made and guarantees, and securities given, have been complied with by the Company. The provisions of section 186 of the Act are not applicable to the Company and hence, not commented upon.

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

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

(vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, income tax, duty of customs, goods and services tax, cess and other material statutory dues applicable to it. The provision relating to employees' state insurance are not applicable to the Company.

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

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

Name of the statute	Nature of Tax	Amount (₹ in Crores)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	0.05*	Financial Year 2007-08 and 2008-09	High Court of Gujarat
Income Tax Act, 1961	Income Tax	22.83#	Financial Year 2009-10 and 2010-11	Income Tax Appelate Tribunal (ITAT)
Income Tax Act, 1961	Income Tax	2.30$	Financial Year 2011-12 and 2013-14	Commissioner Income Tax (Appeals)

* Net of ₹ 3.16 crores adjusted from refund of various years (under protest).
# Net of ₹ 21.43 crores adjusted from refund of subsequent years (under protest).
$ Net of ₹ 2.77 crores adjusted from refund of various years (under protest).

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

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

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

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

(xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence, not commented upon.

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

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

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of the Act.

(xvi) According to the information and explanations given to us and legal opinion obtained by the Company, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

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

per Navin Agrawal
Partner
Membership Number: 056102
UDIN: 20056102AAAAAS6212

Place: Bengaluru
Date: April 27, 2020

Independent Auditor's Report Annexure 2

To the Independent Auditor's Report of Even Date on the Standalone Financial/ Statements of Adani Power Limited

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

We have audited the internal financial controls over financial reporting of Adani Power Limited (the "Company") as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, 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 with reference to these standalone financial statements 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 over financial reporting with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the internal financial controls over financial reporting with reference to these standalone financial statements.

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Standalone Financial Statements

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these standalone Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these standalone financial statements, 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 with reference to these standalone financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Qualified Opinion

According to the information and explanations given to us and based on our audit, a material weakness has been identified in the Company's internal financial controls over financial reporting as at March 31, 2020 as regards evaluation of uncertainty for realising the carrying value of its investments related to Adani Power (Mundra) Limited, a wholly owned subsidiary, aggregating to ₹ 5,269.80 crores.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the possible effects of the material weakness described above on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate internal financial controls over financial reporting with reference to these standalone financial statements and such internal financial controls over financial reporting with reference to these standalone financial statements were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

Explanatory paragraph

We also have audited, in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act, the standalone financial statements of the Company, which comprise the Balance Sheet as at March 31, 2020, and the related Statement of Profit and Loss, Cash Flow Statement and Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information, and our report dated April 27, 2020, expressed a qualified opinion.

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

per Navin Agrawal
Partner
Membership Number: 056102
UDIN: 20056102AAAAAS6212

Place: Bengaluru
Date: April 27, 2020

Balance Sheet
as at 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

Particulars	Notes	As at 31st March, 2020	As at 31st March, 2019
ASSETS			
Non-current Assets			
(a) Property, Plant and Equipment	4.1	569.26	600.61
(b) Capital Work-In-Progress	4.1	0.13	0.18
(c) Other Intangible Assets	4.2	0.82	2.16
(d) Financial Assets			
(i) Investments	5	18,216.25	17,156.90
(ii) Loans	6	3,230.92	9,767.87
(iii) Other Financial Assets	7	1.00	1,200.35
(e) Other Non-current Assets	8	33.95	32.55
Total Non-current Assets		**22,052.33**	**28,760.62**
Current Assets			
(a) Inventories	9	4.06	4.09
(b) Financial Assets			
(i) Trade Receivables	10	366.81	12.27
(ii) Cash and Cash Equivalents	11	7.30	4.45
(iii) Bank Balances other than (ii) above	12	93.72	124.35
(iv) Loans	13	0.22	9.16
(v) Other Financial Assets	14	2.40	7.34
(c) Other Current Assets	15	3.45	5.76
Total Current Assets		**477.96**	**167.42**
Total Assets		**22,530.29**	**28,928.04**
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	16	3,856.94	3,856.94
(b) Unsecured Perpetual Securities	17	8,615.00	8,000.00
(c) Other Equity	18	3,318.44	5,270.89
Total Equity		**15,790.38**	**17,127.83**
LIABILITIES			
Non-current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	3,112.85	8,374.66
(ii) Other Financial Liabilities	20	205.83	51.00
(b) Provisions	21	2.14	2.49
(c) Deferred Tax Liabilities (Net)	22	-	-
Total Non-current Liabilities		**3,320.82**	**8,428.15**
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	23	2,589.02	2,364.70
(ii) Trade Payables	24		
Total outstanding dues of micro enterprises and small enterprises		0.11	0.03
Total outstanding dues of creditors other than micro enterprises and small enterprises		712.21	138.49
(iii) Other Financial Liabilities	25	107.46	867.34
(b) Other Current Liabilities	26	9.01	0.32
(c) Provisions	27	1.28	1.18
Total Current Liabilities		**3,419.09**	**3,372.06**
Total Liabilities		**6,739.91**	**11,800.21**
Total Equity and Liabilities		**22,530.29**	**28,928.04**

The accompanying notes are an integral part of the Standalone Financial Statements.

In terms of our report attached
For S R B C & Co LLP
Firm Registration No. : 324982E/E300003
Chartered Accountants

per NAVIN AGRAWAL
PARTNER
Membership No. : 056102

Place : BENGALURU
Date : 27th April, 2020

For and on behalf of the Board of Directors

GAUTAM S. ADANI
CHAIRMAN
DIN : 00006273

RAJESH S. ADANI
MANAGING DIRECTOR
DIN : 00006322

SURESH JAIN
CHIEF FINANCIAL OFFICER

DEEPAK PANDYA
COMPANY SECRETARY

Place : AHMEDABAD
Date : 27th April, 2020

Statement of Profit and Loss
for the year ended 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

Particulars	Notes	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Income			
Revenue from Operations	28	1,005.32	2,404.20
Other Income	29	910.84	1,065.67
Total Income		**1,916.16**	**3,469.87**
Expenses			
Fuel Cost		1.12	1.12
Purchases of Stock in Trade		908.10	2,217.59
Changes in Inventories of Stock in Trade	30	-	70.34
Employee Benefits Expense	31	41.61	40.52
Finance Costs	32	1,175.23	1,239.04
Depreciation and Amortisation Expense	4.1, 4.2	34.77	38.06
Other Expenses	33	92.90	88.43
Total Expenses		**2,253.73**	**3,695.10**
(Loss) before exceptional items and tax		**(337.57)**	**(225.23)**
Exceptional Items	34	1,002.99	-
(Loss) before tax		**(1,340.56)**	**(225.23)**
Tax Expense:			
Current Tax	35	-	-
Deferred Tax	22	-	-
Total Tax Expense		**-**	**-**
(Loss) for the year		**(1,340.56)**	**(225.23)**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurement gain/(loss) of defined benefit plans	48	0.12	(1.17)
Income Tax		-	-
Net other comprehensive gain / (loss) that will not be reclassified to profit or loss		**0.12**	**(1.17)**
Total Comprehensive (Loss) for the year		**(1,340.44)**	**(226.40)**
Earnings / (Loss) Per Equity Share (EPS) **Basic and Diluted (Face Value ₹ 10 Per Share) (₹)**	46	(5.77)	(1.24)

The accompanying notes are an integral part of the Standalone Financial Statements.

In terms of our report attached
For S R B C & Co LLP
Firm Registration No. : 324982E/E300003
Chartered Accountants

per NAVIN AGRAWAL
PARTNER
Membership No. : 056102

Place : BENGALURU
Date : 27th April, 2020

For and on behalf of the Board of Directors

GAUTAM S. ADANI
CHAIRMAN
DIN : 00006273

RAJESH S. ADANI
MANAGING DIRECTOR
DIN : 00006322

SURESH JAIN
CHIEF FINANCIAL OFFICER

DEEPAK PANDYA
COMPANY SECRETARY

Place : AHMEDABAD
Date : 27th April, 2020

Statement of Changes in Equity

for the year ended 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

Particulars	Equity Share Capital		Unsecured Perpetual Securities	Reserves and Surplus				Total Reserves and Surplus
				Capital Reserve	Securities Premium Reserve	General Reserve	Retained Earnings	
	No of shares	Amount	Amount	Amount	Amount	Amount	Amount	Amount
Balance as at 1st April, 2018	**385,69,38,941**	**3,856.94**	**-**	**465.80**	**4,136.27**	**9.04**	**1,071.08**	**5,682.19**
(Loss) for the year	-	-	-	-	-	-	(225.23)	(225.23)
Other Comprehensive Income:								
Remeasurement (loss) of defined benefit plans, net of tax	-	-	-	-	-	-	(1.17)	(1.17)
Total comprehensive (Loss) for the year	**-**	**-**	**-**	**-**	**-**	**-**	**(226.40)**	**(226.40)**
Unsecured Perpetual Securities (Refer note 17)								
Issued during the year	-	-	10,900.00	-	-	-	-	-
Redeemed during the year	-	-	(2,900.00)	-	-	-	-	-
Distribution to holders of Unsecured Perpetual Securities	-	-	-	-	-	-	(184.90)	(184.90)
Balance as at 31st March, 2019	**385,69,38,941**	**3,856.94**	**8,000.00**	**465.80**	**4,136.27**	**9.04**	**659.78**	**5,270.89**
(Loss) for the year	-	-	-	-	-	-	(1,340.56)	(1,340.56)
Other Comprehensive Income:								
Remeasurement gain of defined benefit plans, net of tax	-	-	-	-	-	-	0.12	0.12
Total comprehensive (Loss) for the year	**-**	**-**	**-**	**-**	**-**	**-**	**(1,340.44)**	**(1,340.44)**
Unsecured Perpetual Securities (Refer note 17)								
Issued during the year	-	-	615.00	-	-	-	-	-
Distribution to holders of Unsecured Perpetual Securities	-	-	-	-	-	-	(612.01)	(612.01)
Balance as at 31st March, 2020	**385,69,38,941**	**3,856.94**	**8,615.00**	**465.80**	**4,136.27**	**9.04**	**(1,292.67)**	**3,318.44**

The accompanying notes are an integral part of the Standalone Financial Statements.

In terms of our report attached
For S R B C & Co LLP
Firm Registration No. : 324982E/E300003
Chartered Accountants

per NAVIN AGRAWAL
PARTNER
Membership No. : 056102

Place : BENGALURU
Date : 27th April, 2020

For and on behalf of the Board of Directors

GAUTAM S. ADANI
CHAIRMAN
DIN : 00006273

RAJESH S. ADANI
MANAGING DIRECTOR
DIN : 00006322

SURESH JAIN
CHIEF FINANCIAL OFFICER

DEEPAK PANDYA
COMPANY SECRETARY

Place : AHMEDABAD
Date : 27th April, 2020

Statement of Cash Flows

for the year ended 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
(A) Cash flow from operating activities		
(Loss) before tax	(1,340.56)	(225.23)
Adjustment for:		
Depreciation and Amortisation Expense	34.77	38.06
Unrealised Foreign Exchange Fluctuation Loss (net)	27.34	10.45
Income from Mutual Funds	(2.93)	(1.06)
Loss on Property, Plant and Equipment Sold / Retired (net)	-	1.04
Bad Debt Written Off / Provision for doubtful advances	0.15	-
Amortisation of Financial Guarantee Commission	(31.58)	-
Write off of acquisition cost	0.76	-
Finance Costs	1,175.23	1,239.04
Interest Income	(876.29)	(1,063.81)
Exceptional Items	1,002.99	-
Operating (loss) before working capital changes	**(10.12)**	**(1.51)**
Changes in working capital:		
Decrease in Inventories	0.03	70.60
(Increase) / Decrease in Trade Receivables	(354.69)	29.45
Decrease / (Increase) in Other Assets	7.67	(9.16)
Increase / (Decrease) in Trade Payables	542.88	(117.79)
(Decrease) in Other Liabilities and Provisions	(89.88)	(136.02)
	106.01	**(162.92)**
Cash generated / (used in) from operations	**95.89**	**(164.43)**
Less : Tax (Paid) (Net)	(1.23)	(2.70)
Net cash generated from / (used in) operating activities (A)	**94.66**	**(167.13)**
(B) Cash flow from investing activities		
Capital expenditure on Property, Plant and Equipment, including capital advances and capital work-in-progress and on intangible assets	(1.03)	(0.17)
Proceeds from Sale of Property, Plant and Equipment	0.07	0.42
Payment towards acquisition of subsidiaries	(1.00)	(323.83)
Payment towards investment in subsidiaries	(435.16)	-
Proceeds from Current Investments (Net)	2.93	1.06
Payment towards Loans given to subsidiaries	(13,563.60)	(19,298.24)
Proceeds from Loans repaid by subsidiaries	20,136.30	11,303.78
Payment towards Loans given to others	(85.14)	(194.23)
Bank / margin money deposits withdrawn (Net)	61.63	55.44
Interest received	700.68	170.34
Net cash generated from / (used in) investing activities (B)	**6,815.68**	**(8,285.43)**

Statement of Cash Flows

for the year ended 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
(C) Cash flow from financing activities		
Proceeds from Non-current borrowings	8,065.08	22,209.52
Repayment of Non-current borrowings	(13,344.07)	(16,019.65)
(Repayment) / Proceeds from Current borrowings (Net)	(1,001.45)	351.90
Proceeds from issue of Unsecured Perpetual Securities	615.00	5,450.00
Repayment of Unsecured Perpetual Securities	-	(2,900.00)
Distribution to holders of Unsecured Perpetual Securities	(612.01)	(184.90)
Finance Costs Paid	(630.04)	(450.10)
Net cash (used in) / generated from financing activities (C)	**(6,907.49)**	**8,456.77**
Net increase in cash and cash equivalents (A)+(B)+(C)	2.85	4.21
Cash and cash equivalents at the beginning of the year	4.45	0.24
Cash and cash equivalents at the end of the year	**7.30**	**4.45**
Notes to Cash flow Statement :		
Cash and cash equivalents as per above comprise of the following :		
Cash and cash equivalents (Refer note 11)	7.30	4.45
Balances as per Statement of Cash Flow	**7.30**	**4.45**

Non cash items :

i) Accrued Interest for the year of ₹ 539.08 crores (Previous year - ₹ 829.49 crores) and ₹ 467.11 crores (Previous year - ₹ 739.09 crores) on Inter Corporate Deposits ("ICD") taken and given respectively, have been converted to the ICD balances as on reporting date as per the terms of Contract.

ii) Inter Corporate Deposits given of ₹ Nil (Previous year - ₹ 8,000 crores) were converted into investment in Unsecured Perpetual Securities. Further, loan given of ₹ 175 crores (Previous year - ₹ 1,065.00 crores) was converted into investment in equity share capital of a subsidiary.

Statement of Cash Flows

for the year ended 31st March, 2020

Notes :

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

ii) Disclosure of changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes are given below:

Particulars	As at 1st April, 2019	Net cash flows	Changes in fair values/ Accruals	Unsecured Perpetual securities	Others	As at 31st March, 2020
Non-current borrowings	9,126.74	(5,278.99)	-	-	(680.20)	3,167.55
Current borrowings	2,364.70	(1,001.45)	-	-	1,225.77	2,589.02
Derivatives	5.86	(5.86)	-	-	-	-
Interest accrued	7.49	(632.25)	1,173.24	-	(539.08)	9.40
Total	**11,504.79**	**(6,918.55)**	**1,173.24**	**-**	**6.49**	**5,765.97**

Particulars	As at 1st April, 2018	Net cash flows	Changes in fair values/ Accruals	Unsecured Perpetual securities*	Others	As at 31st March, 2019
Non-current borrowings	2,289.41	6,189.87	-	(5,450.00)	6,097.46	9,126.74
Current borrowings	7,287.96	351.90	-	-	(5,275.16)	2,364.70
Derivatives	-	-	5.86	-	-	5.86
Interest accrued	43.13	(400.37)	1,194.22	-	(829.49)	7.49
Total	**9,620.50**	**6,141.40**	**1,200.08**	**(5,450.00)**	**(7.19)**	**11,504.79**

* During the previous year, the Company has converted ICD of ₹ 5,450 crores into Unsecured Perpetual Securities ("Securities").

The accompanying notes are an integral part of the Standalone Financial Statements.

In terms of our report attached
For S R B C & Co LLP
Firm Registration No. : 324982E/E300003
Chartered Accountants

per NAVIN AGRAWAL
PARTNER
Membership No. : 056102

Place : BENGALURU
Date : 27th April, 2020

For and on behalf of the Board of Directors

GAUTAM S. ADANI
CHAIRMAN
DIN : 00006273

RAJESH S. ADANI
MANAGING DIRECTOR
DIN : 00006322

SURESH JAIN
CHIEF FINANCIAL OFFICER

DEEPAK PANDYA
COMPANY SECRETARY

Place : AHMEDABAD
Date : 27th April, 2020

Notes to the Standalone Financial Statements

for the year ended on 31st March, 2020

1 Corporate information

The standalone financial statements comprise financial statements of Adani Power Limited (the "Company" or "APL") for the year ended 31st March, 2020. The Company is a public company domiciled in India and incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on two recognized stock exchanges in India. The registered office of the Company is located at "Shikhar", Near Adani House, Mithakhali Six Roads, Navrangpura, Ahmedabad – 380 009, Gujarat, India. The Company has installed capacity of 40 MW at Bitta village, Dist. Kutch, Gujarat to augment power supply in the state of Gujarat. The Company sells power generated from 40 MW solar power project under long term Power Purchase Agreement (PPAs) and also engaged in other commercial activities .

The Company, together with its subsidiaries currently has multiple power projects located at various locations with a combined installed and commissioned capacity of 12,450 MW. The Company sells power generated from these projects under a combination of long term Power Purchase Agreements (PPA), short term PPA and on merchant basis.

As at 31st March, 2020, S. B. Adani Family Trust ("SBAFT") together with entities controlled by it has the ability to control the Company. The Company gets synergetic benefit of the integrated value chain of Adani Group.

The financial statements were approved for issue in accordance with a resolution of the directors on 27th April, 2020.

2 Significant accounting policies

2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) read with section 133 of Companies Act, 2013 and presentation requirements of Division II of schedule III to the Companies Act, 2013 (as amended), on the historical cost basis except for certain financial instruments that are measured at fair values, as explained in the accounting policies below.

Accounting policies are consistently applied except for the changes adopted as referred in note 2.3 below.

The financial statements are presented in INR and all values are rounded to the nearest crores, except when otherwise indicated.

2.2 Summary of significant accounting policies

a Property, plant and equipment

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

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.

Depreciation is recognised based on the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The useful life of property, plant and equipment is considered based on life prescribed in schedule II to the Companies Act, 2013 except in case of power plant assets, where the life has been estimated at 25 years based on technical assessment, taking into account the nature of assets, the estimated usage of the assets, the operating condition of the assets, anticipated technical changes, manufacturer warranties and maintenance support. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

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

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred. Subsequent costs are depreciated over the residual

Notes to the Standalone Financial Statements

for the year ended on 31st March, 2020

life of the respective assets. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

b Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and any accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. An intangible asset is derecognised on disposal, or when no future economic benefits are expected from its use or disposal. The Company has Intangible asset in the nature of Computer Software having useful life of 5 years. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

c Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset is available for immediate sale in its present condition and the sale is highly probable. Management must be committed to the sale which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Property, plant and equipment and intangible are not depreciated, or amortised once classified as held for sale. Assets classified as held for sale are presented separately from other items in the balance sheet.

Non-current assets classified as held for sale are measured at the lower of their carrying amount and their fair value less costs to sell.

d Financial Instruments

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

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

e Financial assets

Initial recognition and measurement

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis i.e. the date that the Company commits to purchase or sell the assets. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within a timeframe established by regulation or convention in the market place.

Subsequent measurement

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

Classification of financial assets

Financial assets at amortised cost

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

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- 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.

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

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

Interest is recognised on an effective interest basis for debt instruments other than those financial assets classified as at Fair Value through Profit and Loss (FVTPL).

Notes to the Standalone Financial Statements

for the year ended on 31st March, 2020

Financial assets at fair value through other comprehensive income (FVTOCI)

Financial assets that meet the following conditions are measured initially as well as at the end of each reporting date at fair value, recognised in other comprehensive income (OCI).

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The contractual terms of the asset give rise on specified dates to cash flows that represent solely payment of principal and interest.

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

Financial assets that do not meet the amortised cost criteria or FVTOCI criteria are measured at FVTPL.

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

Derecognition of financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party or when it has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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

f Financial liabilities and equity instruments

Classification as debt or equity

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

Equity instruments

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

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and in the case of financial liabilities at amortised cost, net of directly attributable transaction costs.

Subsequent Measurement

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

Classification of Financial liabilities

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

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Financial liabilities are classified as held for trading if these are incurred for the purpose of repurchasing in the near term.

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

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

Financial liabilities measured at amortised cost

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

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

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

Notes to the Standalone Financial Statements

for the year ended on 31st March, 2020

Similarly, interest bearing loans and borrowings are subsequently measured at amortised cost using effective interest rate method. Trade credits include Buyer's credit, Foreign Letter of Credit and Inland Letter of Credit.

Derecognition of financial liabilities

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

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value through profit or loss, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

g Derivative financial instruments

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, interest rate swaps, cross currency swaps, principal only swap and coupon only swap. Further details of derivatives financial instruments are disclosed in note 41.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately.

Embedded derivatives

Derivatives embedded in non-derivative host contracts that are not financial assets within the scope of Ind AS 109 - "Financial Instruments" are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at FVTPL. These embedded derivatives are measured at fair value with changes in fair value recognised in profit and loss.

h Investments in subsidiaries, associates and joint ventures

Investments in subsidiaries, associates and joint ventures are accounted for at cost. (Also refer note 3(v))

i Inventories

Inventories are stated at the lower of cost or net realisable value. Costs include all non-refundable duties and all charges incurred in bringing the goods to their present location and condition. Cost is determined on First in First out (FIFO) for coal inventory and on weighted average basis for other than coal inventory. Net realisable value represents the estimated selling price for inventories less all estimated costs necessary to make the sale.

j Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the company's cash management.

k Business combinations

Acquisitions of business are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition date fair values of the assets transferred and liabilities incurred by the Company to the former owners of the acquiree and the equity interest issued by the Company in exchange of control of the acquiree. Acquisition related costs are added to the cost of investment.

Business combination involving entities or businesses under common control are accounted for using the pooling of interest method. Under pooling of interest method the assets and liabilities of the combining entities / business are reflected at their carrying value.

Purchase consideration paid in excess / shortfall of the fair value of identifiable assets and liabilities including contingent liabilities and contingent assets, is recognised as goodwill / capital reserve respectively,

Notes to the Standalone Financial Statements

for the year ended on 31st March, 2020

except in case where different accounting treatment is specified in the court approved scheme.

Deferred tax assets and liabilities and assets or liabilities related to employee benefits arrangements are recognised and measured in accordance with Ind AS 12 - "Income Taxes" and Ind AS 19 - "Employee Benefits" respectively.

Potential tax effects of temporary differences and carry forwards of an acquiree that exist at the acquisition date or arise as a result of the acquisition are accounted in accordance with Ind AS 12.

l 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:

i. Expected to be realised or intended to be sold or consumed in normal operating cycle

ii. Held primarily for the purpose of trading

iii. Expected to be realised within twelve months after the reporting period, or

iv. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

The Company classifies all other assets as non-current.

A liability is current when:

i. It is expected to be settled in normal operating cycle

ii. It is held primarily for the purpose of trading

iii. It is due to be settled within twelve months after the reporting period, or

iv. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Company classifies all other liabilities as non-current.

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

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

m Foreign currency translations

In preparing the financial statements of the Company, transactions in currencies other than the entity's functional currency are recognised at the rate of exchange prevailing at the date of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit and loss in the period in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

The Company has elected to continue the policy adopted for accounting for exchange differences arising from translation of long-term foreign currency monetary items outstanding and recognised in the financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period i.e. 31st March, 2016 as per the previous GAAP.

n Fair value measurement

The Company measures financial instruments, such as, 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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the financial asset or settle the financial liability takes place either:

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

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

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

Notes to the Standalone Financial Statements

for the year ended on 31st March, 2020

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.

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.

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

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

External valuers are involved for valuation of significant assets, such as unquoted financial assets and financial liabilities and derivatives.

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

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

o Government grants

The Company recognises government grants only when there is reasonable assurance that the conditions attached to them will be complied with, and the grants will be received. Where Government grants relates to non-monetary assets, the cost of assets are presented at gross value and grant thereon is recognised as income in the statement of profit and loss over the useful life of the related assets in proportion in which depreciation is charged.

Grants related to income are recognised in the statement of profit and loss in the same period as the related cost which they are intended to compensate are accounted for.

p Contract Balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional i.e. only the passage of time is required before payment of consideration is due and the amount is billable.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration from the customer. Contract liabilities are recognised as revenue when the Company performs obligations under the contract.

q Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts and other incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes or other amounts collected from customers.

The specific recognition criteria described below must also be met before revenue is recognised.

i) Revenue from Power Supply

The Company's contracts with customers for the sale of electricity generally include one performance obligation. The Company has concluded that revenue from sale of electricity should be recognised at the point in time when electricity is transferred to the customer.

ii) Sale of traded goods

The Company's contracts with customers for the sale of goods generally include one performance obligation. Revenue from the sale of traded goods is recognised at the point in time when control of the asset is transferred to the customers, generally on delivery of the goods.

Notes to the Standalone Financial Statements

for the year ended on 31st March, 2020

iii) Interest income is recognised on time proportion basis at the effective interest rate ("EIR") applicable.

iv) Dividend income from investments recognised when the company's right to receive payment is established which is generally when shareholders approve the dividend.

v) Late payment charges and interest on delayed payment for power supply are recognized based on reasonable certainty to expect ultimate collection.

r Borrowing costs

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

All other borrowing costs are recognised in profit or loss in the period in which they are incurred. Borrowing cost consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing cost.

s Employee benefits

i) Defined benefit plans:

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees through Group Gratuity Scheme of Life Insurance Corporation of India. The Company accounts for the liability for the gratuity benefits payable in future based on an independent actuarial valuation carried out using Projected Unit Credit Method.

Defined benefit costs in the nature of current and past service cost and net interest expense or income are recognized in the statement of profit and loss in the period in which they occur. Remeasurement, comprising of actuarial gains and losses, the effect of changes to the asset ceiling and the return on plan assets are recognised immediately in the balance sheet with corresponding debit or credit to retained earnings through OCI in the period in which it occurs. Remeasurement are not classified to profit and loss in subsequent periods. Past service cost is recognised in profit and loss in the period of plan amendment.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

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

ii) Defined contribution plan:

Retirement Benefits in the form of Provident Fund and Family Pension Fund which are defined contribution schemes are charged to the statement of profit and loss for the period in which the contributions to the respective funds accrue as per relevant Statutes.

iii) Compensated absences:

Provision for Compensated Absences and its classifications between current and non-current liabilities are based on independent actuarial valuation. The actuarial valuation is done as per the projected unit credit method as at the reporting date.

iv) Short term employee benefits:

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

t Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Company as lessor

Rental income from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Initial direct costs

Notes to the Standalone Financial Statements
for the year ended on 31st March, 2020

incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

The Company as lessee

Assets held under finance leases are initially recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Company's general policy on borrowing costs. Contingent rentals are recognised as expenses in the period in which they are incurred.

Rental expense from operating lease is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

For change in lease accounting policy refer note 2.3

u Taxes on Income

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

Current tax

Tax on income for the current period is determined on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws. The tax rates and tax laws used to compute the amount are those that are enacted or substantially enacted, at the reporting date. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is recognized for the future tax consequences of deductible temporary differences between the carrying values of assets and liabilities and their respective tax bases at the reporting date. Deferred tax liabilities are generally recognised for all taxable temporary differences except when the deferred tax liability arises at the time of transaction that affects neither the accounting profit or loss nor taxable profit or loss. Deferred tax assets are generally recognized for all deductible temporary differences, carry forward of unused tax credits and any unused tax losses, to the extent that it is probable that future taxable income will be available against which the deductible temporary differences and carry forward of unused tax credit and unused tax losses can be utilised, except when the deferred tax asset relating to temporary differences arising at the time of transaction that affects neither the accounting profit or loss nor the taxable profit or loss. Deferred tax relating to items recognized outside the statement of profit and loss is recognized outside the statement of profit and loss, either in other comprehensive income or directly in equity. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax assets to be recovered.

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

The Company offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the

Notes to the Standalone Financial Statements

for the year ended on 31st March, 2020

liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

v Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (net off distribution on Perpetual Securities whether declared or not) 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.

w Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities may arise from litigation, taxation and other claims against the Company. Where it is management's assessment that the outcome is uncertain or cannot be reliably quantified, the claims are disclosed as contingent liabilities unless the likelihood of an adverse outcome is remote such contingent liabilities are disclosed in the notes but are not provided for in the financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings, the Company does not expect them to have a materially adverse impact on the Company's financial position.

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

x Impairment

i) Impairment of tangible and intangible assets

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

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

The Company bases its impairment calculation on detailed budget and forecast calculations, which are prepared separately for each of the Company's cash-generating unit to which the individual assets are allocated. For longer periods, a long term growth rate is calculated and applied to project future cash flows. To estimate cash flow projections beyond periods covered by the most recent budget / forecasts, the Company estimates cash flow projections based on estimated growth rate.

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

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

Notes to the Standalone Financial Statements

for the year ended on 31st March, 2020

ii) **Impairment of Financial assets**

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, trade receivables and other contractual rights to receive cash or other financial asset.

Expected credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. The Company estimates cash flows by considering all contractual terms of the financial instrument through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

2.3 Changes in accounting policies and disclosures

New and amended standards

The accounting policies adopted in the preparation of the Financial Statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended 31st March 2019, except for (a) the adoption of new standard effective as of 1st April, 2019. The Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

In addition to Ind AS 116 - "Leases", which is applicable for the first time, several other amendments and interpretations apply for the first time from 1st April, 2019, but do not have an impact on the Financial Statements of the Company.

Ind AS 116 - Leases

Ind AS 116 supersedes Ind AS 17 "Leases". The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model.

Effective 1st April, 2019, the Company adopted Ind AS 116 "Leases" and applied to all lease contracts, identified under Ind AS 17, existing on 1st April, 2019 using the modified retrospective method on the date of initial application.

Lessor accounting under Ind AS 116 is substantially unchanged compared to Ind AS 17. Therefore, Ind AS 116 did not have an impact for leases where the Company is the lessor.

Pursuant to adoption of Ind AS 116, the Company recognised right-of-use assets and lease liabilities for those leases which were previously classified as operating leases, except for short-term leases and leases of low-value assets. The Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate at the date of initial application and right of use asset at an amount equal to the lease liability adjusted for any prepayments/accruals recognised in the balance sheet as on 31st March, 2019. There is no impact on retained earnings as on 1st April, 2019.

The Company also applied the available practical expedients wherein it:

- Used a single discount rate to a portfolio of leases with reasonably similar characteristics
- Relied on its assessment of whether leases are onerous immediately before the date of initial application
- Applied the short-term leases exemptions to leases with lease term that ends within 12 months at the date of initial application
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application
- Used hindsight in determining the lease term where the contract contains options to extend or terminate the lease

There is no difference between discounted operating lease commitments as at 31st March, 2019 and the discounted lease liabilities as at 1st April, 2019.

Based on foregoing, as at 1st April, 2019, Right-of-Use asset of ₹ 1.24 crores was recognised in the balance sheet.

Set out below are the new accounting policies of the Company upon adoption of Ind AS 116, which have been applied from the date of initial application:

- **Right-of-use assets**

  The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment

Notes to the Standalone Financial Statements

for the year ended on 31st March, 2020

losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets, which comprises the initial amount of the lease liability, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight line basis over the lower of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

- **Lease liabilities**
  At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating a lease, if the lease term reflects the Company exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

  In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

- **Short-term leases and leases of low-value assets**
  The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies recognition exemption to leases for which the underlying asset is of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

The following is the carrying amounts of Company's Right of use assets and the movement in lease liabilities during the period ended 31st March, 2020:

Amount in ₹ Crores

Particulars	Right of use assets (Property, Plant and Equipment)
Additions on account of adoption of Ind AS 116 (on 1st April, 2019)	1.24
Depreciation and Amortisation Expenses	0.05
As at 31st March, 2020	**1.19**

- **Impact on the Statement of Profit and Loss for year ended 31st March, 2020**

Amount in ₹ Crores

Depreciation expense of right-of-use assets	0.05
Expense relating to short-term leases (included in other expenses)	0.80
Total amount recognised in profit or loss	**0.85**

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. The estimates and assumptions are based on historical experience and other factors that are considered to be relevant. The estimates and underlying assumptions are reviewed on an ongoing basis and any revisions thereto are recognized in the period in which they are revised or in the period of revision and future periods if the revision affects both the current and future periods. Uncertainties about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Key sources of estimation uncertainty :

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

Notes to the Standalone Financial Statements

for the year ended on 31st March, 2020

assumptions about future developments may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

i) **Useful lives of property, plant and equipment**

In case of the power plant assets, in whose case the life of the assets has been estimated at 25 years based on technical assessment, taking into account the nature of the assets, the estimated usage of the asset, the operating condition of the asset, anticipated technological changes, manufacturer warranties and maintenance support, depreciation on the same is provided based on the useful life of each such component based on technical assessment, if materially different from that of the main asset.

ii) **Fair value measurement of financial instruments**

In estimating the fair value of financial assets and financial liabilities, the Company uses market observable data to the extent available. Where such Level 1 inputs are not available, the Company establishes appropriate valuation techniques and inputs to the model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in Note 44.

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

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. Information about the various estimates and assumptions made in determining the present value of defined benefit obligations are disclosed in Note 48.

iv) **Impairment**

Determining whether property, plant and equipment are impaired requires an estimation of the value in use of the relevant cash generating units. The value in use calculation is based on a Discounted Cash Flow model over the estimated useful life of the Power Plants. Further, the cash flow projections are based on estimates and assumptions relating to tariff, operational performance of the Plants, life extension plans, market prices of coal and other fuels, exchange variations, inflation, terminal value etc. which are considered reasonable by the Management. (Refer note 38)

v) **Investments made / Intercorporate deposits ("ICDs") given to subsidiaries**

In case of investments made and Intercorporate Deposits ("ICD") given by the company in its subsidiaries, the Management assesses whether there is any indication of impairment in the value of investments and ICDs. The carrying amount is compared with the present value of future net cash flow of the subsidiaries. (Refer note 37 and 40).

vi) **Taxes**

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. (Refer note 22)

Notes to the Standalone Financial Statements
for the year ended on 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

4.1 Property, Plant and Equipment and Capital Work-In-Progress

Description of Assets	Tangible Assets									Capital Work-In-Progress
	Land - Freehold	Buildings	Right-of-Use Assets	Plant and Equipment	Furniture and Fixtures	Computer	Office Equipments	Vehicles	Total	
I. Cost										
Balance as at 1st April, 2018	**37.30**	**14.85**	**-**	**654.65**	**8.96**	**15.70**	**15.13**	**6.63**	**753.22**	**0.18**
Additions	-	-	-	0.03	-	-	0.01	-	0.04	-
Disposals / transfers	-	-	-	-	2.29	0.22	1.79	0.05	4.35	-
Balance as at 31st March, 2019	**37.30**	**14.85**	**-**	**654.68**	**6.67**	**15.48**	**13.35**	**6.58**	**748.91**	**0.18**
Additions	-	-	-	0.90	-	-	0.01	-	0.91	0.40
Transition Impact on adoption of Ind AS 116	-	-	1.24	-	-	-	-	-	1.24	-
Disposals / transfers	-	-	-	-	0.10	-	0.15	0.03	0.28	0.45
Balance as at 31st March, 2020	**37.30**	**14.85**	**1.24**	**655.58**	**6.57**	**15.48**	**13.21**	**6.55**	**750.78**	**0.13**
II. Accumulated depreciation										
Balance as at 1st April, 2018	**-**	**4.27**	**-**	**85.33**	**3.78**	**10.06**	**8.62**	**3.13**	**115.19**	
Depreciation expense	-	0.38	-	28.45	1.20	2.55	2.48	0.94	36.00	
Disposals / transfers	-	-	-	-	1.30	0.15	1.39	0.05	2.89	
Balance as at 31st March, 2019	**-**	**4.65**	**-**	**113.78**	**3.68**	**12.46**	**9.71**	**4.02**	**148.30**	
Depreciation expense	-	0.35	0.05	28.47	0.80	0.83	2.13	0.80	33.43	
Disposals / transfers	-	-		-	0.05	-	0.13	0.03	0.21	
Balance as at 31st March, 2020	**-**	**5.00**	**0.05**	**142.25**	**4.43**	**13.29**	**11.71**	**4.79**	**181.52**	

Carrying amount of Property, Plant and Equipment and Capital Work-In-Progress

Description of Assets	Tangible Assets									Capital Work-In-Progress
	Land - Freehold	Buildings	Right-of-Use Assets	Plant and Equipment	Furniture and Fixtures	Computer	Office Equipments	Vehicles	Total	
Carrying amount :										
As at 31st March, 2019	**37.30**	**10.20**	**-**	**540.90**	**2.99**	**3.02**	**3.64**	**2.56**	**600.61**	**0.18**
As at 31st March, 2020	**37.30**	**9.85**	**1.19**	**513.33**	**2.14**	**2.19**	**1.50**	**1.76**	**569.26**	**0.13**

i) For charges created on the aforesaid assets, refer note 19.

ii) Cost of the Property, Plant and Equipment includes carrying value recognised as deemed cost as of 1st April, 2015, measured as per previous GAAP and cost of subsequent additions.

Notes to the Standalone Financial Statements

for the year ended on 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

4.2 Intangible Assets

Particulars	Computer software	Total
I. Cost		
Balance as at 1st April, 2018	**11.28**	**11.28**
Additions	-	-
Disposals	-	-
Balance as at 31st March, 2019	**11.28**	**11.28**
Additions	-	-
Disposals	-	-
Balance as at 31st March, 2020	**11.28**	**11.28**
II. Accumulated depreciation		
Balance as at 1st April, 2018	**7.06**	**7.06**
Amortisation expense	2.06	2.06
Disposals	-	-
Balance as at 31st March, 2019	**9.12**	**9.12**
Amortisation expense	1.34	1.34
Disposals	-	-
Balance as at 31st March, 2020	**10.46**	**10.46**

Carrying amount of Intangible Assets

Particulars	Computer software	Total
Carrying amount :		
As at 31st March, 2019	**2.16**	**2.16**
As at 31st March, 2020	**0.82**	**0.82**

i. For charges created on aforesaid assets, refer note 19.

ii. Cost of the Intangible assets includes carrying value recognised as deemed cost as of 1st April, 2015, measured as per previous GAAP and cost of subsequent additions.

Notes to the Standalone Financial Statements

for the year ended on 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

5 Non-current Investments

	As at 31st March, 2020	As at 31st March, 2019
Unquoted Investments (All fully paid)		
Investments in subsidiary companies (Valued at cost)		
a) In Equity Instruments (Face value of ₹ 10 each)		
Adani Power Maharashtra Limited 285,47,31,240 Shares (Previous year - 285,47,31,240 Shares) (Refer note (i) below)	4,205.92	4,205.92
Adani Power Rajasthan Limited 120,00,00,000 Shares (Previous year - 120,00,00,000 Shares) (Refer note (ii) below)	1,200.00	1,200.00
Udupi Power Corporation Limited 193,42,02,548 Shares (Previous year - 193,42,02,548 Shares) (Refer note (iii) below)	2,205.02	2,256.02
Adani Power Resources Limited 25,494 Shares (Previous year - 25,000 Shares)	0.03	0.03
Adani Power (Mundra) Limited 10,60,50,000 Shares (Previous year - 10,60,50,000 Shares) (Refer note (vii), (xiii) below, and note 37)	219.80	106.05
Adani Power (Jharkhand) Limited 167,52,15,501 Shares (Previous year - 106,50,50,000 Shares) (Refer note (vi), (xii) and (xiii) below)	1,770.72	1,065.05
Pench Thermal Energy (MP) Limited (Formerly known as Adani Pench Power Limited) - (Refer note (viii) below) 50,000 Shares (Previous year - 50,000 Shares)	0.02	0.02
Adani Power Dahej Limited - (Refer note (viii) below) 50,000 Shares (Previous year - 50,000 Shares)	0.01	0.01
Kutchh Power Generation Limited - (Refer note (viii) below) 50,000 Shares (Previous year - 50,000 Shares)	0.01	0.01
Raigarh Energy Generation Limited (Formerly known as Korba West Power Company Limited) (Refer Note (iv), (ix) and (xiii) below) 10,00,000 Shares (Previous year - Nil shares)	237.74	-
Raipur Energen Limited (Formerly known as GMR Chhattisgarh Energy Limited) (Refer Note (v), (x) and (xiii) below) 571,27,61,666 Shares (Previous year - Nil shares)	53.19	-
b) Investment in Unsecured Perpetual Securities (unquoted)		
(Refer note (xi) below)		
Adani Power Rajasthan Limited	2,200.00	2,200.00
Adani Power Maharashtra Limited	750.00	750.00
Adani Power (Mundra) Limited	5,050.00	5,050.00
c) Investment in Debentures (unquoted)		
Pench Thermal Energy (MP) Limited (Previously known as Adani Pench Power Limited) (Refer note (viii) below) 2,80,81,139 (Previous year - 2,80,81,139) 0% Compulsory Convertible Debentures of ₹ 100 each	109.33	109.33
Adani Power Dahej Limited (Refer note (viii) below) 7,64,05,145 (Previous year - 7,64,05,145) 0% Compulsory Convertible Debentures of ₹ 100 each	200.60	200.60
Kutchh Power Generation Limited (Refer note (viii) below) 1,19,34,880 (Previous year - 1,19,34,880) 0% Compulsory Convertible Debentures of ₹ 100 each	13.86	13.86
d) Investment in government securities (unquoted)		
* 1 National savings certificate (lying with government authority) ₹ 42,699 (Previous year - ₹ 42,699)	*	*
Total	**18,216.25**	**17,156.90**

* Figures below ₹ 50,000

Notes to the Standalone Financial Statements

for the year ended on 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

Notes:

i) Of the above shares 183,89,12,932 Equity shares (Previous year - 183,89,12,932 Equity shares) have been pledged by the Company as additional security for secured term loans availed by Adani Power Maharashtra Limited.

ii) Of the above shares 61,20,00,000 Equity shares (Previous year - 61,20,00,000 Equity shares) have been pledged by the Company as additional security for secured term loans availed by Adani Power Rajasthan Limited.

iii) Of the above shares 98,64,43,300 Equity shares (Previous year - 98,64,43,300 Equity shares) have been pledged by the Company as additional security for secured term loans availed by Udupi Power Corporation Limited. Further during the year, the Company adjusted the retention liability of ₹ 51 crores, which was carried in the books from earlier year, against the investment value on reaching settlement with the party.

iv) Of the above shares 5,10,000 Equity shares (Previous year - Nil Equity shares) have been pledged by the Company as additional security for secured term loans availed by Raigarh Energy Generation Limited.

v) Of the above shares 291,35,08,481 Equity shares (Previous year - Nil Equity shares) have been pledged by the Company as additional security for secured term loans availed by Raipur Energen Limited.

vi) Of the above shares 167,52,15,495 Equity shares (Previous year - Nil Equity shares) have been pledged by the Company as additional security for secured term loans availed by Adani Power (Jharkhand) Limited.

vii) The entire investment held in Adani Power (Mundra) Limited ("APMuL") are pledged in favour of lenders of APMuL.

viii) During the previous year, the Company has acquired 100% equity shares and Compulsorily Convertible Debentures of three Companies viz. Pench Thermal Energy (MP) Limited, Adani Power Dahej Limited and Kutchh Power Generation Limited for consideration of ₹ 323.83 crores as at 29th March, 2019. Hence these Companies became wholly owned subsidiaries of the Company. The Compulsory Convertible Debentures shall be mandatorily converted in to equity shares at par in the ratio of 10:1 at any time after the expiry of 5 years but before 20 years from the date of issue i.e. from financial year 2016-17 to 2018-19.

ix) During the year, National Company Law Tribunal ("NCLT") vide its order dated 24th June, 2019, approved the Company's resolution plan in respect of corporate insolvency resolution process of Raigarh Energy Generation Limited ("REGL") (Earlier known as Korba West Power Company Limited ("KWPCL")). The Resolution Professional vide its letter dated 20th July, 2019, handed over 100% control of REGL to the Company on fulfilment of conditions precedent as per the Resolution Plan and on payment of agreed consideration of ₹ 1 crore towards purchase of equity. Accordingly, KWPCL become wholly owned subsidiary of the Company with effect from 20thJuly, 2019.

x) The Company through Share Purchase Agreements ("SPAs") dated 29th June, 2019 with the owners and lenders of Raipur Energen Limited ("REL") (Earlier known as GMR Chhattisgarh Energy Limited ("GCEL")) acquired 100% equity stake in REL, which owns and operates a 1370 MW thermal power plant in state of Chhattisgarh. During the year, the Company acquired 100% control over REL w.e.f. 2nd August, 2019 on fulfilment of conditions precedent as per SPAs (restructuring of REL loans to sustainable level), and on payment of agreed consideration of ₹ 16 only towards purchase of equity. Accordingly, REL became 100% subsidiary of the Company with effect from 2nd August, 2019.

xi) Terms of Conversion of Unsecured Perpetual Securities ("Securities"): These Securities are perpetual in nature with no maturity or redemption and are callable only at the option of the issuer. The distribution on these Securities are cumulative and at the discretion of the issuer at the rate of 10% p.a.

xii) During the year, the Company has converted loan of ₹ 175.00 crores (Previous year - ₹ 1,065.00 crores) given to Adani Power (Jharkhand) Limited, into investment in its equity share capital.

xiii) Fair value of Financial guarantee obligation and ICD accounted as deemed investment

Notes to the Standalone Financial Statements

for the year ended on 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

Particulars	As at 31st March, 2020	As at 31st March, 2019
In terms of fair valuation of ICD		
Raigarh Energy Generation Limited	221.76	-
In terms of fair valuation of guarantee		
Raigarh Energy Generation Limited	14.98	-
Raipur Energen Limited	53.19	-
Adani Power (Mundra) Limited	113.75	-
Adani Power (Jharkhand) Limited	95.51	-

6 Non-current Loans

(Considered good)

	As at 31st March, 2020	As at 31st March, 2019
Secured Loans		
Loans to related parties (Refer note (ii) below and note 52)	57.72	-
Unsecured Loans		
Loans to related parties (Refer note 52)	3,173.20	8,183.69
Loans to others	-	1,584.18
Total	**3,230.92**	**9,767.87**

Note:

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

ii) The loan is secured against immovable and movable properties of a subsidiary. The loan got transferred to the Company in terms of the Company's resolution plan to acquire KWPCL.

7 Other Non-current Financial Assets

(Unsecured, considered good)

	As at 31st March, 2020	As at 31st March, 2019
Balances held as Margin Money or security against borrowings (Refer note 19)	-	31.00
Advance recoverable in Cash or Kind	-	775.76
Interest receivable (Refer Note 34 and note (i) below statement of cashflows)	-	392.59
Security Deposits	1.00	1.00
Total	**1.00**	**1,200.35**

Note:

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

8 Other Non-current Assets

(Unsecured, considered good)

	As at 31st March, 2020	As at 31st March, 2019
Capital advances	5.40	5.35
Advance tax including tax deducted at source (net of provisions)	13.79	12.56
Gratuity fund (Net)	14.75	13.43
Advances to Employees	0.01	0.02
Prepayments under operating lease arrangements (Refer note 2.3)	-	1.19
Total	**33.95**	**32.55**

Notes to the Standalone Financial Statements

for the year ended on 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

9 Inventories

	As at 31st March, 2020	As at 31st March, 2019
(At lower of cost or net realisable value)		
Fuel	0.01	0.02
Stores & spares	4.05	4.07
Total	**4.06**	**4.09**

Notes :

i) For charge created on inventories, refer note 19.

10 Trade Receivables

	As at 31st March, 2020	As at 31st March, 2019
Secured, considered good	-	-
Unsecured, considered good	366.81	12.27
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	-	-
Total	**366.81**	**12.27**

Notes :

i) For charge created on receivables, refer note 19.

ii) Credit concentration

As at 31st March, 2020, out of the total trade receivables, 2.62% (Previous year - 93.06%) pertains to dues from State Distribution Company under Long Term Power Purchase Agreement ("PPA"), 39.43% (Previous year - Nil) pertains to dues of traded goods and 57.95% (Previous year - 6.94%) from related parties.

iii) Expected Credit Loss (ECL)

The Company is having receivables against power supply from State Electricity Distribution Company which is a Government undertaking and against sale of trading goods with credit period of 30-45 days.

The Company is regularly receiving its normal power sale dues from its customer including Discoms and in case of delayed payment; the company is entitled to receive interest as per the terms of agreement. Hence, they are secured from credit losses in the future.

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

11 Cash and Cash equivalents

	As at 31st March, 2020	As at 31st March, 2019
Balances with banks		
In current accounts	7.30	4.45
Total	**7.30**	**4.45**

Note :

i. For charges created on Cash and Cash Equivalents, refer note 19.

Notes to the Standalone Financial Statements

for the year ended on 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

12 Bank balances (Other than Cash and Cash equivalents)

	As at 31st March, 2020	As at 31st March, 2019
Balances held as Margin Money (Refer note (i) below)	93.72	124.35
Total	**93.72**	**124.35**

Notes :

i) For charges created on Bank balances (Other than cash and cash equivalents), refer note 19.

ii) The fair value of Bank balances (Other than Cash and Cash equivalents) is not materially different from the carrying value presented.

13 Current Loans

(Unsecured, considered good)

	As at 31st March, 2020	As at 31st March, 2019
Loans to related parties (Refer note 52)	-	7.29
Loans to employees	0.22	1.87
Total	**0.22**	**9.16**

Notes :

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

14 Other Current Financial Assets

(Unsecured, considered good)

	As at 31st March, 2020	As at 31st March, 2019
Interest receivable	2.22	2.09
Security deposits	0.17	0.01
Other receivables	0.01	5.24
Total	**2.40**	**7.34**

Notes :

i) The fair value of Other Current Financial Assets is not materially different from the carrying value presented.

15 Other Current Assets

(Unsecured, considered good)

	As at 31st March, 2020	As at 31st March, 2019
Advances for goods and services	3.19	4.40
Deposits with Government authorities	0.01	1.22
Prepayments under operating lease arrangements (Refer Note 2.3)	-	0.05
Prepaid expenses	0.25	0.07
Advance to Employees	-	0.02
Total	**3.45**	**5.76**

Notes to the Standalone Financial Statements
for the year ended on 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

16 Equity Share Capital

	As at 31st March, 2020	As at 31st March, 2019
Authorised Share Capital		
450,00,00,000 (Previous year - 450,00,00,000) equity shares of ₹ 10 each	4,500.00	4,500.00
50,00,00,000 (Previous year - 50,00,00,000) Cumulative Compulsorily Convertible Participatory Preference shares of ₹ 10 each	500.00	500.00
Total	**5,000.00**	**5,000.00**
Issued, Subscribed and Fully paid-up equity shares		
385,69,38,941 (Previous year - 385,69,38,941) fully paid up equity shares of ₹ 10 each	3,856.94	3,856.94
Total	**3,856.94**	**3,856.94**

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

Equity Shares	As at 31st March, 2020		As at 31st March, 2019	
	No. of Shares	Amount	No. of Shares	Amount
At the beginning of the year	385,69,38,941	3,856.94	385,69,38,941	3,856.94
Issued during the year	-	-	-	-
Outstanding at the end of the year	**385,69,38,941**	**3,856.94**	**385,69,38,941**	**3,856.94**

b. Terms / rights attached to equity shares

(i) 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.

(ii) 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

Company has issued and allotted 6,39,16,831 fully paid up equity shares of ₹ 10 each, to the equity shareholders of Adani Enterprises Limited ("AEL") pursuant to merger of Solar Power Undertaking of AEL into the Company during FY 2015-16.

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

	As at 31st March, 2020		As at 31st March, 2019	
	No. of Shares	% holding in the class	No. of Shares	% holding in the class
Equity shares of ₹ 10 each fully paid				
Mr. Gautam S. Adani / Mr. Rajesh S. Adani (On behalf of S.B. Adani Family Trust)	140,51,79,633	36.43%	140,51,79,633	36.43%
Adani Tradeline LLP	37,71,80,885	9.78%	37,71,80,885	9.78%
Worldwide Emerging Market Holding Limited	19,28,46,900	5.00%	19,28,46,900	5.00%
Afro Asia Trade And Investments Limited	26,54,85,675	6.88%	26,54,85,675	6.88%
Universal Trade And Investments Limited	29,11,24,451	7.54%	29,11,24,451	7.54%
	253,18,17,544	**65.63%**	**253,18,17,544**	**65.63%**

Notes to the Standalone Financial Statements

for the year ended on 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

17 Unsecured Perpetual Securities

	As at 31st March, 2020	As at 31st March, 2019
At the beginning of the year	8,000.00	-
Add: Issued during the year	615.00	10,900.00
Less: Redeemed during the year	-	2,900.00
Outstanding at the end of the year	**8,615.00**	**8,000.00**

Notes :

During the year, the Company has issued additional Unsecured Perpetual Securities ("Securities") of ₹ 615.00 crores (Previous year: ₹ 8,000.00 crores (net of redemption of ₹ 2,900.00 crores)) to various related parties. These Securities are perpetual in nature with no maturity or redemption and are callable only at the option of the Company. The distributions on these Securities are cumulative at the rate of 11% p.a. (10% upto 31st March, 2019), and at the discretion of the Company. As these securities are perpetual in nature and ranked senior only to the Equity Share Capital of the Company and the Company does not have any redemption obligation, these are considered to be in the nature of equity instruments.

18 Other Equity

	As at 31st March, 2020	As at 31st March, 2019
Capital Reserve (Refer note (i) below)	465.80	465.80
Securities Premium Account (Refer note (ii) below)	4,136.27	4,136.27
General Reserve (Refer note (iii) below)	9.04	9.04
Retained earnings	(1,292.67)	659.78
Total	**3,318.44**	**5,270.89**

	As at 31st March, 2020	As at 31st March, 2019
Retained earnings (Refer note (iv) below)		
Opening Balance	659.78	1,071.08
Add : (Loss) for the year	(1,340.56)	(225.23)
Add : Remeasurement gain / (loss) of defined benefit plans, net of tax	0.12	(1.17)
Add: Distribution to holders of perpetual equities	(612.01)	(184.90)
Closing Balance	**(1,292.67)**	**659.78**

Notes :

i) Capital Reserve includes ₹ 359.80 crores created due to amalgamation of Growmore Trade and Investment Private Limited with the Company in the financial year 2012-13 as per Section 391 to 394 of the Companies Act, 1956. As per the order of the Hon'ble High Court of Gujarat, the capital reserve created on amalgamation shall be treated as free reserve of the Company.

ii) Securities premium represents the premium received on issue of shares over and above the face value of equity shares. The reserve is available for utilisation in accordance with the provisions of the Companies Act, 2013.

iii) General reserve of ₹ 9.04 crores was created in the FY 2015-16 due to merger of solar power undertaking acquired from Adani Enterprises Limited. As per the scheme of arrangement approved by order of the Hon'ble High Court of Gujarat, the difference between the value of assets acquired and the value of liabilities of the solar power undertaking transferred by Adani Enterprises Limited, has been treated as General Reserve of the Company.

iv) Retained earnings represents the amount that can be distributed by the Company as dividends considering the requirements of the Companies Act, 2013. No dividends are distributed to the equity shareholders by the Company given the accumulated losses incurred by the Company.

Notes to the Standalone Financial Statements
for the year ended on 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

19 Non-current Borrowings

	As at 31st March, 2020		As at 31st March, 2019	
	Non-Current	Current	Non-Current	Current
Secured borrowings - at amortised cost				
Term Loans				
From Banks	136.51	54.70	179.74	52.08
	136.51	**54.70**	**179.74**	**52.08**
Unsecured borrowings - at amortised cost				
Term Loans				
From Related Parties (Refer note 52)	1,152.77	-	3,768.79	-
From Others	1,823.57	-	4,426.13	700.00
	2,976.34	**-**	**8,194.92**	**700.00**
Total	**3,112.85**	**54.70**	**8,374.66**	**752.08**
Amount disclosed under the head other current financial liabilities (Refer note 25)	-	(54.70)	-	(752.08)
	3,112.85	**-**	**8,374.66**	**-**

Notes :

1. **The security details for the borrowing balances :**

   Rupee Term Loans from Banks aggregating to ₹ 191.21 crores (Previous year - ₹ 231.82 crores) are secured / to be secured by first charge on all immovable, movable assets and leasehold land of the Company on paripassu basis.

2. **Repayment schedule for the borrowing balances:**

   a. The secured term loans from banks aggregating to ₹ 191.21 crores (Previous year - ₹ 231.82 crores) are repayable over a period of next 3 years in quarterly / yearly instalments for various loans from FY 2020-21 to FY 2022-23.

   b. Unsecured loans from related parties of ₹ 1,152.77 crores (Previous year - ₹ 3,768.79 crores) are repayable on mutually agreed dates after a period of 36 months to 48 months falling due in FY 2022-23.

   c. Unsecured loans from others of ₹ 1,823.57 crores (Previous year - ₹ 5,126.13 crores) are repayable on mutually agreed dates within period of 24 months to 48 months from FY 2022-23 to FY 2023-24.

20 Other Financial Liabilities

	As at 31st March, 2020	As at 31st March, 2019
Retention money payable	-	51.00
Financial guarantee obligation liability	205.83	-
Total	**205.83**	**51.00**

Notes :

i) The fair value of Other Financial Liabilities is not materially different from the carrying value presented.

21 Non-current Provisions

	As at 31st March, 2020	As at 31st March, 2019
Provision for Employee benefits		
Provision for Leave Encashment	2.14	2.49
Total	**2.14**	**2.49**

Notes to the Standalone Financial Statements

for the year ended on 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

22 Deferred Tax Liabilities (Net)

(a) Deferred Tax Liabilities (Net)

		As at 31st March, 2020	As at 31st March, 2019
Deferred Tax Liabilities			
Property, Plant and Equipment		175.63	185.87
Gross Deferred Tax Liabilities	**Total (A)**	**175.63**	**185.87**
Deferred Tax Assets			
Provision for Employee benefits		1.20	1.28
On unabsorbed depreciation / carried forward losses		174.43	184.59
Gross Deferred Tax Assets	**Total (B)**	**175.63**	**185.87**
Net Deferred Tax Liabilities	**Total (A-B)**	**-**	**-**

The Company has recognised deferred tax assets on unabsorbed depreciation / carried forward losses to the extent of deferred tax liability.

(b) Movement in deferred tax liabilities (net) for the year ended 31st March, 2020

		Opening Balance as at 1st April, 2019	Recognised in profit and Loss	Recognised in other comprehensive income	Closing balance as at 31st March, 2020
Tax effect of items constituting Deferred Tax Liabilities :					
Property, Plant and Equipment		185.87	(10.24)	-	175.63
	Total - (a)	**185.87**	**(10.24)**	**-**	**175.63**
Tax effect of items constituting Deferred Tax Assets :					
Unabsorbed depreciation		184.59	(10.16)	-	174.43
Provision for Employee benefits		1.28	(0.08)	-	1.20
	Total - (b)	**185.87**	**(10.24)**	**-**	**175.63**
Net Deferred Tax Liabilities	**Total - (a-b)**	**-**	**-**	**-**	**-**

(c) Movement in deferred tax liabilities (net) for the year ended 31st March, 2019

		Opening Balance as at 1st April, 2018	Recognised in profit and Loss	Recognised in other comprehensive income	Closing balance as at 31st March, 2019
Tax effect of items constituting Deferred Tax Liabilities :					
Property, Plant and Equipment		197.32	(11.45)	-	185.87
	Total - (a)	**197.32**	**(11.45)**	**-**	**185.87**
Tax effect of items constituting Deferred Tax Assets :					
Unabsorbed depreciation		196.15	(11.56)	-	184.59
Provision for Employee benefits		1.17	0.11	-	1.28
	Total - (b)	**197.32**	**(11.45)**	**-**	**185.87**
Net Deferred Tax Liabilities	**Total - (a-b)**	**-**	**-**	**-**	**-**

Notes to the Standalone Financial Statements

for the year ended on 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

22.1 Unrecognised deductible temporary differences and unused tax losses

Deductible temporary differences and unused tax losses for which no Deferred Tax Assets have been recognised are attributable to the following :

	As at 31st March, 2020	As at 31st March, 2019
Unused tax losses (Revenue in nature) (Refer note (i) below)	6,971.14	5,994.41
Unabsorbed depreciation	7,566.76	7,532.27
	14,537.90	**13,526.68**

i) Out of above unused tax business losses of ₹ 6,971.14 crores will expire from AY 2021-22 to AY 2027-28. Unabsorbed depreciation of ₹ 7,566.76 crores do not have expiry.

ii) No Deferred Tax Asset has been recognised on the above unutilised tax losses and Unabsorbed depreciation as there is no reasonable certainty that sufficient taxable profit will be available in the future years against which they can be utilised by the Company.

23 Current Borrowings

	As at 31st March, 2020	As at 31st March, 2019
Unsecured Borrowings - at amortised cost		
Loans From Related Parties (Refer note 52)	2,493.48	2,169.94
Loans From Others	95.54	194.76
Total	**2,589.02**	**2,364.70**

24 Trade Payables

	As at 31st March, 2020	As at 31st March, 2019
Acceptances	34.22	-
Other than acceptances		
Total outstanding dues of micro enterprises and small enterprises	0.11	0.03
Total outstanding dues of creditors other than micro enterprises and small enterprises	677.99	138.49
Total	**712.32**	**138.52**

Notes :

i) Trade payables mainly include amount payable towards traded goods and operation and maintenance vendors in whose case credit period allowed is less than 12 months. Interest is charged by such suppliers for amount unpaid beyond the credit period. Since the average credit period is less than 12 months, the trade payable amount has been classified as current.

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

Notes to the Standalone Financial Statements

for the year ended on 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

iii) Details of due to micro and small enterprises

On the basis of the information and records available with management, details of dues to micro and small enterprises as defined under the MSMED Act, 2006 are as below:

Particulars	As at 31st March, 2020	As at 31st March, 2019
Principal amount remaining unpaid to any supplier as at the year end.	0.11	0.03
Interest due thereon	-	-
Amount of interest paid in terms of section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year.	-	-
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under the MSMED.	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-
Amount of further interest remaining due and payable even in succeeding years.	-	-

25 Other Current Financial Liabilities

	As at 31st March, 2020	As at 31st March, 2019
Current maturities of Non-current borrowings (Refer note 19 and note (iii) below)	54.70	752.08
Interest accrued (Refer note (iii) below and note (i) of statement of cashflows)	9.40	7.49
Payable on purchase of Property, Plant and Equipments (including retention money)	3.35	3.47
Book Overdraft	-	98.44
Financial guarantee obligation liability	40.01	-
Fair value of derivatives not designated as hedges (Refer note (i) below)	-	5.86
Total	**107.46**	**867.34**

Notes :

i) Includes forward covers amounting to ₹ Nil (Previous year - ₹ 5.86 crores).

ii) The fair value of Other Financial Liabilities is not materially different from the carrying value presented.

iii) Also refer note 39 stating moratorium of interest and principal installments as per Reserve Bank of India circular dated 27th March, 2020.

26 Other Current Liabilities

	As at 31st March, 2020	As at 31st March, 2019
Statutory liabilities	8.29	0.30
Advance from Customers	0.33	0.01
Others	0.39	0.01
Total	**9.01**	**0.32**

27 Current Provisions

	As at 31st March, 2020	As at 31st March, 2019
Provision for Employee benefits		
Provision for Leave Encashment	1.28	1.18
Total	**1.28**	**1.18**

Notes to the Standalone Financial Statements

for the year ended on 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

28 Revenue from Operations

	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Revenue from power supply (Refer note below)	96.26	111.15
Revenue from traded goods	908.89	2,293.05
Other Operating Revenue	0.17	-
Total	**1,005.32**	**2,404.20**

Contract balances:

The following table provides information about receivables, contract assets and contract liabilities from the contracts with customers.

Particulars	As at 31st March, 2020	As at 31st March, 2019
Trade Receivables including receivable from trading goods	366.81	12.27
Contract Liabilities - advance from customer	0.33	0.01

Set out below is the amount of revenue recognised from :	As at 31st March, 2020	As at 31st March, 2019
Amount included in contract liabilities at the beginning of the year	0.01	40.28

Reconciliation of the amount of revenue recognised in the statement of profit and loss with the contracted price:

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Revenue as per contracted price (including trading sales)	1,006.53	2,405.46
Adjustments		
Discount on prompt payment	(1.21)	(1.26)
Revenue from contract with customers	**1,005.32**	**2,404.20**

29 Other Income

	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Interest Income (Refer note below)	876.29	1,063.81
Income from mutual funds	2.93	1.06
Sale of Scrap	0.04	0.74
Financial Guarantee Commission (amortised)	31.58	-
Miscellaneous Income	-	0.06
Total	**910.84**	**1,065.67**

Note :

Interest income of ₹ 876.29 crores (Previous year - ₹ 1,063.81 crores) comprises of interest on fixed deposits with banks ₹ 5.77 crores (Previous Year - ₹ 20.20 crores), interest on loans and advances ₹ 870.32 crores (Previous Year - ₹ 1,043.47 crores) and Interest on tax refunds of ₹ 0.20 crores (Previous Year - ₹ 0.14 crores).

Notes to the Standalone Financial Statements

for the year ended on 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

30 Changes in Inventories of Stock in Trade

	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Inventories at the beginning of the year		
- Traded Goods	-	70.34
Inventories at the end of the year		
- Traded Goods	-	-
Net Decrease	**-**	**70.34**

31 Employee Benefits Expenses

	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Salaries, Wages and Allowances	38.63	38.05
Contribution to Provident and Other Funds (Refer note 48)	1.64	1.36
Staff Welfare Expenses	1.34	1.11
Total	**41.61**	**40.52**

32 Finance costs

	For the year ended 31st March, 2020	For the year ended 31st March, 2019
(a) Interest Expenses on :		
Loans	1,173.18	1,191.70
Trade Credits and others	0.06	2.52
	1,173.24	**1,194.22**
(b) Other borrowing costs :		
(Gain) / Loss on Derivatives Contracts	(2.28)	6.43
Bank Charges and Other Borrowing Costs	3.57	11.64
	1.29	**18.07**
(c) Net loss on foreign currency transactions and translation (to the extent considered as finance cost)	0.70	26.75
	0.70	**26.75**
Total	**1,175.23**	**1,239.04**

Notes to the Standalone Financial Statements

for the year ended on 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

33 Other Expenses

	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Consumption of Stores and Spares	1.12	0.90
Repairs and Maintenance		
Plant and Equipment	2.58	1.40
Others	0.14	0.19
Expenses related to short term leases	0.80	-
Rent	-	0.54
Legal and Professional Expenses	53.38	25.98
Directors' Sitting Fees	0.15	0.16
Payment to Auditors (Refer Note 45)	0.79	0.74
Communication Expenses	1.30	0.15
Travelling and Conveyance Expenses	2.15	7.06
Insurance Expenses	0.28	0.55
Office expenses	1.10	0.14
Bad Debt Written Off	0.15	-
Foreign Exchange Fluctuation Loss (Net)	26.46	13.03
Loss on Sale / Retirement of Property, Plant and Equipment (net)	-	1.04
Corporate Social Responsibility Expenses (Refer note 49)	0.08	0.06
Electricity Expenses	0.17	0.02
Miscellaneous Expenses	2.25	36.47
Total	**92.90**	**88.43**

34 Exceptional Items

	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Write off of Advance (Refer note below)	1,002.99	-
Total	**1,002.99**	**-**

Notes :

Exceptional items aggregating to ₹ 1,002.99 crores during the year ended 31st March, 2020 represents adjustment of outstanding sale proceeds of 49% stake in Korba West Power Company Limited (now REGL) amounting to ₹ 263.69 crores, balance purchase consideration amount of ₹ 511.31 crores, part of subrogated loans given to Korba West Power Company Limited amounting to ₹ 130.80 crores and interest receivable of ₹ 97.19 crores on loans given to Korba West Power Company Limited. The Company has written off these balances / amounts during the year ended 31st March, 2020, subsequent to the resolution plan submitted by the Company and approved by the NCLT vide its Order dated 24th June, 2019.

35 Income Tax

The major components of income tax expense for the year ended 31st March, 2020 and 31st March, 2019 are:

Income Tax Expense :	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Current Tax:		
Current Income Tax Charge	-	-
Adjustments in respect of prior years	-	-
Total (a)	**-**	**-**
Deferred Tax		
In respect of current year origination and reversal of temporary differences	-	-
Total (b)	**-**	**-**
Total (a)+(b)	**-**	**-**

Notes to the Standalone Financial Statements

for the year ended on 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

	For the year ended 31st March, 2020	For the year ended 31st March, 2019
(Loss) before tax as per Statement of Profit and loss	**(1,340.56)**	**(225.23)**
Income tax using the Company's domestic tax rate @ 34.944% (Previous year rate @ 34.944%)	**(468.45)**	**(78.70)**
Tax Effect of :		
i) Deferred Tax asset not created on temporary differences / unabsorbed depreciation or carried forward losses	365.74	143.72
ii) Non-deductible expenses	316.57	(0.41)
iii) Tax Impact on Distribution to holders of Unsecured Perpetual Securities	(213.86)	(64.61)
Total Income tax recognised in Statement of Profit and Loss	**-**	**-**

36 Contingent liabilities, Commitments and Guarantees :

	As at 31st March, 2020	As at 31st March, 2019
1. Claims against the Company not acknowledged as debts in respect of:		
a. Income Tax demands (under appeal)	52.54	52.54
Total	**52.54**	**52.54**

i) Matters relating to Income Tax from AY 2008-09 to 2014-15 are being contested at various levels of Tax authorities.

ii) The possibility of outflow of resources embodying economic benefits is remote in above cases.

Commitments :

i) There are no outstanding capital commitments as at 31st March, 2020 and 31st March, 2019.

ii) The Company has given a commitment to lenders of REL that it will not transfer its 49% equity holding in REL except with the prior approval of lenders. The Company has similarly given a commitment to lenders of REGL that it will not transfer its 49% equity holding in REGL outside the Adani Group except with the prior approval of lenders.

Financial Guarantee :	As at 31st March, 2020	As at 31st March, 2019
Financial guarantees to the lenders of subsidiaries.	8,567.32	4,190.79

37 As at 31st March, 2020, the Company is carrying investment of ₹ 219.80 crores, Unsecured Perpetual Securities of ₹ 5,050.00 crores relating to its wholly owned subsidiary, Adani Power (Mundra) Limited ("APMuL") having power generation plants of 4620 MW. APMuL has reported loss of ₹ 1,426.11 crores for the year ended 31st March, 2020, and has accumulated losses of ₹ 12,215.13 crores as at 31st March, 2020 and the net worth of APMuL has been completely eroded based on the latest financial statements. Further as at 31st March, 2020, its current liabilities exceed current assets by ₹ 1,990.68 crores which includes net payables of ₹ 664.66 crores to related parties.

Notwithstanding the above, as per APMuL's Power Purchase Agreement (under Bid 1) of 1000 MW including Supplementary Power Purchase Agreement ('SPPA') signed on 5th December, 2018 with Gujarat Urja Vikas Nigam Limited ("GUVNL"), APMuL is allowed compensation for imported coal in terms of SPPA. In respect of the APMuL's Power Purchase Agreement (PPA) of 1424 MW with Uttar Haryana Bijli Vitran Nigam Limited and Dakshin Haryana Bijli Vitran Nigam Limited ("Haryana Discoms"), Central Electricity Regulatory Commission ("CERC") has allowed change in law claims towards shortage of coal under National Coal Distribution Policy ("NCDP"). APMuL has ability to sell power generated from 1320 MW capacity on merchant basis subsequent to termination of PPA / SPPA (under Bid 2) of 1234 MW with GUVNL w.e.f. 9thJuly, 2019. Accordingly, APMuL expects to sustain its operational performance from sale of power to GUVNL, Haryana Discoms and on merchant basis.

APMuL's power purchase agreement / SPPA (under Bid 2) with GUVNL got terminated vide order dated 2nd July, 2019 of Hon'ble Supreme Court of India ("SC") in the matter of civil appeal dated 8th November, 2011 with retrospective effect from January 2010. SC has allowed APMuL to claim compensatory tariff towards cancellation of PPA since January 2010, in accordance with section 62 of the Electricity Act, 2003 and the CERC (Terms and Conditions

Notes to the Standalone Financial Statements

for the year ended on 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

of Tariff) Regulation 2009. APMuL has filed the petition on 2nd September, 2019 with CERC for determination of compensatory tariff from the date of supply of power to GUVNL under the said PPA and as at reporting date, the compensation amount is pending to be decided in APMuL's favour. As at reporting date, the Company and GUVNL have both filed petitions with CERC to settle claims and contractual arrangement in terms of Bid 1 and Bid 2 and SC Order dated 2nd July, 2019.

In addition to above, management's long term assessment of recoverable amount of APMuL's power generation assets has factored better operational parameters such as coal prices, borrowing cost, power tariff, leading to better operational and financial performance of APMuL. The management believes that over foreseeable future, APMuL would be able to establish profitable operations and meet its liabilities as and when they fall due and hence, no provision / adjustment is considered necessary to the carrying value of the said investments aggregating to ₹ 5,269.80 crores as at 31st March, 2020.

38 The Company has determined the recoverable amounts of the Power Plants over its useful life under Ind AS 36, Impairment of Assets based on the estimates relating to tariff, operational performance of the Plants, life extension plans, inflation, terminal value etc. which are considered reasonable by the Management.

On a careful evaluation of the aforesaid factors, the Management of the Company has concluded that the recoverable values of the Power Plants is higher than their carrying amounts as at 31st March, 2020. However, if these estimates and assumptions were to change in future, there could be corresponding impact on the recoverable amounts of the Plants.

39 Due to outbreak of COVID-19 globally and in India, the Company has made initial assessment of likely adverse impact on economic environment in general and financial risks on account of COVID-19. The Company along with its subsidiaries is in the business of generation of electricity which is an essential service as emphasized by the Ministry of Power, Government of India. The availability of power plant to generate electricity as per the demand of the customers is important. Hence, the Company and its subsidiaries has ensured not only the availability of its power plant to generate power but has also continued to supply power during the period of lockdown, considering essential service as declared by the Government of India. The Company's subsidiaries has also received notices of force majeure from four State distribution entities entity ("Discom") which have been replied by the respective subsidiary entities and clarified that the said situation is not covered under force majeure clause, considering electricity falls under essential services vide notification dated 25th March, 2020 issued by Ministry of Home Affairs. The Power Ministry has also clarified on 6th April, 2020 that Discom will have to comply with the obligation to pay fixed capacity charges as per PPA. Further, the Reserve Bank of India has granted relief to borrowers by way of moratorium of interest and principal instalments falling due to banks and financial institution till May 2020. This will largely mitigate the stress on cash flows, if any, during the period of COVID-19. On long term basis also, the Company does not anticipate any major challenge in meeting its financial obligations. Basis above, the management has estimated its future cash flows for the Company which indicates no major change in the financial performance as estimated prior to COVID-19 impact and hence, the Company believes that there is no impact on its ability to continue as a going concern and meeting its liabilities as and when they fall due.

40 As at 31st March, 2020, the Company is carrying equity investment of ₹ 4,205.92 crores, Unsecured Perpetual Securities of ₹ 750.00 crores and outstanding loans of ₹ 627.39 crores relating to its wholly owned subsidiary APML, equity investment of ₹ 1,200 crores and Unsecured Perpetual Securities of ₹ 2,200 crores relating to its wholly owned subsidiary APRL, equity investment of ₹ 237.74 crores and outstanding loans of ₹ 2,193.73 crores relating to its wholly owned subsidiary REGL and equity investment of ₹ 53.19 crores and outstanding loans of ₹ 626.16 crores relating to its wholly owned subsidiary REL.

APML and APRL own and operate 3300 MW and 1320 MW coal based power plants respectively with major capacities tied up under power purchase agreements ("PPAs") for twenty five years with substantially fixed tariffs. The PPAs for these plants were made based on the commitments / understanding that domestic coal linkages would be available to meet the fuel requirements. However, adequate coal linkages could not be made available due to various reasons, including government policies, not attributable to the respective subsidiary companies. In response to the pleas to various regulatory authorities for compensating the losses due to above and orders passed thereof, the respective state electricity regulators have granted part relief on account of Change in Law. The Company's management believes that APML and APRL, based on availability of linkage coal shall continue to supply power under the Long Term PPAs and will be eligible for relief on account of Change in Law / Force Majeure to compensate the operating

Notes to the Standalone Financial Statements
for the year ended on 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

losses for shortage of domestic coal. Whilst the matter of APRL related to relief on account of Change in Law / Force Majeure is pending with APTEL and order is reserved, it is expected that equivalent amounts as recognised by APRL up to 31st March, 2020 will be ultimately recovered. As per the assessment by the Management, it would not be unreasonable to expect ultimate collection of an equivalent amount of relief. Having regard to above and the expectation that similar relief will continue to be available till existence of the aforesaid circumstances, the Management of the Company has concluded that no provision for impairment is considered necessary at this stage.

In addition to this, REL and REGL which are acquired during the current year owns and operates 1370 MW and 600 MW coal based power plants respectively. These Companies sell the power generated mainly on merchant basis and management expects that these companies would be able to generate adequate cashflows from future operations to meet its financial commitment.

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

Nature	Purpose	As at 31st March, 2020		As at 31st March, 2019	
		Amount	Foreign Currency (in Million)	Amount	Foreign Currency (in Million)
Forward contracts	Hedging of Trade credits, Acceptances, Creditors and future trade contracts	-	-	119.69	USD 17.31
		-		**119.69**	

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

	As at 31st March, 2020		As at 31st March, 2019	
	Amount	Foreign Currency (in Million)	Amount	Foreign Currency (in Million)
1. Import Creditors and Acceptances	527.58	USD 69.73	107.48	USD 15.54
	0.06	EUR 0.01	-	-
2. Loans under letters of credit	-	-	0.68	USD 0.10
	527.64		**108.16**	

42 **(i) Financial Risk Management Objective and Policies** :

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

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

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and commodity risk.

a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the part of Company's long-term debt obligations with floating interest rates.

The Company manages its interest rate risk by having a mixed portfolio of fixed and variable rate loans and borrowings.

Notes to the Standalone Financial Statements

for the year ended on 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

The sensitivity analysis have been carried out based on the exposure to interest rates for instruments not hedged against interest rate fluctuation at the end of the reporting period. The said analysis has been carried out on the amount of floating rate long term liabilities outstanding at the end of the reporting period. A 50 basis point increase or decrease represents management's assessment of the reasonably possible change in interest rates.

In case of fluctuation in interest rates by 50 basis points on the exposure on long term borrowings (having fluctuating rate) of ₹ 191.21 crores as on 31st March, 2020 (Previous year - ₹ 231.82 crores) and if all other variables were held constant, the Company's profit or loss for the year would increase or decrease as follows:

	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Impact on Profit / (Loss) for the year	0.96	1.16

b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities. The Company manages its foreign currency risk by hedging transactions that are expected to realise in future. The Company manages its foreign currency risk by entering into derivative contracts for converting INR loan into other foreign currency for taking advantage of lower cost of borrowing in stable currency environment. The Company also enters into various foreign exchange contracts to mitigate the risk arising out of foreign exchange rate movement on foreign currency borrowings and trade payables.

Every one percentage point depreciation / appreciation in the exchange rate between the Indian rupee and U.S.dollar on the exposure of $ 69.73 million as on 31st March, 2020 and $ 15.64 million as on 31st March, 2019, would have affected the Company's profit or loss for the year as follows:

	Impact of change in USD to INR rate	
	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Impact on Profit / (Loss) for the year	5.28	1.08

c) Commodity price risk

The Company is affected by the price volatility of commodities being traded. As it requires the on-going purchase or continuous sale of traded goods, the Company monitors its purchases closely to optimise the price.

Credit risk

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

The Company has receivables from State Electricity Boards which are Government undertakings, from related parties (Including subsidiaries) and against traded goods with very limited credit period and hence they are secured from credit losses in the future.

Liquidity risk

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

Notes to the Standalone Financial Statements
for the year ended on 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

Maturity profile of financial liabilities :

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

As at 31st March, 2020	Less than 1 year	1 to 5 years	More than 5 years	Total
Borrowings (Refer note 19 & 23)	2,643.72	3,112.85	-	5,756.57
Trade Payables	712.32	-	-	712.32
Other Financial Liabilities	52.76	125.87	79.96	258.59
As at 31st March, 2019	**Less than 1 year**	**1 to 5 years**	**More than 5 years**	**Total**
Borrowings (Refer note 19 & 23)	3,116.78	8,374.66	-	11,491.44
Trade Payables	138.52	-	-	138.52
Derivative instruments	5.86	-	-	5.86
Other Financial Liabilities	109.40	51.00	-	160.40

(ii) Capital management :

The Company's objectives when managing capital is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth. The Company's overall strategy remains unchanged from previous year.

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

The funding requirements are met through a mixture of equity, perpetual debt, internal fund generation and other long term. The Company monitors capital and long term debt on the basis of the debt to equity ratio.

The debt equity ratio at the end of the reporting period is as follows :

	As at 31st March, 2020	As at 31st March, 2019
Debt (Refer note (i) below)	3,167.55	9,126.74
Total Capital (Refer note (ii) below)	15,790.38	17,127.83
Debt Equity Ratio (in times)	**0.20**	**0.53**

(i) Debt is defined as Non-current borrowings (including current maturities).

(ii) Capital is defined as Equity share capital, Unsecured perpetual securities and other equity including reserves and surplus.

The Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest bearing loans and borrowings that define capital structure requirement.

Notes to the Standalone Financial Statements

for the year ended on 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

43 Fair Value Measurement :

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

Particulars	Fair Value through other Comprehensive income	Fair Value through profit or loss	Amortised cost	Total
Financial Assets				
Cash and cash equivalents	-	-	7.30	7.30
Bank balances other than cash and cash equivalents	-	-	93.72	93.72
Trade Receivables	-	-	366.81	366.81
Loans	-	-	3,231.14	3,231.14
Other Financial assets	-	-	3.40	3.40
Total	**-**	**-**	**3,702.37**	**3,702.37**
Financial Liabilities				
Borrowings	-	-	5,756.57	5,756.57
Trade Payables	-	-	712.32	712.32
Other Financial Liabilities	-	-	258.59	258.59
Total	**-**	**-**	**6,727.48**	**6,727.48**

b) The carrying value of financial instruments by categories as of 31st March, 2019 is as follows :

Particulars	Fair Value through other Comprehensive income	Fair Value through profit or loss	Amortised cost	Total
Financial Assets				
Cash and cash equivalents	-	-	4.45	4.45
Bank balances other than cash and cash equivalents	-	-	124.35	124.35
Trade Receivables	-	-	12.27	12.27
Loans	-	-	9,777.03	9,777.03
Other Financial assets	-	-	1,207.69	1,207.69
Total	**-**	**-**	**11,125.79**	**11,125.79**
Financial Liabilities				
Borrowings	-	-	11,491.44	11,491.44
Trade Payables	-	-	138.52	138.52
Derivative instruments	-	5.86	-	5.86
Other Financial Liabilities	-	-	160.40	160.40
Total	**-**	**5.86**	**11,790.36**	**11,796.22**

The Carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are reasonable approximation of their fair value, since the Company does not anticipate that the carrying amount would be significantly different from the values that would eventually be received or settled.

Notes to the Standalone Financial Statements

for the year ended on 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

44 Level wise disclosure of fair value for financial instruments requiring fair value measurement/ disclosure :

There were no outstanding derivative instruments as at 31st March, 2020. Details of derivative instruments as at 31st March, 2019 is as follows:

Particulars	As at 31st March, 2019			
Liabilities	Level 1	Level 2	Level 3	Total
Derivative instruments	-	5.86	-	5.86
Total	**-**	**5.86**	**-**	**5.86**

The fair values of the financial assets and financial liabilities included in the level 2 and level 3 categories above have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties.

The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves and forward rates.

There have been no transfers between Level 1 and Level 2 during the period.

45 Payment to auditors (including GST)

	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Audit fees	0.22	0.25
Audit fees for limited reviews	0.46	0.38
Fees for certificates and other services	0.08	0.10
Out of pocket expenses	0.03	0.01
	0.79	**0.74**

46 Earnings per share

		For the year ended 31st March, 2020	For the year ended 31st March, 2019
Basic and Diluted EPS			
(Loss) for the year	Amount (₹ in Crores)	(1,340.56)	(225.23)
Less : Distribution on Perpetual Securities (including paid ₹ 612.01 crores (previous year ₹ 184.90 crores))	Amount (₹ in Crores)	884.25	254.65
(Loss) attributable to equity shareholders after distribution on Perpetual Securities	Amount (₹ in Crores)	(2,224.81)	(479.88)
Weighted average number of equity shares outstanding during the year	No	3,85,69,38,941	3,85,69,38,941
Nominal Value of equity share	₹	10	10
Basic and Diluted EPS	₹	(5.77)	(1.24)

47 As per para 4 of Ind AS 108 "Operating Segments", if a single financial report contains both consolidated financial statements and the separate financial statements of the Parent Company, segment information may be presented on the basis of the consolidated financial statements. Thus, the information related to disclosure of operating segments require under Ind AS 108, is given in Consolidated Financial Statements.

Notes to the Standalone Financial Statements
for the year ended on 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

48 As per Ind AS - 19 "Employee Benefits", the disclosures are given below.

(a) (i) Defined Benefit Plan

The Company operates a defined benefit plan (the Gratuity plan) covering eligible employees, which provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment.

The status of gratuity plan as required under Ind AS-19 :

Particulars	As at 31st March, 2020	As at 31st March, 2019
i. Reconciliation of Opening and Closing Balances of defined benefit obligation		
Present Value of Defined Benefit Obligations at the beginning of the Year	4.48	3.90
Current Service Cost	0.61	0.59
Interest Expense / Cost	0.29	0.28
Liability Transferred In from other companies	-	0.31
Liability Transferred Out to other companies	(0.74)	(0.69)
Benefits paid	(0.29)	(0.90)
Re-measurement (or Actuarial) (gain) / loss arising from:		
change in demographic assumptions	0.01	(0.01)
change in financial assumptions	(0.18)	0.55
experience variance (i.e. Actual experience vs assumptions)	0.05	0.45
Present Value of Defined Benefit Obligations at the end of the Year	**4.23**	**4.48**
ii. Reconciliation of Opening and Closing Balances of the Fair value of Plan assets		
Fair Value of Plan assets at the beginning of the Year	17.91	17.62
Investment Income	1.36	1.37
Benefits paid	(0.29)	(0.90)
Actuarial gain/(loss) on plan assets	-	(0.18)
Fair Value of Plan assets at the end of the Year	**18.98**	**17.91**
iii. Reconciliation of the Present value of defined benefit obligation and Fair value of plan assets		
Present Value of Defined Benefit Obligations at the end of the Year	4.23	4.48
Fair Value of Plan assets at the end of the Year	18.98	17.91
Net Asset / (Liability) recognised in balance sheet as at the end of the year	14.75	13.43
iv. Composition of Plan Assets		
100% of Plan Assets are administered by Life Insurance Corporation of India		
v. Gratuity (gain) for the year		
Current service cost	0.61	0.59
Interest cost	0.29	0.28
Investment Income	(1.36)	(1.37)
Net Gratuity (gain) recognised in the statement of Profit and Loss	(0.46)	(0.50)
vi. Other Comprehensive Income		
Actuarial (gains) / losses		
change in demographic assumptions	0.01	(0.01)
change in financial assumptions	(0.18)	0.55
experience variance (i.e. Actual experience vs assumptions)	0.05	0.45
Return on plan assets, excluding amount recognised in net interest expense	-	0.18
Components of defined benefit costs recognised in other comprehensive income	(0.12)	1.17
vii. Actuarial Assumptions		
Discount Rate (per annum)	6.70%	7.60%
Expected annual Increase in Salary Cost	7.00%	8.50%
Attrition / Withdrawal rate (per annum)	4.62%	5.50%
Mortality Rates as given under Indian Assured Lives Mortality (2012-14) Ultimate Retirement Age 58 Years.		

Notes to the Standalone Financial Statements

for the year ended on 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

viii. Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

Particulars	As at 31st March, 2020	As at 31st March, 2019
Defined Benefit Obligation (Base)	4.23	4.48

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%)	4.57	3.94	4.86	4.16
Salary Growth Rate (- / + 1%)	3.94	4.57	4.16	4.86
Attrition Rate (- / + 50%)	4.27	4.20	4.57	4.42
Mortality Rate (- / + 10%)	4.24	4.24	4.49	4.49

ix. Asset Liability Matching Strategies

The Company has purchased insurance policy, which is basically a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance company, as part of the policy rules, makes payment of all gratuity outgoes happening during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Company is exposed to movement in interest rate (in particular, the significant fall in interest rates, which should result in a increase in liability without corresponding increase in the asset).

x. Effect of Plan on Entity's Future Cash Flows

a) Funding arrangements and Funding Policy

The Company has purchased an insurance policy to provide for payment of gratuity to the employees. Every year, the insurance company carries out a funding valuation based on the latest employee data provided by the Company. Any deficit in the assets arising as a result of such valuation is funded by the Company.

b) Expected Contribution during the next annual reporting period

The Company's best estimate of Contribution during the next year is ₹ Nil.

c) Maturity Profile of Defined Benefit Obligation

Weighted average duration (based on discounted cash flows) - 7 years.

Expected cash flows over the next (valued on undiscounted basis):	Amount
1 year	0.88
2 to 5 years	1.41
6 to 10 years	1.45
More than 10 years	3.91

Notes to the Standalone Financial Statements

for the year ended on 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

xi. The Company has defined benefit plan for Gratuity to eligible employees, the contributions for which are made to Life Insurance Corporation of India who invests the funds as per Insurance Regulatory Development Authority guidelines.

The discount rate is based on the prevailing market yields of Government of India's securities as at the balance sheet date for the estimated term of the obligations.

(b) Defined Contribution Plan

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

	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Employer's Contribution to Provident Fund	2.11	1.76
Employer's Contribution to Superannuation Fund	0.04	0.05
	2.15	**1.81**

49 Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, a corporate social responsibility (CSR) committee has been formed by the Company. The Company is not required to incur any CSR expense as per the requirement of Section 135 of Companies Act, 2013.

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Gross amount as per the limits of Section 135 of the Companies Act, 2013	-	-
i) Amount contributed		
(a) Construction/acquisition of any assets	-	-
(b) On purpose other than (a) above	0.08	0.06
Total amount contributed during the year	**0.08**	**0.06**

50 The details of loans and advances of the Company outstanding at the end of the year, in terms of regulation 53 (F) read together with para A of Schedule V of SEBI (Listing Obligation and Disclosure Regulation, 2015).

Name of the Company and Relationship	Outstanding amount		Maximum amount outstanding during the year	
	As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2020	As at 31st March, 2019
Adani Power Maharashtra Limited (Subsidiary)	627.39	1,768.66	1,768.66	3,903.32
Adani Power Rajasthan Limited (Subsidiary)	-	-	-	2,499.54
Adani Power (Jharkhand) Limited (Subsidiary)	-	7.29	175.33	564.05
Adani Power (Mundra) Limited (Subsidiary)	-	6,465.05	7,931.98	9,026.47
Pench Thermal Energy (MP) Limited (formerly known as Adani Pench Power Limited) (Subsidiary)	1.63	-	1.63	-
Kutchh Power Generation Limited (Subsidiary)	-	-	0.01	-
Raipur Energen Limited (Subsidiary)	626.16	-	626.16	-
Raigarh Energy Generation Limited (Subsidiary) (Refer note below)	2,193.73	-	2,193.73	-
	3,448.91	**8,241.00**	**12,697.50**	**15,993.38**

Note :

The Company had outstanding loan of ₹ 1,584.18 crores as at 31st March, 2019 given to Korba West Power Company Limited, which has subsequently been acquired by the Company and named as Raigarh Energy Generation Limited.

Notes to the Standalone Financial Statements

for the year ended on 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

51 The Company has reported losses of ₹ 1,340.56 crores and ₹ 225.23 crores for the year ended 31st March, 2020 and for the year ended 31st March, 2019, respectively. The Company has 40 MW solar plant and it has continued to operate 12,450 MW Thermal Power Undertaking through its wholly owned subsidiaries, although the operational performance has got impacted due to fluctuations in international and domestic coal prices, billable compensatory tariff / change in law claims on discoms for various additional cost components incurred. Further, as at 31st March, 2020, its current liabilities exceed current assets by ₹ 2,941.13 crores, which includes net payable of ₹ 2,399.04 crores for related parties.

Notwithstanding the above, the financial statements of the Company have been prepared on a going concern basis as the management believes that in view of the Supplemental Power Purchase Agreements with GUVNL for supply of 1200 MW capacity of power in case of APMuL, realisation of past dispute claims due to favourable order from regulatory authorities (including expected claim for compensation in respect of retrospective cancellation of Bid 2 PPA as per section 62 of Electricity Act, 2003) over the foreseeable future in case of APMuL, APML, UPCL and APRL, the Company would be able to establish profitable operations in its subsidiaries and will meet its financial obligations in next twelve months based on continued support from various stakeholders including unconditional financial support from the Adani Group and availability of financing from lenders as may be required to sustain its operations on a going concern basis.

52 Related party transactions

a. List of related parties and relationship

Description of relationship	Name of Related Parties
Controlling Entity (through direct and indirect control)	S. B. Adani Family Trust ("SBAFT")
Subsidiaries	Adani Power Maharashtra Limited
	Adani Power Rajasthan Limited
	Adani Power Resources Limited
	Adani Power (Mundra) Limited
	Udupi Power Corporation Limited
	Adani Power (Jharkhand) Limited
	Adani Power Dahej Limited (w.e.f 29th March, 2019)
	Pench Thermal Energy (MP) Limited (Formerly known as Adani Pench Power Limited) (w.e.f 29th March, 2019)
	Kutchh Power Generation Limited (w.e.f 29th March, 2019)
	Raipur Energen Limited (Formerly known as GMR Chhattisgarh Energy Limited) (w.e.f 2nd August, 2019)
	Raigarh Energy Generation Limited (Formerly known as Korba West Power Company Limited) (w.e.f 20th July, 2019)
Entities on which Ultimate controlling entity or one or more Key Management Personnel ("KMP") have a significant influence / control	Adani Properties Private Limited
	Adani Agrifresh Limited
	Adani Bunkering Private Limited
	Adani Enterprises Limited
	Adani Infra India Limited
	Adani Infrastructure Management Services Limited
	Adani Rail Infra Private Limited
	Adani Ports & SEZ Limited
	Parsa Kante Rail Infra Private Limited
	Adani Green Energy (Tamilnadu) Limited
	Adani Transmission (India) Limited
	Mundra Solar PV Limited
	MPSEZ Utilities Private Limited
	Adani Electricity Mumbai Limited
	Adani Gas Limited

Notes to the Standalone Financial Statements
for the year ended on 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

Description of relationship	Name of Related Parties
	Adani Renewable Energy Park Rajasthan Limited
	Ghatampur Transmission Limited
	Adani Kandla Bulk Terminal Private Limited
	Adani Petronet (Dahej) Port Private Limited
	Kamuthi Solar Power Limited
	Mundra Solar Technopark Private Limited
	Adani Global PTE Limited
	Adani Global FZE
	Parampujya Solar Energy Private Limited
	Adani Transmission Limited
	Adani Hospitals Mundra Limited
	Adani Wilmar Limited
	Prayatna Developers Private Limited
	Golden Valley Agro Tech Private Limited
	Maharashtra Eastern Grid Power Transmission Company Limited
	Adani Green Energy (UP) Limited
	Wardha Solar (Maharashtra) Private Limited
	Adani Hazira Port Private Limited
	Adani Synenergy Limited
	Adani Infrastructure And Developers Private Limited
	Chhattisgarh - WR Transmission Limited
	Adani Transport Limited
	Raipur - Rajnandgaon - Warora Transmission Limited
	Adani Welspun Exploration Limited
	Adani Finserve Private Limited
	Karnavati Aviation Private Limited
	Shanti Builders
	Adani Agri Logistics (MP) Limited
	Adani Mundra SEZ Infrastructure Private Limited
	The Dhamra Port Company Limited
	Adani Logistics Limited
	Adani Institute of Infrastructure Management
	Gujarat Adani Institute of Medical Sciences
	Adani Township and Real Estate Company Private Limited
	Mundra Solar Technopark Private Limited
KMP	Mr. Gautam S. Adani, Chairman
	Mr. Rajesh S. Adani, Managing Director
	Mr. Vneet S Jaain, Whole-time Director
	Mr. Suresh Jain, Chief Financial Officer (W.e.f. 30th May, 2019)
	Mr. Rajat Kumar Singh. Chief Financial Officer (Upto 29th May, 2019)
	Mr. Deepak Pandya, Company Secretory
	Mr. Raminder Singh Gujral, Independent Director
	Mr. Mukesh Shah, Independent Director
	Ms. Gauri Trivedi, Independent Director
	Ms. Nandita Vohra, Independent Director (Upto 14th October, 2018)

Notes to the Standalone Financial Statements

for the year ended on 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

b. Transactions with related parties

Sr No.	Particulars	For the year ended 31st March, 2020			For the year ended 31st March, 2019		
		With Direct Subsidiaries	Entities on which Ultimate controlling entity or one or more ("KMP") have a significant influence / control	KMP	With Direct Subsidiaries	Entities on which Ultimate controlling entity or one or more ("KMP") have a significant influence / control	KMP
1	Investment in Subsidiary	435.16	-	-	-	-	-
2	Borrowing Taken	4,457.74	3,161.02	-	3,191.32	11,754.23	-
3	Borrowing Repaid Back	3,788.85	6,122.40	-	1,919.06	8,308.54	-
4	Interest Expense on Loan	191.36	369.36	-	80.33	422.31	-
5	Interest expenses - Others	-	-	-	-	1.99	-
6	Loan Given	14,031.81	-	-	20,035.63	-	-
7	Loan Received Back	20,136.30	-	-	11,303.78	-	-
8	Interest Income	870.32	-	-	889.13	-	-
9	Sale of Goods	447.09	32.49	-	2,273.81	19.68	-
10	Purchase of Goods (Including Traded goods)	-	32.44	-	0.01	2,268.86	-
11	Rendering of Service	5.17	-	-	-	-	-
12	Receiving of Services	-	11.82	-	-	19.72	-
13	Conversion of Borrowing to equity investment in Subsidiary	175.00	-	-	1,065.00	-	-
14	Conversion of Borrowing to Unsecured Perpetual Securities	-	-	-	-	5,450.00	-
15	Conversion of loan to investment in unsecured perpetual securities	-	-	-	8,000.00	-	-
16	Unsecured Perpetual Securities issued	-	615.00	-	-	5,450.00	-
17	Distribution to holder of Unsecured Perpetual Securities	-	612.01	-	-	184.90	-
18	Repayments of Unsecured Perpetual Securities	-	-	-	-	2,900.00	-
19	Financial Guarantee given on behalf of Subsidiary	12,825.42	-	-	5,966.00	-	-
20	Investment in Debenture	-	-	-	-	323.82	-
21	Compensation of Key Management Personnel						
a	Short-term benefits	-	-	5.02	-	-	3.72
b	Post-employment benefits	-	-	0.49	-	-	0.06
c	Director sitting fees	-	-	0.14	-	-	0.16

The above transactions do not include reimbursement of expenses.

Notes to the Standalone Financial Statements

for the year ended on 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

c. Balances with Related Parties :

Sr No.	Particulars	As at 31st March, 2020		As at 31st March, 2019	
		With Direct Subsidiaries	Entities on which Ultimate controlling entity or one or more ("KMP") have a significant influence / control	With Direct Subsidiaries	Entities on which Ultimate controlling entity or one or more ("KMP") have a significant influence / control
1	Borrowings	2,492.52	1,153.73	1,823.63	4,115.12
2	Loans given	3,230.92	-	8,190.98	-
	Receivables				
3	Trade and Other receivables	179.39	34.40	5.55	0.51
4	Security Deposit and Advances	-	1.66	-	1.00
5	Interest Receivable	0.48	-	-	-
	Payables				
6	Trade and Other Payables	0.57	120.91	0.38	132.29
7	Interest Payable	0.01	-	-	36.12
	Perpetual Securities				
8	Investment in Perpetual Securities	8,000.00	-	8,000.00	-
9	Issuance of Perpetual Securities	-	8,615.00	-	8,000.00
	Financial Guarantee				
10	Financial Guarantee given on behalf of Subsidiary	18,791.42	-	5,966.00	-

Notes :

i) Except for secured loan given to subsidiary of ₹ 57.72 crores, the other balances outstanding are unsecured and will be settled in cash or kind.

ii) Accrued Interest for the year of ₹ 302.83 crores (Previous year - ₹ 428.30 crores) and ₹ 467.11 crores (Previous year - ₹ 739.09 crores) on ICD taken and given respectively from / to related parties, have been converted to the ICD balances as on reporting date as per the terms of Contract.

53 According to the management's evaluation of events subsequent to the balance sheet date, there were no significant adjusting events that occurred other than those disclosed/given effect to, in these financial statements as of 27th April, 2020.

In terms of our report attached
For S R B C & Co LLP
Firm Registration No. : 324982E/E300003
Chartered Accountants

per NAVIN AGRAWAL
PARTNER
Membership No. : 056102

Place : BENGALURU
Date : 27th April, 2020

For and on behalf of the Board of Directors

GAUTAM S. ADANI
CHAIRMAN
DIN : 00006273

RAJESH S. ADANI
MANAGING DIRECTOR
DIN : 00006322

SURESH JAIN
CHIEF FINANCIAL OFFICER

DEEPAK PANDYA
COMPANY SECRETARY

Place : AHMEDABAD
Date : 27th April, 2020

Independent Auditor's Report

To the Members of Adani Power Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Adani Power Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the consolidated Balance sheet as at March 31 2020, 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 notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "consolidated financial statements").

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

Basis for Opinion

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

Emphasis of Matter

We draw attention to Note 46 of the consolidated financial statements, as regards the management's evaluation of COVID-19 impact on the future performance of the Group. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2020. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matters	How our audit addressed the key audit matter
Revenue Recognition and assessment of recoverability of receivables related to change in law claims	
The subsidiaries of the Group, having Power Purchase Agreements are eligible for claims under various Change in Law events, which are having cost implications on generation and supply of power such as duties and taxes, incremental cost of power generation, etc., due to purchase of alternative coal in terms of the framework of Power Purchase Agreements entered by the respective subsidiaries with the various Discoms. Such claims are raised by the Group upon approval thereof by the relevant Regulatory Authorities. The revenue includes sale of energy from thermal power plants based on tariff rates approved by Central Electricity Regulatory Commission (CERC) as modified by the orders of Appellate Authorities. However, in cases where tariff rates are yet to be approved, provisional rates are adopted considering the applicable CERC Tariff Regulations. The recognition and measurement of such claims on account of change in law events and carrying costs thereof, involves management judgement and estimation of operational / cost parameters based on qualitative parameters approved in the relevant Regulatory Authorities Orders and are subject to final acceptance of the claims by the respective Discoms. Thus, the receivables from Discoms are subject to adjustments to the extent there may be adverse impact on account of appeals with the regulatory authorities. In certain cases where the regulatory order is subject matter of appeal with higher appellate forums / authorities, and the amount of claim is not ascertainable, revenues for change in law claims are not recognized, pending outcome of the final decision. In view of the complexity and judgement involved in estimation of the amounts of such claims and recoverability thereof, the same is considered as a key audit matter. Also, refer note 3(vi), 11 and 32 to the consolidated financial statements.	Our audit procedures in response to this key audit matter included, but were not limited to: - Obtained understanding of the key controls management has in place to monitor change in law events and orders thereof, status of appeals seeking claims and approval orders passed by various regulatory authorities. - Inspected the relevant state regulatory commission, CERC, appellate tribunal and court rulings and examined management assumptions / judgement relating to various parameters in terms of regulatory orders, for measuring / estimating the amount of such claims/ power tariff. - Verified the underlying parameters and assumptions / judgement used for measuring / computing the amounts of claims as per regulatory orders through verification of historical information and other available internal and external data. - Tested on sample basis, the accuracy of the underlying data used for computation of such claims. - Tested the joint reconciliations for trade receivables performed by the Group with the Discoms, wherever available with underlying records. - Tested the status of the outstanding receivables and recoverability of the overdue / aged receivables through inquiry with management, and collection trends in respect of receivables.
Evaluation of impairment of property, plant and equipment	
As at March 31, 2020, the Carrying value of the Property, Plant and Equipment (PPE) of Adani Power (Mundra) Limited ("APMuL"), a wholly owned subsidiary of the Holding Company is ₹ 19,403.53 crores. To assess if there is an impairment in the carrying value of PPE, management conducts impairment tests at CGU level annually or whenever there are changes in circumstances or events indicate that, the carrying value of PPE may require evaluation to verify recoverability. An impairment loss is recognized if the recoverable amount of PPE is lower than the carrying value.	Our audit procedures included the following: - We evaluated the Management's internal controls over its annual impairment assessment and key assumptions applied such as revenue growth, operating margins, discount rates, estimated life of PPE and terminal growth rates; - We obtained valuation model prepared by the management and engaged our valuation specialists to evaluate the appropriateness of valuation methodology applied in impairment testing and to test the key assumptions around expected long term growth rates, discount rates etc.

Independent Auditor's Report (Contd.)

Key audit matters	How our audit addressed the key audit matter
The recoverable amount of the CGU is evaluated by calculating the value in use of the CGU to which carrying value of PPE is attributable along with estimating the amount of compensation that APMuL would be eligible to recover from Gujarat Urja Vikas Nigam Limited towards the compensation under section 62 of the Electricity Act, 2003 and CERC (Terms and Conditions of Tariff) Regulations, 2009, as held by the Supreme Court of India in its order in the matter of termination, with retrospective effect, of Bid 2 Power Purchase Agreement entered with Gujarat Urja Vikas Nigam Limited. This is a key audit matter as the testing of impairment of carrying value of PPE is complex and involves significant judgement. The key assumptions involved in impairment test are projected revenue growth, operating margins, estimated life of PPE, discount rates and terminal value and expected amount of compensation to be realized from termination of Bid 2 Power Purchase Agreement entered with Gujarat Urja Vikas Nigam Limited. Also, refer note 45(a) to the consolidated financial statements.	- We discussed potential changes in key drivers with management in order to evaluate the suitability of inputs and assumptions used in the cash flow forecasts and performed sensitivity analysis around the key assumptions used by management. - Read the relevant order of the Honourable Supreme Court of India in respect of the termination with retrospective effect of the Bid 2 Power Purchase Agreement entered between APMuL and Gujarat Urja Vikas Nigam Limited. Analysed the computation of claim worked out by the management in accordance with section 62 of the Electricity Act, 2003 and CERC (Terms and Conditions of Tariff) Regulations, 2009, and performed sensitivity analysis for the possible claim amount. - Assessed the disclosures made by the management for compliance with relevant accounting standards.

Information Other than the Financial Statements and Auditor's Report Thereon

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

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

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

Responsibilities of Management for the Consolidated financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended including the Companies (Indian Accounting Standards) Amendment Rules, 2019. 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 of 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated 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 financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance of companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other

Independent Auditor's Report (Contd.)

matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2020 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

We did not audit the financial statements and other financial information, in respect of 8 subsidiaries, whose financial statements include total assets of ₹ 12,976.35 crores as at March 31, 2020, and total revenues of ₹ 1,270.79 crores and net cash inflows of ₹ 748.50 crores for the year/period ended on that date. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of such other auditors.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

(a) We/the other auditors whose report we have relied upon, have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

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

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

(d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended including the Companies (Indian Accounting Standards) Amendment Rules, 2019;

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2020 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, none of the directors of the Group's companies incorporated in India are disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated financial statements of the Holding Company and its subsidiary companies, incorporated in India, refer to our separate Report in "Annexure 2" to this report;

(g) The Holding Company has not paid any managerial remuneration to its directors during the year, and hence the provisions of section 197 read with Schedule V of the Act are not applicable to the Holding Company for the year ended March 31, 2020. In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries incorporated in India, the managerial remuneration for the year ended March 31, 2020 has been paid/ provided by the subsidiaries incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, as noted in the 'Other matter' paragraph:

i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, in its consolidated financial statements – Refer Note 43 to the consolidated financial statements;

ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 22 and 23 to the consolidated financial statements in respect of such items as it relates to the Group,

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiaries, incorporated in India during the year ended March 31, 2020.

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

per Navin Agrawal
Partner
Membership Number: 056102
UDIN: 20056102AAAAAT5672

Place: Bengaluru
Date: April 27, 2020

Independent Auditor's Report Annexure 1

To the Independent Auditor's Report of Even Date on the Consolidated Financial Statements of Adani Power Limited

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

In conjunction with our audit of the consolidated financial statements of Adani Power Limited as of and for the year ended March 31, 2020, we have audited the internal financial controls over financial reporting of Adani Power Limited (hereinafter referred to as the "Holding Company") and its subsidiary companies which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting with reference to these consolidated financial statements 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, specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, 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 with reference to these consolidated financial statements 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 over financial reporting with reference to these consolidated financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls over financial reporting with reference to these consolidated financial statements.

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Consolidated Financial Statements

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these Consolidated Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these consolidated financial statements, 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 with reference to these consolidated financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these consolidated financial statements 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, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls over financial reporting with reference to these consolidated financial statements and such internal financial controls over financial reporting with reference to these consolidated financial statements were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated financial statements in so far as it relates to seven subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries incorporated in India.

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

per Navin Agrawal
Partner
Membership Number: 056102
UDIN: 20056102AAAAAT5672

Place: Bengaluru
Date: April 27, 2020

Consolidated Balance Sheet

as at 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

Particulars	Notes	As at 31st March, 2020	As at 31st March, 2019
ASSETS			
Non-current Assets			
(a) Property, Plant and Equipment	4.1	55,571.10	50,224.25
(b) Capital Work-In-Progress	4.1	2,346.77	350.08
(c) Goodwill		190.61	190.61
(d) Intangible Assets	4.2	84.10	3.90
(e) Financial Assets			
(i) Investments	5	0.01	0.01
(ii) Loans	6	-	1,584.18
(iii) Other Financial Assets	7	427.91	1,376.62
(f) Other Non-current Assets	8	1,811.32	1,052.42
Total Non-current Assets		**60,431.82**	**54,782.07**
Current Assets			
(a) Inventories	9	2,522.77	1,224.08
(b) Financial Assets			
(i) Investments	10	2.79	2.71
(ii) Trade Receivables	11	8,366.47	8,550.99
(iii) Cash and Cash Equivalents	12	941.10	24.54
(iv) Bank balances other than (iii) above	13	1,038.21	891.34
(v) Loans	14	3.05	5.70
(vi) Other Financial Assets	15	767.65	1,573.29
(c) Other Current Assets	16	951.14	925.68
Total Current Assets		**14,593.18**	**13,198.33**
Assets classified as held for sale	17	-	4.20
Total Assets		**75,025.00**	**67,984.60**
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	18	3,856.94	3,856.94
(b) Unsecured Perpetual Securities	19	8,615.00	8,000.00
(c) Other Equity	20	(5,991.50)	(4,144.65)
Equity attributable to equity holders of the parent		**6,480.44**	**7,712.29**
(d) Non - Controlling Interests	41	0.01	-
Total Equity		**6,480.45**	**7,712.29**
LIABILITIES			
Non-current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	21	44,566.34	36,410.27
(ii) Other Financial Liabilities	22	339.21	62.86
(b) Provisions	23	88.43	61.48
(c) Deferred Tax Liabilities (Net)	24	266.07	178.49
(d) Other Non-current Liabilities	25	5,095.35	5,399.41
Total Non-current Liabilities		**50,355.40**	**42,112.51**
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	26	7,801.81	7,073.53
(ii) Trade Payables	27		
- total outstanding dues of micro enterprises and small enterprises		28.21	3.17
- total outstanding dues of creditors other than micro enterprises and small enterprises		5,567.84	6,358.57
(iii) Other Financial Liabilities	28	4,118.70	4,036.65
(b) Other Current Liabilities	29	603.18	608.53
(c) Provisions	30	39.44	11.20
(d) Current Tax Liabilities (Net)	31	29.97	68.15
Total Current Liabilities		**18,189.15**	**18,159.80**
Total Liabilities		**68,544.55**	**60,272.31**
Total Equity and Liabilities		**75,025.00**	**67,984.60**

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

In terms of our report attached
For S R B C & CO LLP
Firm Registration No. : 324982E/E300003
Chartered Accountants

per NAVIN AGRAWAL
PARTNER
Membership No. 056102

Place : Bengaluru
Date : 27th April, 2020

For and on behalf of the Board of Directors

GAUTAM S. ADANI
CHAIRMAN
DIN : 00006273

RAJESH S. ADANI
MANAGING DIRECTOR
DIN : 00006322

SURESH JAIN
CHIEF FINANCIAL OFFICER

DEEPAK PANDYA
COMPANY SECRETARY

Place : Ahmedabad
Date : 27th April, 2020

Consolidated Statement of Profit and Loss

for the year ended 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

Particulars	Notes	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Income			
Revenue from Operations	32	26,467.72	23,884.18
Other Income	33	1,374.09	2,477.45
Total Income		**27,841.81**	**26,361.63**
Expenses			
Fuel Cost		17,580.39	15,949.28
Purchase of Stock in trade / Power for resale	34	467.10	809.91
Transmission Charges		621.82	437.29
Employee Benefits Expense	35	426.82	363.28
Finance Costs	36	5,314.82	5,656.52
Depreciation and Amortisation Expense	4.1, 4.2	3,006.50	2,750.62
Other Expenses	37	1,686.29	1,370.59
Total Expenses		**29,103.74**	**27,337.49**
(Loss) from operations before exceptional items, tax and Deferred tax recoverable from future tariff		**(1,261.93)**	**(975.86)**
Less : Exceptional Items	38	1,002.99	-
(Loss) before tax and Deferred tax recoverable from future tariff		**(2,264.92)**	**(975.86)**
Tax Expense			
Current Tax	39	24.68	68.26
Excess provision for earlier years written back		(7.33)	-
Deferred Tax	24	38.19	(34.34)
Total Tax Expense		**55.54**	**33.92**
Deferred tax recoverable from future tariff (net of tax)	58	(45.69)	(25.38)
(Loss) for the year		**(2,274.77)**	**(984.40)**
Other Comprehensive Income / (Loss)			
(a) Items that will not be reclassified to profit or loss			
Remeasurement gain / (loss) of defined benefit plans	52	1.26	(7.74)
Income tax impact		(0.14)	-
Other comprehensive gain / (loss) that will not be reclassified to profit or loss		**1.12**	**(7.74)**
(b) Items that will be reclassified to Profit or Loss			
Net gain on effective portion of Cash Flow Hedges		9.20	-
Income tax impact		-	-
Other comprehensive gain that will be reclassified to profit or loss		**9.20**	**-**
Other comprehensive gain / (loss) for the year, net of tax		**10.32**	**(7.74)**
Total Comprehensive (Loss) for the year		**(2,264.45)**	**(992.14)**
Net (Loss) for the year attributable to:			
Equity holders of the parent		(2,274.77)	(984.40)
Non - Controlling interest		*	-
Other Comprehensive Gain / (Loss) for the year attributable to:			
Equity holders of the parent		10.32	(7.74)
Non - Controlling interest		-	-
Total Comprehensive (Loss) for the year attributable to:			
Equity holders of the parent		(2,264.45)	(992.14)
Non - Controlling interest		*	-
Earnings / (Loss) Per Share (EPS) (Face Value ₹ 10 Per Share)			
Basic and Diluted EPS (in ₹)	51	(8.19)	(3.21)
(Figures below ₹ 50,000 are denominated with *)			

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

In terms of our report attached
For S R B C & CO LLP
Firm Registration No. : 324982E/E300003
Chartered Accountants

per NAVIN AGRAWAL
PARTNER
Membership No. 056102

Place : Bengaluru
Date : 27th April, 2020

For and on behalf of the Board of Directors

GAUTAM S. ADANI
CHAIRMAN
DIN : 00006273

RAJESH S. ADANI
MANAGING DIRECTOR
DIN : 00006322

SURESH JAIN
CHIEF FINANCIAL OFFICER

DEEPAK PANDYA
COMPANY SECRETARY

Place : Ahmedabad
Date : 27th April, 2020

Consolidated Statement of Changes in Equity

for the year ended 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

Particulars	Equity attributable to equity holders of the parent									Non - Controlling Interests	Total Equity
	Equity Share Capital		Unsecured Perpetual Securities	Reserves and Surplus				Other Comprehensive Income (OCI)	Total equity attributable to equity holders of the parent		
				Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Effective portion of Cash Flow Hedges			
	No. of Shares	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount
Balance as at 1st April, 2018	**3,85,69,38,941**	**3,856.94**	**-**	**359.80**	**7,409.83**	**9.04**	**(10,746.28)**	**-**	**889.33**	**-**	**889.33**
(Loss) for the year	-	-	-	-	-	-	(984.40)	-	(984.40)	-	(984.40)
Remeasurement loss of defined benefit plans, net of tax	-	-	-	-	-	-	(7.74)	-	(7.74)	-	(7.74)
Total comprehensive (Loss) for the year	**-**	**-**	**-**	**-**	**-**	**-**	**(992.14)**	**-**	**(992.14)**	**-**	**(992.14)**
Unsecured Perpetual Securities (Refer note 19)											
Issued during the year	-	-	10,900.00	-	-	-	-	-	10,900.00	-	10,900.00
(Redeemed) during the year	-	-	2,900.00	-	-	-	-	-	2,900.00	-	2,900.00
Distribution to holders of Unsecured Perpetual Securities	-	-	-	-	-	-	(184.90)	-	(184.90)	-	(184.90)
Balance as at 31st March, 2019	**3,85,69,38,941**	**3,856.94**	**8,000.00**	**359.80**	**7,409.83**	**9.04**	**(11,923.32)**	**-**	**7,712.29**	**-**	**7,712.29**
Balance as at 1st April, 2019	**3,85,69,38,941**	**3,856.94**	**8,000.00**	**359.80**	**7,409.83**	**9.04**	**(11,923.32)**	**-**	**7,712.29**	**-**	**7,712.29**
Addition on account of acquisition of subsidiaries (Refer note 42)	-	-	-	1,029.60	-	-	-	-	1,029.60	-	1,029.60
(Loss) for the year	-	-	-	-	-	-	(2,274.77)	-	(2,274.77)	*	(2,274.77)
Other Comprehensive Income for the year											
Remeasurement gain of defined benefit plans, net of tax	-	-	-	-	-	-	1.12	-	1.12	-	1.12
Net gain on Effective portion of Cash Flow Hedges, net of tax	-	-	-	-	-	-	-	9.20	9.20	-	9.20
Total comprehensive (Loss) for the year	**-**	**-**	**-**	**-**	**-**	**-**	**(2,273.65)**	**9.20**	**(2,264.45)**	**-**	**(2,264.45)**

Consolidated Statement of Changes in Equity (Contd.)

for the year ended 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

Particulars	Equity attributable to equity holders of the parent									Non - Controlling Interests	Total Equity
	Equity Share Capital		Unsecured Perpetual Securities	Reserves and Surplus				Other Comprehensive Income (OCI)	Total equity attributable to equity holders of the parent		
				Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Effective portion of Cash Flow Hedges			
	No. of Shares	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount
Unsecured Perpetual Securities (Refer note 19)											
Issued during the year	-	-	615.00	-	-	-	-	-	615.00	-	615.00
Distribution to holders of Unsecured Perpetual Securities	-	-	-	-	-	-	(612.01)	-	(612.01)	-	(612.01)
Impact of sale of non-controlling stake in subsidiary	-	-	-	-	-	-	(0.01)	-	(0.01)	0.01	-
Gain on sale of subsidiary (Refer note 40(iv))	-	-	-	-	-	-	0.02	-	0.02	-	0.02
Balance as at 31st March, 2020	**3,85,69,38,941**	**3,856.94**	**8,615.00**	**1,389.40**	**7,409.83**	**9.04**	**(14,808.97)**	**9.20**	**6,480.44**	**0.01**	**6,480.45**

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

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

In terms of our report attached
For S R B C & Co LLP
Firm Registration No. : 324982E/E300003
Chartered Accountants

per NAVIN AGRAWAL
PARTNER
Membership No. 056102

Place : Bengaluru
Date : 27th April, 2020

For and on behalf of the Board of Directors

GAUTAM S. ADANI
CHAIRMAN
DIN : 00006273

RAJESH S. ADANI
MANAGING DIRECTOR
DIN : 00006322

SURESH JAIN
CHIEF FINANCIAL OFFICER

DEEPAK PANDYA
COMPANY SECRETARY

Place : Ahmedabad
Date : 27th April, 2020

Consolidated Statement of Cash Flows

for the year ended 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
(A) Cash flow from operating activities		
(Loss) before tax	(2,264.92)	(975.86)
Adjustment for:		
Depreciation and Amortisation Expense	3,006.50	2,750.62
Unrealised Foreign Exchange Fluctuation Loss	84.10	261.66
Income from Mutual Funds	(4.09)	(1.60)
Loss on Property, Plant and Equipment Sold / Retired (net)	48.34	29.58
Government Grant Income	(304.06)	(304.06)
Liabilities no Longer Required Written Back	(42.44)	(7.82)
Finance Costs	5,314.82	5,656.52
Interest income	(959.63)	(1,993.62)
Bad Debt and capital expenditure Written Off / Provision for Doubtful Debt and receivables	216.84	124.17
Exceptional Items	1,002.99	-
Operating profit before working capital changes	**6,098.45**	**5,539.59**
Changes in working capital:		
(Increase) in Inventories	(1,233.29)	(350.10)
Decrease / (Increase) in Trade Receivables	1,252.45	(1,594.57)
Decrease in Other Assets	818.47	3,632.17
(Decrease) in Trade Payables	(1,104.86)	(1,447.18)
(Decrease) in Other Liabilities and Provisions	(175.85)	(160.77)
	(443.08)	**79.55**
Cash generated from operations	**5,655.37**	**5,619.14**
Less : Tax Paid (Net)	(57.82)	(8.76)
Net cash generated from operating activities (A)	**5,597.55**	**5,610.38**
(B) Cash flow from investing activities		
Capital expenditure on payment towards Property, Plant and Equipment, including capital advances and capital work-in-progress and on intangible assets	(2,226.56)	(1,211.53)
Proceeds from refund of Capital advances	-	250.00
Proceeds from Sale of Property, Plant and Equipment	6.72	2.55
Payment towards acquisition of subsidiaries	(1.00)	(323.83)
Proceeds from Current investments (net)	4.01	1.60
Bank / Margin Money Deposits placed (net)	(151.93)	(134.93)
Payment towards Loans given to others	(85.14)	(196.27)
Interest received	125.79	628.17
Net cash (used in) investing activities (B)	**(2,328.11)**	**(984.24)**

Consolidated Statement of Cash Flows

for the year ended 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
(C) Cash flow from financing activities		
Payment of principal portion of lease obligations	(4.36)	-
Proceeds from Non-current borrowings	21,319.44	25,559.75
Repayment of Non-current borrowings	(18,306.79)	(25,991.22)
Repayment of Current borrowings (net)	(517.79)	(930.19)
Proceeds from issue of Unsecured Perpetual Securities	615.00	5,450.00
Repayment of Unsecured Perpetual Securities	-	(2,900.00)
Distribution to holders of Unsecured Perpetual Securities	(612.01)	(184.90)
Finance Costs Paid (Including interest on lease obligations)	(4,870.67)	(5,666.88)
Net cash (used in) financing activities (C)	**(2,377.18)**	**(4,663.44)**
Net increase / (decrease) in cash and cash equivalents (A)+(B)+(C)	892.26	(37.30)
Addition on acquisition of subsidiaries (Refer note 42)	24.27	0.20
Net foreign exchange difference on cash and cash equivalents	0.03	0.02
Cash and cash equivalents at the beginning of the year	24.54	61.62
Cash and cash equivalents at the end of the year	**941.10**	**24.54**
Notes to Cash flow Statement :		
Cash and cash equivalents as per above comprise of the following :		
Cash and cash equivalents (Refer note 12)	941.10	24.54
Balances as per statement of cash flows	**941.10**	**24.54**

Non cash items :

(i) Interest accrued of ₹ 502.67 crores (Previous year ₹ 927.76 crores) on Inter Corporate Deposit ("ICD") taken from related parties and others, have been converted to the ICD balances as on reporting date in terms of the Contract.

(ii) During the previous year, Adani Power (Mundra) Limited ("APMuL") assigned non-convertible debentures of ₹ 1,400.00 crores to a group company and converted the same into ICD payable.

Consolidated Statement of Cash Flows

for the year ended 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

Notes :

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

(ii) Disclosure of changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, are given below:

Particulars	As at 1st April, 2019	Net Cash Flows	Changes in fair values / Accruals including lease liabilities	Unrealised Foreign exchange fluctuation	Unsecured Perpetual Securities	Addition on account of acquisition of subsidiaries	Others	As at 31st March 2020
Non-current borrowings	39,906.17	3,012.65	(24.64)	319.28	-	4,711.93	(528.44)	47,396.95
Current borrowings	7,073.53	(517.79)	-	185.65	-	19.84	1,040.58	7,801.81
Interest accrued	209.29	(4,604.19)	5,244.97	-	-	-	(502.67)	347.40
Leases Obligation (Refer Note 2.4)	-	(4.36)	85.91	-	-	25.50	-	107.05
Total	**47,188.99**	**(2,113.69)**	**5,306.24**	**504.93**	**-**	**4,757.27**	**9.47**	**55,653.21**

Particulars	As at 1st April, 2018	Net Cash Flows	Changes in fair values / Accruals	Unrealised Foreign exchange fluctuation	Unsecured* Perpetual Securities	Addition on account of acquisition of subsidiaries	Others	As at 31st March 2019
Non-current borrowings	38,274.47	(431.47)	42.63	22.58	(5,450.00)	-	7,447.96	39,906.17
Current borrowings	14,560.34	(930.19)	-	(36.87)	-	-	(6,519.75)	7,073.53
Interest accrued	1,091.19	(5,409.82)	5,455.68	-	-	-	(927.76)	209.29
Total	**53,926.00**	**(6,771.48)**	**5,498.31**	**(14.29)**	**(5,450.00)**	**-**	**0.45**	**47,188.99**

*During the previous year, the Group has converted Inter Corporate Deposit ("ICD") of ₹ 5,450.00 crores into Unsecured Perpetual Securities ("Securities").

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

In terms of our report attached
For S R B C & CO LLP
Firm Registration No. 324982E/E300003
Chartered Accountants

per NAVIN AGRAWAL
PARTNER
Membership No. 056102

Place : Bengaluru
Date : 27th April, 2020

For and on behalf of the Board of Directors

GAUTAM S. ADANI
CHAIRMAN
DIN : 00006273

RAJESH S. ADANI
MANAGING DIRECTOR
DIN : 00006322

SURESH JAIN
CHIEF FINANCIAL OFFICER

DEEPAK PANDYA
COMPANY SECRETARY

Place : Ahmedabad
Date : 27th April, 2020

Notes to Consolidated Financial Statements

for the year ended on 31st March, 2020

1 Corporate information

Adani Power Limited (the "Company" or "APL") is a public company domiciled in India and incorporated under the provisions of the Companies Act, applicable in India having its registered office at "Shikhar", Near Adani House, Mithakhali Six Roads, Navrangpura, Ahmedabad – 380 009, Gujarat, India.

The Company, together with its subsidiaries, currently has multiple power projects located at various locations with a combined installed and commissioned capacity of 12450 MW (including 1970 MW capacity acquired during the year). The parent company, Adani Power Limited and the subsidiaries (together referred to as ''the Group'') sell power generated from these projects under a combination of long term Power Purchase Agreements ("PPA"), Short term PPA and on merchant basis.

As at 31st March, 2020, S. B. Adani Family Trust ("SBAFT") together with entities controlled by it, has the ability to control the Group. The Group gets synergetic benefit of the integrated value chain of Adani group.

The consolidated financial statements were approved for issue in accordance with a resolution of the directors on 27th April, 2020.

2 Significant accounting policies

2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) read with section 133 of Companies Act, 2013 and presentation requirements of Division II of schedule III to the Companies Act, 2013 (as amended), on the historical cost basis except for certain financial instruments that are measured at fair values, as explained in the accounting policies below.

Accounting policies are consistently applied except for the changes adopted as referred in note 2.4 below.

The financial statements are presented in INR and all values are rounded to the nearest crores, except when otherwise indicated.

2.2 Basis of consolidation

a Subsidiaries

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries, being the entities controlled by it as at 31st March, 2020. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income or loss are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income or loss of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Notes to Consolidated Financial Statements
for the year ended on 31st March, 2020

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

<u>**Changes in the Group's ownership interests in existing subsidiaries**</u>

Changes in the Group's ownership interests in subsidiaries that do not result in the Group's losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable Ind AS). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS 109 "Financial Instruments" or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

2.3 Summary of significant accounting policies

a Property, plant and equipment

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

When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives.

In respect of business covered under part A of Schedule II to the Companies Act, 2013, depreciation is recognised based on the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The useful life of property, plant and equipment is considered based on life prescribed in schedule II to the Companies Act, 2013 except in case of power plant assets, where the life has been estimated at 25 years based on technical assessment, taking into account the nature of assets, the estimated usage of the assets, the operating condition of the assets, anticipated technical changes, manufacturer warranties and maintenance support. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

In respect of business covered under part B of Schedule II to the Companies Act, 2013, depreciation is recognised based on the cost of assets (other than freehold land and properties under construction) at the rate as well as methodology notified by the Central Electricity Regulatory Commission (''CERC") (Term and Condition of Tariff) Regulations, 2014.

Major inspection / overhauling including turnaround and maintenance cost are depreciated over the period of 5 years.

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

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred. Subsequent costs are depreciated over the residual life of the respective

Notes to Consolidated Financial Statements

for the year ended on 31st March, 2020

assets. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

b Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and any accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. An intangible asset is derecognised on disposal, or when no future economic benefits are expected from its use or disposal. The Group has intangible assets in the nature of Computer software having useful life of 5 years. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Assets and liabilities classified as held for sale are presented separately from other items in the balance sheet.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

c Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset is available for immediate sale in its present condition and the sale is highly probable. Management must be committed to the sale which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Property, plant and equipment and intangible are not depreciated, or amortised once classified as held for sale. Assets classified as held for sale are presented separately from other items in the balance sheet.

Non-current assets classified as held for sale are measured at the lower of their carrying amount and their fair value less costs to sell.

d Financial Instruments

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

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

e Financial assets

Initial recognition and measurement

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis i.e. the date that the Group commits to purchase or sell the assets. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within a timeframe established by regulation or convention in the market place.

Subsequent measurement

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

Classification of Financial assets

Financial assets measured at amortised cost

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

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- 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.

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

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

Interest is recognised on an effective interest basis for debt instruments other than those financial assets classified as at Fair Value through Profit and Loss (FVTPL).

Notes to Consolidated Financial Statements

for the year ended on 31st March, 2020

Financial assets at fair value through other comprehensive income (FVTOCI)

Financial assets that meet the following conditions are measured initially as well as at the end of each reporting date at fair value, recognised in other comprehensive income (OCI).

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The contractual terms of the asset that give rise on specified dates to cash flows that represent solely payment of principal and interest.

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

Financial assets that do not meet the amortised cost criteria or FVTOCI criteria are measured at FVTPL.

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

Derecognition of financial assets

The Group derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party or when it has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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

f Financial liabilities and equity instruments

Classification as debt or equity

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

Equity instruments

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

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and in the case of financial liabilities at amortised cost, net of directly attributable transaction costs.

Subsequent Measurement

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

Classification of Financial liabilities

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

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Financial liabilities are classified as held for trading if these are incurred for the purpose of repurchasing in the near term.

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

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

Financial liabilities measured at amortised cost

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

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

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

Notes to Consolidated Financial Statements
for the year ended on 31st March, 2020

and subsequently measured at amortised cost. Similarly, interest bearing loans and borrowings are subsequently measured at amortised cost using effective interest rate method. Trade credits include Buyer's credit, Foreign Letter of Credit and Inland Letter of Credit.

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

g Derivative financial instruments
The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, interest rate swaps and cross currency swaps, Principal only Swap (POS), coupon only swap (COS) etc. Further details of derivatives financial instruments are disclosed in note 47.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

Embedded derivatives
Derivatives embedded in non-derivative host contracts that are not financial assets within the scope of Ind AS 109 "Financial Instruments" except for the effective portion of cash flow hedges (refer note (h)) are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at FVTPL. These embedded derivatives are measured at fair value with changes in fair value recognised in profit and loss.

h Hedge Accounting
The Group designates certain hedging instruments, which includes derivatives and non-derivatives in respect of foreign currency risk, as cash flow hedges.

At the inception of the hedge relationship, the Group documents the relationship between the hedging instrument and hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is highly effective in offsetting changes in fair value or cash flows of the hedged item attributable to the hedged risk.

Cash flow hedges
Changes in the fair value of derivatives / hedging instruments that are designated and qualify as cash flow hedges are deferred in the "Cash Flow Hedge Reserve".

The effective portion of the gain or loss on the hedging instrument is recognised in OCI while any ineffective portion is recognised immediately in the statement of profit and loss. The Effective portion of cash flow hedges is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item. The Group uses forward currency contracts as hedges of its exposure to foreign currency risk in forecast transactions and firm commitments. The ineffective portion relating to foreign currency contracts is recognised in finance costs.

The Group designates only the spot element of a forward contract as a hedging instrument. The forward element is recognised in OCI.

The amounts accumulated in OCI are accounted for, depending on the nature of the underlying hedged transaction. If the hedged transaction subsequently results in the recognition of a non-financial item, the amount accumulated in equity is removed from the separate component of equity and included in the initial cost or other carrying amount of the hedged asset or liability.

For any other cash flow hedges, the amount accumulated in OCI is reclassified to profit or loss as reclassification adjustment in the same period or periods during which the hedged cash flows affect profit or loss.

i Inventories
Inventories are stated at the lower of cost or net realisable value. Costs include all non-refundable

Notes to Consolidated Financial Statements

for the year ended on 31st March, 2020

duties and all charges incurred in bringing the goods to their present location and condition. Cost is determined on First in First out (FIFO) for coal inventory and on weighted average basis for other than coal inventory. Net realisable value represents the estimated selling price for inventories less all estimated costs necessary to make the sale.

j Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

k Business combinations and Goodwill

Acquisitions of business are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interest issued by the Group in exchange of control of the acquiree. Acquisition related costs are recognised in profit and loss as incurred.

Business combination involving entities or businesses under common control are accounted for using the pooling of interest method. Under pooling of interest method, the assets and liabilities of the combining entities / business are reflected at their carrying value.

Purchase consideration paid in excess / shortfall of the fair value of identifiable assets and liabilities including contingent liabilities and contingent assets, is recognised as goodwill / capital reserve respectively, except in case where different accounting treatment is specified in the court approved scheme.

Deferred tax assets and liabilities and assets or liabilities related to employee benefits arrangements are recognized and measured in accordance with Ind AS 12 "Income Taxes" and Ind AS 19 "Employee Benefits respectively".

Potential tax effects of temporary differences and carry forwards of an acquiree that exist at the acquisition date or arise as a result of the acquisition are accounted in accordance with Ind AS 12.

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

l Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current / non-current classification. An asset is treated as current when it is:

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

The Group classifies all other assets as non-current.

A liability is current when:

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

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Notes to Consolidated Financial Statements

for the year ended on 31st March, 2020

The Group classifies all other liabilities as non-current.

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

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

m Foreign currency translations

In preparing the financial statements of the Group, transactions in currencies other than the entity's functional currency are recognised at the rate of exchange prevailing at the date of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit and loss in the period in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

The Group has elected to continue the policy adopted for accounting for exchange differences arising from translation of long-term foreign currency monetary items outstanding and recognised in the financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period i.e. 31st March, 2016 as per the previous GAAP.

n 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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the financial asset or settle the financial liability takes place either:

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

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

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Group'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.

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.

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

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

External valuers are involved for valuation of significant assets, such as unquoted financial assets and financial liabilities and derivatives.

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

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

o Government grants

The Group recognises government grants only when there is reasonable assurance that the conditions attached to them will be complied with, and the grants will be received. Where Government grants

Notes to Consolidated Financial Statements

for the year ended on 31st March, 2020

relates to non-monetary assets, the cost of assets are presented at gross value and grant thereon is recognised as income in the statement of profit and loss over the useful life of the related assets in proportion in which depreciation is charged.

Grants related to income are recognised in the statement of profit and loss in the same period as the related cost which they are intended to compensate are accounted for.

p Contract Balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional i.e. only the passage of time is required before payment of consideration is due and the amount is billable.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration from the customer. Contract liabilities are recognised as revenue when the Group performs obligations under the contract.

q Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts and other incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes or other amounts collected from customers.

The disclosure of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in Note 3.

The specific recognition criteria described below must also be met before revenue is recognised.

i) Revenue from Power Supply

The Group's contracts with customers for the sale of electricity generally include one performance obligation. The Group has concluded that revenue from sale of electricity should be recognised at the point in time when electricity is transferred to the customer.

Revenue from operations on account of Force Majeure / change in law events in terms of PPAs with customers (Power Distribution Utilities) is accounted for by the Group upon satisfactory judgment of recoverability of claims as per the orders / reports of Regulatory Authorities and best management estimates, wherever needed.

In case of Udupi Power Corporation Limited ("UPCL"), revenue from sale of power is recognised based on the most recent tariff approved by the CERC, as modified by the orders of Appellate Tribunal for Electricity ("APTEL"), to the extent applicable, having regard to mechanism provided in applicable tariff regulations and the bilateral arrangements with the customers.

ii) Sale of traded goods

The Group's contracts with customers for the sale of goods generally include one performance obligation. Revenue from the sale of traded goods is recognised at the point in time when control of the asset is transferred to the customers, generally on delivery of the goods.

iii) Carrying cost in respect of claims for change in law of taxes and duties and of additional cost incurred on procurement of alternative coal on account of New Coal Distribution Policy ("NCDP") and Scheme for Harnessing and Allocating Koyala Transparently in India ("SHAKTI") are recognised upon approval by relevant regulatory authorities and is based on best management estimates.

iv) Interest income is recognised on time proportion basis at the effective interest rate ("EIR") applicable.

v) Dividend income from investments is recognised when the Group's right to receive payment is established which is generally when shareholders approve the dividend.

vi) Late Payment Surcharge and interest on late payment for power supply are recognised on reasonable certainty to expect ultimate collection.

r Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of the asset, until such time as the assets are substantially ready for their

Notes to Consolidated Financial Statements

for the year ended on 31st March, 2020

intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred. Borrowing cost consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing cost.

s Employee benefits

i) Defined benefit plans:

The Group has obligations towards gratuity, a defined benefit retirement plan covering eligible employees (in some cases funded through Group Gratuity Scheme of Life Insurance Corporation of India). The Group accounts for the liability for the gratuity benefits payable in future based on an independent actuarial valuation carried out using Projected Unit Credit Method.

Defined benefit costs in the nature of current and past service cost and net interest expense or income are recognized in the statement of profit and loss in the period in which they occur. Remeasurement, comprising of actuarial gains and losses, the effect of changes to the asset ceiling and the return on plan assets are recognised immediately in the balance sheet with corresponding debit or credit to retained earnings through OCI in the period in which it occurs. Remeasurement are not classified to profit and loss in subsequent periods. Past service cost is recognised in profit and loss in the period of a plan amendment.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the consolidated statement of profit and loss:

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

ii) Defined contribution plan:

Retirement Benefits in the form of Provident Fund and Family Pension Fund which are defined contribution schemes are charged to the statement of profit and loss for the period in which the contributions to the respective funds accrue as per relevant statutes.

iii) Compensated Absences:

Provision for Compensated Absences and its classifications between current and non-current liabilities are based on independent actuarial valuation. The actuarial valuation is done as per the projected unit credit method as at the reporting date.

iv) Short term employee benefits:

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

t Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group as lessor

Rental income from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Group 's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

The Group as lessee

Assets held under finance leases are initially recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Group's general policy on borrowing costs.

Notes to Consolidated Financial Statements

for the year ended on 31st March, 2020

Contingent rentals are recognised as expenses in the period in which they are incurred.

Rental expense from operating lease is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

For change in lease accounting policy refer note 2.4

u Taxes on Income

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

Current tax

Tax including Mininum Alternative Tax("MAT") on income for the current period is determined on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws. The tax rates and tax laws used to compute the amount are those that are enacted or substantially enacted, at the reporting date. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. 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.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax for the year. The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the Group will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Group recognizes MAT credit as an asset, it is created by way of credit to the statement of profit and loss and shown as part of deferred tax asset.

Deferred tax

Deferred tax is recognized for the future tax consequences of deductible temporary differences between the carrying values of assets and liabilities and their respective tax bases at the reporting date. Deferred tax liabilities are generally recognised for all taxable temporary differences except when the deferred tax liability arises at the time of transaction that affects neither the accounting profit or loss nor taxable profit or loss. Deferred tax assets are generally recognized for all deductible temporary differences, carry forward of unused tax credits and any unused tax losses, to the extent that it is probable that future taxable income will be available against which the deductible temporary differences and carry forward of unused tax credit and unused tax losses can be utilised, except when the deferred tax asset relating to temporary differences arising at the time of transaction that affects neither the accounting profit or loss nor the taxable profit or loss. Deferred tax relating to items recognized outside the statement of profit and loss is recognized outside the statement of profit and loss, either in other comprehensive income or directly in equity. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax assets to be recovered.

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

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

v Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (net off distribution on

Notes to Consolidated Financial Statements
for the year ended on 31st March, 2020

Perpetual Securities whether declared or not) 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.

w Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities may arise from litigation, taxation and other claims against the Group. Where it is management's assessment that the outcome is uncertain or cannot be reliably quantified, the claims are disclosed as contingent liabilities unless the likelihood of an adverse outcome is remote, such contingent liabilities are disclosed in the notes but are not provided for in the financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings, the Group does not expect them to have a materially adverse impact on the Group's financial position.

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

x Impairment

i) Impairment of tangible and intangible assets

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

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

The Group bases its impairment calculation on detailed budget and forecast calculations, which are prepared separately for each of the Group's cash-generating unit to which the individual assets are allocated. For longer periods, a long term growth rate is calculated and applied to project future cash flows. To estimate cash flow projections beyond periods covered by the most recent budget / forecasts, the Group estimates cash flow projections based on estimated growth rate.

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

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

ii) Impairment of Financial assets

The Group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, trade receivables and other contractual rights to receive cash or other financial asset.

Notes to Consolidated Financial Statements
for the year ended on 31st March, 2020

Expected credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. The Group estimates cash flows by considering all contractual terms of the financial instrument through the expected life of that financial instrument.

The Group measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

y Mine Development Expenditure (In case of Raipur Energen Limited ("REL"))

Stripping Costs :

Stripping costs are the costs of removing overburden from a mine. Stripping costs incurred in a development of the mine before production commences are capitalized as part of the cost of developing the mine and are subsequently depleted / amortised using unit of production method on the basis of proven and probable reserves once production starts.

Stripping costs incurred for removing overburden during the production stage are accumulated under 'Prepaid expenses' under Advances and is charged to Statement of Profit and Loss using unit-of-production method on the basis of proven and probable reserves on the basis of estimated stripping ratio for the mine. Provision for stripping costs are made for any shortfall based on the estimated stripping ratio.

Mine Closure Obligations :

The liability for meeting the mine closure has been estimated based on the mine closure plan in the proportion of total area exploited to the total area of the mine as a whole. These costs are updated annually during the life of the mine to reflect the developments in mining activities. The mine closure obligations have been included in Mining Rights under Intangible assets and amortised based on unit of production method.

2.4 Changes in accounting policies and disclosures

New and amended standards

The accounting policies adopted in the preparation of the Financial Statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31st March 2019, except for the adoption of new standard effective as of 1st April, 2019. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

In addition to Ind AS 116 - "Leases", which is applicable for the first time, several other amendments and interpretations apply for the first time from 1st April, 2019, but do not have an impact on the financial statements of the Group.

Ind AS 116 - Leases

Ind AS 116 supersedes Ind AS 17 "Leases". The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model.

Effective 1st April, 2019, the Group adopted Ind AS 116 "Leases" and applied to all lease contracts, identified under Ind AS 17, existing on 1st April, 2019 using the modified retrospective method on the date of initial application.

Lessor accounting under Ind AS 116 is substantially unchanged compared to Ind AS 17. Therefore, Ind AS 116 did not have an impact for leases where the Group is the lessor.

Pursuant to adoption of Ind AS 116, the Group recognised right-of-use assets and lease liabilities for those leases which were previously classified as operating leases, except for short-term leases and leases of low-value assets. The Group recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate at the date of initial application and right of use asset at an amount equal to the lease liability adjusted for any prepayments/accruals recognised in the balance sheet as on 31st March, 2019. There is no impact on retained earnings as on 1st April, 2019.

The Group also applied the available practical expedients wherein it:

- Used a single discount rate to a portfolio of leases with reasonably similar characteristics
- Relied on its assessment of whether leases are onerous immediately before the date of initial application
- Applied the short-term leases exemptions to leases with lease term that ends within 12 months at the date of initial application
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application

Notes to Consolidated Financial Statements

for the year ended on 31st March, 2020

- Used hindsight in determining the lease term where the contract contains options to extend or terminate the lease

There is no difference between discounted operating lease commitments as at 31st March, 2019 and the discounted lease liabilities as at 1st April, 2019

Based on foregoing, as at 1st April, 2019, Right-of-Use asset of ₹ 543.76 crores and lease liability of ₹ 80.05 (Net of prepayments) was recognised in the balance sheet

Set out below are the new accounting policies of the Group upon adoption of Ind AS 116, which have been applied from the date of initial application:

- **Right-of-use assets**

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets, which comprises the initial amount of the lease liability, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight line basis over the lower of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

- **Lease liabilities**

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

- **Short-term leases and leases of low-value assets**

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies recognition exemption to leases for which the underlying asset is of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

The following is the carrying amounts of Group's Right of use assets and the movement in lease liabilities during the year ended 31st March, 2020

Amount in ₹ Crores

Particulars	Right-of-Use Assets (Property, Plant and Equipment)	Lease liabilities
Additions on account of adoption of Ind AS 116 (On 1st April, 2019)	543.76	80.05
Additions during the year	11.37	5.86
Addition on account of acquisition of subsidiaries	110.08	25.50
Finance Costs incurred during the year	-	8.98
Depreciation and Amortisation Expenses	22.10	-
Payments of Lease Liabilities	-	13.34
Balance as at 31st March, 2020	**643.11**	**107.05**

Notes to Consolidated Financial Statements

for the year ended on 31st March, 2020

The effective interest rates considered for lease liabilities are from 8.50% to 13.79%

- **Impact on the Statement of Profit and Loss for the year ended 31st March, 2020**

	Amount in ₹ Crores
Depreciation expense of right-of-use assets	22.10
Interest expense on lease liabilities	8.98
Expense relating to short-term leases (included in other expenses)	6.18
Total amount recognised in profit or loss	**37.26**

- **Impact on the Statement of Cash Flows (increase / (decrease)) for year ended 31st March, 2020**

	Amount in ₹ Crores
Net cash flows from operating activities	13.34
Net cash flows from financing activities	(13.34)

3 Significant accounting judgements, estimates and assumptions

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. The estimates and assumptions are based on historical experience and other factors that are considered to be relevant. The estimates and underlying assumptions are reviewed on an ongoing basis and any revisions thereto are recognised in the period of revision and future periods if the revision affects both the current and future periods. Uncertainties about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Key Sources of estimation uncertainty :

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

i) Useful lives of property, plant and equipment

In case of the power plant assets, in whose case the life of the assets has been estimated at 25 years based on technical assessment, taking into account the nature of the assets, the estimated usage of the asset, the operating condition of the asset, anticipated technological changes, manufacturer warranties and maintenance support, depreciation on the same is provided based on the useful life of each such component based on technical assessment, if materially different from that of the main asset.

ii) Fair value measurement of financial instruments

In estimating the fair value of financial assets and financial liabilities, the Group uses market observable data to the extent available. Where such Level 1 inputs are not available, the Group establishes appropriate valuation techniques and inputs to the model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in note 50.

iii) Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. Information about the various estimates and assumptions made in determining the present value of defined benefit obligations are disclosed in note 52.

iv) Impairment

Determining whether property, plant and equipment are impaired requires an estimation of the value in use of the relevant cash generating units. The value in use calculation is based on a Discounted Cash Flow model over the estimated useful life of the Power Plants. Further, the cash flow projections are based on estimates and assumptions relating to tariff, change in law

Notes to Consolidated Financial Statements

for the year ended on 31st March, 2020

claims, operational performance of the Plants, life extension plans, market prices of coal and other fuels, exchange variations, inflation, terminal value etc. which are considered reasonable by the Management. (Refer note 45).

v) **Taxes**

Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies, including estimates of temporary differences reversing on account of available benefits from the Income Tax Act, 1961. Deferred tax assets is recognised to the extent of the corresponding deferred tax liability. (Also refer note 24).

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

vi) **Income**

Revenue from operations on account of force majeure / change in law events or other income on account of carrying cost in terms of Power Purchase Agreements with various State Power Distribution Utilities is accounted for / recognised by the Group upon satisfactory judgment by the management for recoverability of the claims as per the orders / reports of Regulatory Authorities, and the outstanding receivables thereof in the books of accounts may be subject to adjustments on account of final orders of the respective Regulatory Authorities or final closure of the matter with the Discoms (Refer note 32).

In case of UPCL, Revenue from sale of power is recognised upon satisfactorily judgement by the management for recoverability of the claims based on the relevant contractual terms / provisional rates as provided by the regulator / governing tariff regulations, to the extent applicable, having regard to mechanism provided in applicable tariff regulations and the bilateral arrangement with the customers, which may be subject to adjustments in future years, on receipt of final orders of the respective Regulatory Authorities or final closure of the matter with the customers. (Refer note 32).

vii) **Mining Rights**

In case of REL, the carrying value of Mining Rights is arrived at by depreciating the rights over the life of the mine using the unit of production method based on proved and probable reserves. The estimate of reserves is subject to assumptions relating to life of the mine and may change when new information becomes available. Changes in reserves as a result of factors such as production cost, recovery rates, grade of reserves or commodity prices could thus impact the carrying values of mining rights and mine closure provisions. Further regulatory restrictions if any have been considered for the purposes of determining the carrying value of the mine such as capping of fixed costs, mining license renewals etc.

The coal mine being used for captive consumptions is considered as an integral part of the power plant and cannot generate cash flows on its own. The Management performs impairment tests for the power plant as a whole when there is an indication of impairment.

The Group has considered the last available information on assessment of the above parameters in view of Group's petition to surrender the mines, expecting to recover the money's paid for obtaining of mining rights including other costs and expects the recoverable value to be higher than the carrying value.

viii) **Mega Power Status :**

REL has availed exemption of customs / excise duty in pursuance to terms of the provisional mega power exemption received by REL. REL has not accounted for the said reduction in cost as a grant pending compliance of terms of Mega Power Status which needs to be attained by FY 2021-22 as the management is of the view that the matter has not attained finality. REL will recognize grant to the extent of the duty waiver received in the year of receipt of final mega power status or corresponding liability if any on expiry of the time lines specified in the scheme.

Notes to Consolidated Financial Statements

for the year ended on 31st March, 2020

4.1 Property, Plant and Equipment and Capital Work-In-Progress

All amounts are in ₹ Crores, unless otherwise stated

Description of Assets	Tangible Assets											
	Land - Leasehold	Land - Freehold	Right-of-Use Assets	Buildings	Plant and Equipment (Refer note (ii) below)	Furniture and Fixtures	Railway Sidings	Computer	Office Equipments	Vehicles	Total	Capital Work-In-Progress
I. Cost												
Balance as at 1st April, 2018	**185.24**	**89.74**	**-**	**1,476.31**	**58,514.86**	**24.25**	**254.89**	**27.33**	**45.20**	**13.46**	**60,631.28**	**119.86**
Additions	6.81	340.68	-	26.49	75.79	3.52	-	0.76	1.50	3.51	459.06	550.04
Additions on account of acquisition of subsidiaries	122.67	76.21	-	-	0.30	0.10	-	0.02	0.03	-	199.33	114.94
Effect of foreign currency exchange differences	-	-	-	-	404.40	-	-	-	-	-	404.40	-
Disposals / transfers	0.03	-	-	5.93	28.61	2.32	0.01	0.24	1.82	0.33	39.29	434.76
Balance as at 31st March, 2019	**314.69**	**506.63**	**-**	**1,496.87**	**58,966.74**	**25.55**	**254.88**	**27.87**	**44.91**	**16.64**	**61,654.78**	**350.08**
Additions	-	26.99	11.37	34.03	170.04	2.40	-	4.89	3.29	1.49	254.50	2,065.54
Effect of foreign currency exchange differences	-	-	-	-	469.43	-	-	-	-	-	469.43	-
Capital expenditure written off	-	-	-	-	-	-	-	-	-	-	-	20.75
Disposals	-	-	-	3.05	61.04	0.18	-	0.02	0.28	0.33	64.90	265.44
Transition Impact on adoption of Ind AS 116 (Refer note 2.4)	-	-	543.76	-	-	-	-	-	-	-	543.76	-
Transfer on account of impact of Ind AS 116	314.69	-	-	-	-	-	-	-	-	-	314.69	-
Additions on account of acquisition of subsidiaries (Refer note 42)	-	263.76	110.08	887.35	6,178.74	4.52	-	0.51	1.00	0.09	7,446.05	217.34
Balance as at 31st March, 2020	**-**	**797.38**	**665.21**	**2,415.20**	**65,723.91**	**32.29**	**254.88**	**33.25**	**48.92**	**17.89**	**69,988.93**	**2,346.77**
II. Accumulated depreciation and amortisation												
Balance as at 1st April, 2018	**3.58**	**-**	**-**	**147.71**	**8,433.23**	**8.39**	**52.14**	**15.11**	**25.10**	**5.60**	**8,690.86**	
Depreciation expense (Refer note (v) below)	1.68	-	-	62.33	2,649.79	2.87	17.68	4.46	7.44	2.44	2,748.69	
Disposals / transfers	-	-	-	1.88	4.11	1.30	-	0.17	1.41	0.15	9.02	
Balance as at 31st March, 2019	**5.26**	**-**	**-**	**208.16**	**11,078.91**	**9.96**	**69.82**	**19.40**	**31.13**	**7.89**	**11,430.53**	

Notes to Consolidated Financial Statements
for the year ended on 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

Description of Assets	Tangible Assets											Capital Work-In-Progress
	Land - Leasehold	Land - Freehold	Right-of-Use Assets	Buildings	Plant and Equipment (Refer note (ii) below)	Furniture and Fixtures	Railway Sidings	Computer	Office Equipments	Vehicles	Total	
Depreciation expense (Refer note (v) below)	-	-	22.10	85.82	2,862.78	5.49	17.68	2.80	6.62	2.63	3,005.92	
Transfer on account of impact of Ind AS 116	5.26	-	-	-	-	-	-	-	-	-	5.26	
Disposals	-	-	-	0.39	12.36	0.09	-	0.01	0.22	0.29	13.36	
Balance as at 31st March, 2020	**-**	**-**	**22.10**	**293.59**	**13,929.33**	**15.36**	**87.50**	**22.19**	**37.53**	**10.23**	**14,417.83**	

Description of Assets	Tangible Assets											Capital Work-In-Progress
	Land - Leasehold	Land - Freehold	Right-of-Use Assets	Buildings	Plant and Equipment (Refer note (ii) below)	Furniture and Fixtures	Railway Sidings	Computer	Office Equipments	Vehicles	Total	
Carrying amount :												
As at 31st March, 2019	**309.43**	**506.63**	**-**	**1,288.71**	**47,887.83**	**15.59**	**185.06**	**8.47**	**13.78**	**8.75**	**50,224.25**	**350.08**
As at 31st March, 2020	**-**	**797.38**	**643.11**	**2,121.61**	**51,794.58**	**16.93**	**167.38**	**11.06**	**11.39**	**7.66**	**55,571.10**	**2,346.77**

i) For charge created on aforesaid assets, refer note 21 and 26.

ii) APMuL has availed tax and duty benefit in the nature of exemptions from Custom Duty, Excise Duty, Service Tax, VAT and CST on its project procurements with respect to its power plant located at Mundra, Gujarat. The said benefits were availed by virtue of SEZ approval granted to APMuL in December 2006, in terms of the provisions of the Special Economic Zones Act, 2005 (hereinafter referred to as the 'SEZ Act') and the Special Economic Zone Rules, 2006 which entitled APMuL to procure goods and services without payment of taxes and duties as referred above.

Adani Power Maharashtra Limited ("APML") and Adani Power Rajasthan Limited ("APRL") have availed tax and duty benefit in the nature of exemptions from Custom Duty and Excise Duty on its project procurements with respect to their power plants located at Tiroda, Maharashtra and Kawai, Rajasthan respectively. The said benefits were availed by virtue of power plants being designated as Mega Power Project in accordance with the policy guidelines issued in this regard by the Ministry of Power, Government of India which entitled APML and APRL to procure goods and services without payment of taxes and duties as referred above.

Since, the procurement of goods and services during the project period were done by availing the exemption from payment of aforesaid taxes and duties, the amount capitalised for the said power plant as on the put to use date, is cost of property, plant and equipment (PPE) net off tax and duty

Notes to Consolidated Financial Statements

for the year ended on 31st March, 2020

benefit availed. In compliance with Ind AS 20 – "Government Grant", the Group has opted to gross up the value of its PPE by the amount of tax and duty benefit availed by the Group after considering the same as government grant. The amount of said government grant (net off accumulated depreciation) as on the transition date has been added to the value of PPE with corresponding credit made to the deferred government grant. The amount of grant is amortised over useful life of PPE along with depreciation on PPE. The amount of deferred liability is amortised over the useful life of the PPE with credit to consolidated statement of profit and loss classified under the head "Other Income".

The Group has recognised Government grant (net) of ₹ 5,399.53 crores till 31st March, 2020 (Previous year ₹ 5,703.59 crores).

iii) APML has obtained Land under lease from various authorities for a lease period of 94 to 99 years. APML has a right to sell the land at the end of the term after taking necessary approvals from the regulatory authorities.

APRL has obtained Land under lease from various authorities for long term lease period. APRL has a right to sell the land at the end of the term after taking necessary approvals from the regulatory authorities.

iv) In November 2007, UPCL has obtained Land under lease from Karnataka Industrial Areas Development Board (Lessor). The amount of said land as at 31st March, 2020 is ₹ 76.64 crores (Previous year ₹ 76.64 crores) which remained leasehold for 11 years from the date of agreement. UPCL is in the process to exercise its option to purchase the land by fulfilling the terms and conditions of allotment and payment of additional price, if any, which is yet to be fixed by Lessor. Since entire amount is to be adjusted as consideration on transfer, UPCL has not provided amortization on said land. All the requirements have been satisfied with respect to the terms and conditions of allotment. Further, UPCL does not have any financial obligations under the lease arrangement.

During the F.Y. 2017-18, UPCL has obtained 121.22 acre of land under lease from Karnataka Industrial Areas Development Board (Lessor) amounting to ₹ 46.23 crores which will remain leasehold for 99 years from the date of agreement. UPCL has provided amortization on said land on a straight line basis considering 99 years period. All the requirements have been satisfied with respect to the terms and conditions of allotment. Further, UPCL does not have any financial obligations under the lease arrangement.

v) In case of Adani Power (Jharkhand) Limited, Depreciation of ₹ 1.73 crores (Previous year ₹ 0.76 crores) relating to project assets have been allocated to Capital Work in Progress.

vi) Cost of Property Plant and Equipment includes carrying value recognised as deemed cost as of 1st April, 2015, measured as per previous GAAP and cost of subsequent additions.

4.2 Intangible Assets

Particulars	Computer software	Mining Rights	Total
I. Cost			
Balance as at 1st April, 2018	**14.35**	**-**	**14.35**
Additions	0.48	-	0.48
Disposals	-	-	-
Balance as at 31st March, 2019	**14.83**	**-**	**14.83**
Additions	9.18	-	9.18
Addition on account of acquisition of subsidiaries (Refer note 42)	0.19	73.14	73.33
Disposals	-	-	-
Balance as at 31st March, 2020	**24.20**	**73.14**	**97.34**
II. Accumulated amortisation and impairment			
Balance as at 1st April, 2018	**8.24**	**-**	**8.24**
Amortisation expense	2.69	-	2.69
Disposals	-	-	-
Balance as at 31st March, 2019	**10.93**	**-**	**10.93**
Amortisation expense	2.31	-	2.31
Disposals	-	-	-
Balance as at 31st March, 2020	**13.24**	**-**	**13.24**

Notes to Consolidated Financial Statements

for the year ended on 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

Particulars	Computer software	Mining Rights	Total
Carrying amount :			
As at 31st March, 2019	**3.90**	**-**	**3.90**
As at 31st March, 2020	**10.96**	**73.14**	**84.10**

i) For charge created on aforesaid assets, refer note 21 and 26.

ii) Cost of intangible assets includes carrying value recognised as deemed cost as of 1st April, 2015, measured as per previous GAAP and cost of subsequent additions.

5 Non-current Investments

	As at 31st March, 2020	As at 31st March, 2019
National Saving Certificate (lying with government authority)	0.01	0.01
Unquoted Investments (fully paid)		
Investments In Equity Instruments (Valued at cost)		
Adani Naval Defence Systems and Technologies Limited		
4,500 Shares (Previous year - Nil)	*	-
Total	**0.01**	**0.01**

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

6 Non-current Loans

(Unsecured, considered good)

	As at 31st March, 2020	As at 31st March, 2019
Loan	-	1,584.18
Total	**-**	**1,584.18**

Note:

i) The Company had outstanding loan of ₹ 1,584.18 crores as at 31st March, 2019 given to Korba West Power Company Limited("KWPCL"), which has subsequently been acquired by the Company and named as Raigarh Energy Generation Limited.

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

7 Other Non-current Financial Assets

(Unsecured, considered good)

	As at 31st March, 2020	As at 31st March, 2019
Bank balances held as Margin money (security against borrowings and others) (Refer note 21 and 26)	229.41	104.28
Fair value of derivatives not designated as hedges (Refer note (i) below)	187.05	85.76
Advance recoverable in Cash or Kind (Refer note 38)	-	775.00
Interest receivable (Refer note 38)	-	392.59
Security Deposits	11.45	18.99
Total	**427.91**	**1,376.62**

Notes:

i) Includes Interest Rate Swap of ₹ Nil (Previous year ₹ 18.97 crores), Option contracts of ₹ 173.92 crores (Previous year ₹ 66.79 crores) and ₹ 13.13 crores (Previous year ₹ Nil) of Principal only Swap / Coupon only swap instruments designated as cash flow hedges. Contracts are designated as hedging instruments in cash flow hedges for forecast payments of Capex LC liabilities in USD. (Also refer note 50).

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

Notes to Consolidated Financial Statements
for the year ended on 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

8 Other Non-current Assets

(Unsecured, considered good)

	As at 31st March, 2020	As at 31st March, 2019
Capital advances	1,318.38	672.32
Advances for goods and services	277.00	135.91
Advance tax including tax deducted at source (Net of provision of ₹ 0.01 crores (Previous year ₹ Nil))	33.47	44.85
Deposit with government authorities	66.68	6.19
Gratuity fund (net)	14.75	13.43
Advance to employee	1.64	1.47
Unbilled receivable (including deferred tax recoverable) (Refer note 58)	87.37	25.38
Prepaid expenses	7.05	6.69
Security deposits	4.98	3.28
Prepayments under operating lease arrangements	-	142.90
Total	**1,811.32**	**1,052.42**

9 Inventories

(At lower of cost or net realisable value)

	As at 31st March, 2020	As at 31st March, 2019
Fuel (includes in transit ₹ 541.05 crores (Previous year ₹ 249.61 crores)	1,957.53	734.68
Stores and spares	565.24	489.40
Total	**2,522.77**	**1,224.08**

Notes :

i) For charges created on inventories, refer note 21 and 26.

10 Current Investments

Unquoted Investments (Fully Paid) (At FVTPL)

	As at 31st March, 2020	As at 31st March, 2019
3,428.11 Units (Previous year Nil units) of SBI Overnight Fund Direct Growth	1.12	-
5,126.97 Units (Previous year 9,044.80 units) of SBI Liquid Fund - Direct Plan - Growth	1.67	2.64
Nil Units (Previous year 157.55 units) of Reliance Liquid Fund-Direct Plan - Growth	-	0.07
Total	**2.79**	**2.71**
Aggregate book value of unquoted investments	2.79	2.71

11 Trade Receivables

	As at 31st March, 2020	As at 31st March, 2019
Secured, considered good	-	-
Unsecured, considered good* (Refer note (iv) below)	8,366.47	8,550.99
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables - Credit impaired	-	-
Total	**8,366.47**	**8,550.99**

* net of payable as per Power Purchase Agreements ("PPAs") in respect of UPCL

Notes to Consolidated Financial Statements
for the year ended on 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

Notes :

i) For charges created on Trade Receivables, (Refer note 21 and 26).

ii) **Credit concentration**

As at 31st March, 2020, out of the total trade receivables 92.87% (Previous year - 90.60%) pertains to dues from State Distribution Companies under Long Term PPAs and short term PPAs including receivables on account of relief under Force Majeure / Change in Law events, carrying cost etc. and remaining from related parties and others.

iii) **Expected Credit Loss (ECL)**

The Group is having majority of receivables against power supply from State Electricity Distribution Companies ("Discoms") which are Government undertakings.

The Group is regularly receiving its normal power sale dues from its customers including Discoms and in case of any disagreement / amount under dispute, the same is recognised on conservative basis as per the binding regulatory orders. In case of delayed payments, the Group is entitled to receive interest as per the terms of PPAs. Hence they are secured from credit losses in the future.

iv) Trade receivable includes certain balances which are under reconciliation / settlement with Discom for payment / closure.

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

12 Cash and Cash equivalents

	As at 31st March, 2020	As at 31st March, 2019
Balances with banks (Refer note (i) below)		
In current accounts	221.10	24.54
Fixed deposits (with original maturity for three months or less)	720.00	-
Total	**941.10**	**24.54**

Notes :

i) For charges created on Cash and Cash equivalents, refer note 21 and 26.

ii) As at 31st March, 2020, the Group has available ₹ 1,825.25 crores (Previous year ₹ 1,772.00 crores) of undrawn committed borrowing facilities.

13 Bank balances (Other than Cash and Cash equivalents)

	As at 31st March, 2020	As at 31st March, 2019
Bank balances held as Margin money (With original maturity for more than three months) (Refer note (i) below)	1,028.65	891.34
Fixed deposits (With original maturity for more than three months) (Refer note (i) below)	9.56	-
Total	**1,038.21**	**891.34**

Notes :

i) For charges created on Bank balances (Other than cash and cash equivalents), refer note 21 and 26.

ii) The fair value of Bank balances (Other than cash and cash equivalents) is not materially different from the carrying value presented.

Notes to Consolidated Financial Statements

for the year ended on 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

14 Current Loans

(Unsecured, considered good)

	As at 31st March, 2020	As at 31st March, 2019
Loans to employees	3.05	5.70
Total	**3.05**	**5.70**

Note :

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

15 Other Current Financial Assets

(Unsecured, considered good)

	As at 31st March, 2020	As at 31st March, 2019
Interest receivable	57.51	21.97
Unbilled revenue	354.37	1,440.77
Security deposits	23.57	25.25
Fair value of derivatives not designated as hedges (Refer note (i) below)	324.57	60.06
Forward cover receivables	0.20	4.91
Other receivables	7.43	20.33
Total	**767.65**	**1,573.29**

Notes :

i) Includes Option contracts of ₹ 101.00 crores (Previous year ₹ 59.60 crores), Forward contracts of ₹ 223.57 crores (Previous year ₹ 0.46 crores) (Also refer note 50)

ii) The fair value of Other Current Financial Assets are not materially different from the carrying value presented.

16 Other Current Assets

(Unsecured, considered good)

	As at 31st March, 2020	As at 31st March, 2019
Advances for goods and services	761.43	564.84
Balances with Government authorities	73.95	272.02
Prepayments under operating lease arrangements	-	10.79
Prepaid expenses	114.70	76.55
Advance to Employees	1.06	1.48
Total	**951.14**	**925.68**

17 Assets classified as held for sale

	As at 31st March, 2020	As at 31st March, 2019
Assets classified as held for sale	-	4.20
Total	**-**	**4.20**

Note :

i) During the current year capital inventory of ₹ 2.75 crores and property plant and equipment of ₹ 1.45 crores have been disposed off.

Notes to Consolidated Financial Statements

for the year ended on 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

18 Equity Share Capital

	As at 31st March, 2020	As at 31st March, 2019
Authorised Share Capital		
4,50,00,00,000 (Previous year 4,50,00,00,000) equity shares of ₹ 10 each	4,500.00	4,500.00
50,00,00,000 (Previous year - 50,00,00,000) Cumulative Compulsorily Convertible Participatory Preference shares of ₹ 10 each	500.00	500.00
Total	**5,000.00**	**5,000.00**
Issued, Subscribed and Fully paid-up equity shares		
3,85,69,38,941 (Previous year - 3,85,69,38,941) fully paid up equity shares of ₹ 10 each	3,856.94	3,856.94
Total	**3,856.94**	**3,856.94**

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

Equity Shares	As at 31st March, 2020		As at 31st March, 2019	
	No. of Shares	Amount	No. of Shares	Amount
At the beginning of the year	3,85,69,38,941	3,856.94	3,856,938,941	3,856.94
Issued during the year	-	-	-	-
Outstanding at the end of the year	**3,85,69,38,941**	**3,856.94**	**3,856,938,941**	**3,856.94**

b. Terms / rights attached to equity shares

i) 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.

ii) 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

Company has issued and allotted 6,39,16,831 fully paid up equity shares of ₹ 10 each, to the equity shareholders of Adani Enterprises Limited ("AEL") pursuant to merger of Solar Power Undertaking of AEL into the Company during Financial Year 2015-16.

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

	As at 31st March, 2020		As at 31st March, 2019	
	No. of Shares	% holding in the class	No. of Shares	% holding in the class
Equity shares of ₹ 10 each fully paid				
Mr. Gautam S. Adani / Mr. Rajesh S. Adani (On behalf of S.B. Adani Family Trust)	1,40,51,79,633	36.43%	1,40,51,79,633	36.43%
Adani Tradeline LLP	37,71,80,885	9.78%	37,71,80,885	9.78%
Worldwide Emerging Market Holding Limited	19,28,46,900	5.00%	19,28,46,900	5.00%
Afro Asia Trade and Investments Limited	26,54,85,675	6.88%	26,54,85,675	6.88%
Universal Trade and Investments Limited	29,11,24,451	7.54%	29,11,24,451	7.54%
	2,53,18,17,544	**65.63%**	**2,53,18,17,544**	**65.63%**

Notes to Consolidated Financial Statements

for the year ended on 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

19 Unsecured Perpetual Securities

	As at 31st March, 2020	As at 31st March, 2019
At the beginning of the year	8,000.00	-
Add: Issued during the year	615.00	10,900.00
Less: Redeemed during the year	-	2,900.00
Outstanding at the end of the year	**8,615.00**	**8,000.00**

Notes :

i) During the year, the Company has issued additional Unsecured Perpetual Securities ("Securities") of ₹ 615.00 crores (Previous year: ₹ 8,000.00 crores (net of redemption of ₹ 2,900.00 crores)) to various related parties. These Securities are perpetual in nature with no maturity or redemption and are callable only at the option of the Company. The distributions on these Securities are cumulative at the rate of 11% p.a. (10% upto 31st March, 2019), and at the discretion of the Company. As these securities are perpetual in nature and ranked senior only to the Equity Share Capital of the Company and the Company does not have any redemption obligation, these are considered to be in the nature of equity instruments.

20 Other Equity

	As at 31st March, 2020	As at 31st March, 2019
Capital Reserve (Refer note (i) below)	1,389.40	359.80
Securities Premium (Refer note (ii) below)	7,409.83	7,409.83
General Reserve (Refer note (iii) below)	9.04	9.04
Cash flow hedge reserve (Refer note (v) below)	9.20	-
Retained earnings (Refer note (iv) below)	(14,808.97)	(11,923.32)
Total	**(5,991.50)**	**(4,144.65)**

	As at 31st March, 2020	As at 31st March, 2019
Capital Reserve (Refer note (i) below)		
Opening Balance	359.80	359.80
Add: Addition on account of acquisition of subsidiaries (Refer note 42)	1,029.60	-
Closing Balance	**1,389.40**	**359.80**

	As at 31st March, 2020	As at 31st March, 2019
Cash flow hedge reserve (Refer note (v) below)		
Opening Balance	-	-
Add: Recognised during the year	13.13	-
(Less) : Recycled to profit and loss account	(3.93)	-
Closing Balance	**9.20**	**-**

	As at 31st March, 2020	As at 31st March, 2019
Retained earnings (Refer note (iv) below)		
Opening Balance	(11,923.32)	(10,746.28)
Add : Distribution to holders of unsecured perpetual securities	(612.01)	(184.90)
Impact of sale of non-controlling stake in subsidiary	(0.01)	-
Gain on sale of subsidiary	0.02	-
Add : (Loss) for the year	(2,274.77)	(984.40)
Add: Remeasurement gain / (loss) of defined benefit plans, net of tax	1.12	(7.74)
Closing Balance	**(14,808.97)**	**(11,923.32)**

Notes to Consolidated Financial Statements

for the year ended on 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

Notes :

i) (a) Capital Reserve includes ₹ 359.80 crores created due to amalgamation of Growmore Trade and Investment Private Limited with the Company in the financial year 2012-13 as per Sections 391 to 394 of the Companies Act, 1956. As per the order of the Hon'ble High Court of Gujarat, the capital reserve created on amalgamation shall be treated as free reserve of the Company.

(b) Capital reserve of ₹ 1,029.60 crores is created on acquisition of subsidiaries during the year (Refer note 40 and 42).

ii) Securities premium represents the premium received on issue of shares over and above the face value of equity shares. The reserve is available for utilisation in accordance with the provisions of the Companies Act, 2013.

iii) General reserve of ₹ 9.04 crores was created in the FY 2015-16 due to merger of solar power undertaking acquired from Adani Enterprises Limited. As per the scheme of arrangement approved by order of the Hon'ble High Court of Gujarat, the difference between the value of assets acquired and the value of liabilities of the solar power undertaking transferred by Adani Enterprises Limited, has been treated as General Reserve of the Company.

iv) Retained earnings represents the amount that can be distributed as dividends considering the requirements of the Companies Act, 2013.

v) The cash flow hedge reserve represents the cumulative gains or losses arising on changes in fair value of designated effective portion of hedging instruments entered for cash flow hedges. The same will be reclassified to profit or loss only when the hedged transaction affects the profit or loss.

21 Non-current Borrowings

	As at 31st March, 2020		As at 31st March, 2019	
	Non-Current	Current	Non-Current	Current
Secured Borrowings - at amortised cost				
Term Loans				
From Banks (Refer note 1(a) below)	23,963.54	2,341.08	22,895.69	2,055.55
From Financial Institutions and ARCs (Refer note 1(a) and (f) below)	7,500.31	489.32	4,799.94	360.16
Trade Credits				
From Banks	179.95	-	-	-
	31,643.80	**2,830.40**	**27,695.63**	**2,415.71**
Unsecured Borrowings - at amortised cost				
10.50% Non Convertible Debentures	-	-	-	330.00
Loans From Related Parties (Refer Note 54)	4,770.57	-	4,280.70	-
Loans From Others	8,075.76	0.21	4,433.94	700.19
Term Loans				
From Financial Institutions	-	-	-	50.00
41,58,62,070 [Previous year : Nil] 0.01% Compulsorily Redeemable Preference shares of ₹ 10/- each	76.21	-	-	-
	12,922.54	**0.21**	**8,714.64**	**1,080.19**
	44,566.34	**2,830.61**	**36,410.27**	**3,495.90**
Amount disclosed under the head other current financial liabilities (Refer note 28)	-	(2,830.61)	-	(3,495.90)
Total	**44,566.34**	**-**	**36,410.27**	**-**

Notes :

1. The security details for the borrowing balances:

a. Rupee Term Loans from Banks aggregating to ₹ 23,144.01 crores (Previous year ₹ 21,456.57 crores), Rupee Term Loans from Financial Institutions aggregating to ₹ 6,093.82 crores (Previous year ₹ 3469.05 crores), Foreign Currency Loans from Banks aggregating to ₹ 3,338.07 crores (Previous year ₹ 3691.42 crores) and Foreign Currency

Notes to Consolidated Financial Statements

for the year ended on 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

Loans from Financial Institutions aggregating to ₹ 1,950.89 crores (Previous year ₹ 1675.06 crores) are secured by first charge on all present and future immovable, movable assets and leasehold land of the respective entities on paripassu basis.

b. For APMuL, Rupee Term Loan from Banks and Trade credits (short term borrowing) aggregating to ₹ 8,158.35 crores (Previous year - ₹ 8,633.84 crores) are further secured by pledge of 80,36,01,421 equity shares held by S.B. Adani Family Trust (Previous year 79,47,49,709) as a First charge.

c. For APMuL, Rupee Term Loan from Banks, Financial Institutions and Trade credits aggregating to ₹ 10,239.49 crores (Previous year ₹ 10,921.68 crores) are further secured by pledge of 10,60,49,994 shares held by the Company.

d. For APML, Rupee Term Loan and Foreign Currency Loans from Banks and Financial Institutions aggregating to ₹ 10,045.12 crores (Previous year ₹ 10,615.84 crores) are further secured by pledge of 183,89,12,932 equity shares of APML (Previous year 183,89,12,932) held by the Company, as a first charge.

e. For APRL, Rupee Term Loans and Foreign Currency Loans from Banks and Financial Institutions aggregating to ₹ 5,191.49 crores (Previous year ₹ 5,337.14 crores) are further secured by pledge of 51% shares (Previous year 51% shares), held by the Company on paripassu basis.

f. For UPCL, Borrowings from Banks and Financial Institutions except a loan from Power Finance Corporation Limited aggregating to ₹ Nil (Previous year ₹ 27.14 crores) are further secured by pledge of 51% Equity shares of UPCL, held by the Company, as a first charge. Borrowings of ₹ Nil (Previous year ₹ 27.14 crores) from Power Finance Corporation is secured by deposits with banks of ₹ Nil crores (Previous year ₹ 34.11 crores).

g. For REL, Rupee Term Loans from Banks aggregating to ₹ 2,031.77 crores , Rupee Term Loans from Financial Institutions aggregating to ₹ 662.07 crores, Foreign Currency Loans from Financial Institutions aggregating to ₹ 271.70 crores are further secured by pledge of 51% Equity shares held by the company on paripassu basis.

h. For REGL, Rupee Term Loans from Banks, Financial Institutions and Asset Restructuring Company ("ARCs") aggregating to ₹ 942.29 crores are further secured by Pledge of 51% Equity shares held by the company on paripassu basis.

i. For Adani Power (Jharkhand) Limited ("APJL"), Borrowings from Financial Institutions aggregating to ₹ 1,929.26 crores are further secured by pledge of 100% equity shares held by the company on paripassu basis and Trade credit from bank aggregating to ₹ 179.95 crores are further secured by Letter of comfort of Power Finance Corporation Limited and Rural Electrical Corporation Limited.

2. Repayment schedule for the Secured borrowing balances:

a. The secured term loans from Banks aggregating to ₹ 6914.37 crores (Previous year ₹ 7,596.34 crores) and from Financial Institutions aggregating to ₹ 1,679.19 crores (Previous year ₹ 1,675.06 crores) are repayable over a period of next 8 years from FY 2020-21 to FY 2027-28.

b. The secured term loans from Banks aggregating to ₹ 16788.51 crores (Previous year ₹ 17,551.65 crores) and from Financial Institutions aggregating to ₹ 3,307.63 crores (Previous year ₹ 3,496.19 crores) respectively are repayable over a period of next 15 years from FY 2020-21 to FY 2034-35.

C. For REL, Rupee Term Loans from Banks aggregating to ₹ 1,881.95 crores, Rupee Term Loans from Financial Institutions aggregating to ₹ 613.23 crores and Foreign Currency Loans from Financial Institutions aggregating to ₹ 251.66 crores are repayable in 3 equal annual installments starting from 30th June, 2026. Current maturity of rupee term loans from bank aggregating to ₹ 149.82 crores, rupee term loans from financial institution aggregating to ₹ 48.84 crores and foreign currency loans from financial institution aggregating to ₹ 20.04 crores are repayable on 1st July, 2020.

d. For REGL, The secured term loans from Banks aggregating to ₹ 747.43 crores and from Financial Institutions aggregating to ₹ 194.86 crores (including ₹ 83.01 crores from ARCs) respectively are repayable in structured quarterly instalments from FY 2021-22 to FY 2026-27.

Notes to Consolidated Financial Statements

for the year ended on 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

e. For APJL, Rupee Term Loans from Financial Institutions aggregating to ₹ 1,929.26 crores (Previous year ₹ Nil) are repayable on monthly basis over a period of next 15 years from FY 2022-23 to FY 2037-38 and Trade Credit from Bank aggregating to ₹ 179.95 crores (Previous year ₹ Nil) are repayable on maturity in FY 2022-23.

3. Repayment schedule for the Unsecured borrowing balances:

a. Unsecured term loan from Financial Institutions of ₹ 50.00 crores and 10.50% Non Convertible debentures of ₹ 330.00 crores have been repaid during the year.

b. Unsecured loans from related parties of ₹ 4,770.58 crores (Previous year ₹ 4,280.70 crores) and from others of ₹ 8,075.65 crores (Previous year ₹ 5,133.62 crores) are repayable on mutually agreed dates within 24 months to 300 months from FY 2020-21 to FY 2043-44.

c. Unsecured term loan from others of ₹ 0.32 crores (Previous year ₹ 0.51 crores) is repayable over a period of 16 Months from FY 2020-21 to FY 2021-22.

d. 0.01% Compulsorily Redeemable Preference shares aggregating to ₹ 415.86 crores (recognised at fair value of ₹ 76.21 crores) are redeemable in structured 3 equal annual instalments from F.Y.2036-37 to F.Y.2038-39.

4. The amount disclosed in security details in note 1 above and repayment schedule in note 2 above are gross amount before adjustments towards upfront fees.

22 Other Non-current Financial Liabilities

	As at 31st March, 2020	As at 31st March, 2019
Retention money payables	203.66	51.64
Lease obligations (Refer note 2.4)	92.82	-
Fair value of derivatives not designated as hedges (Refer note (i) below)	32.41	0.91
Capital creditors	10.32	10.31
Total	**339.21**	**62.86**

Notes :

i) Includes forward contracts ₹ Nil (Previous year ₹ 0.91 crores), interest rate swap of ₹ 32.41 crores (Previous year ₹ Nil) (Also refer note 50).

ii) The fair value of Other Non-current Financial Liabilities are not materially different from the carrying value presented.

23 Non-current Provisions

	As at 31st March, 2020	As at 31st March, 2019
Provision for Mine Closure Obligation	18.70	-
Provision for Employee Benefits		
Provision for Gratuity (Refer note 52)	43.92	38.11
Provision for Leave Encashment	25.81	23.37
Total	**88.43**	**61.48**

Notes to Consolidated Financial Statements
for the year ended on 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

24 Deferred Tax Liabilities (Net)

(a) Deferred Tax Liabilities (Net)

		As at 31st March, 2020	As at 31st March, 2019
Deferred Tax Liabilities			
Property, Plant and Equipment		6,917.64	6,732.45
Others		0.18	-
Gross Deferred Tax Liabilities	**Total (A)**	**6,917.82**	**6,732.45**
Deferred Tax Assets			
Provision for employee benefits		24.98	22.78
Others		41.27	44.75
On unabsorbed depreciation / carried forward losses		6,585.50	6,486.43
Gross Deferred Tax Assets	**Total (B)**	**6,651.75**	**6,553.96**
Net Deferred Tax Liabilities	**Total (A-B)**	**266.07**	**178.49**

The Company and each of its subsidiaries have recognised Deferred Tax Assets on unabsorbed depreciation / carried forward losses to the extent of Deferred Tax Liability.

(b) Movement in deferred tax liabilities (net) for the year ended 31st March, 2020

		Opening Balance as at 1st April, 2019	Recognised in profit and Loss	Recognised in other comprehensive income	Addition on account of acquisition of subsidiaries	Closing balance as at 31st March, 2020
Tax effect of items constituting Deferred Tax Liabilities :						
Property, Plant and Equipment		6,732.45	116.62	-	68.57	6,917.64
Others		-	0.18	-	-	0.18
	Total - (a)	**6,732.45**	**116.80**	**-**	**68.57**	**6,917.82**
Tax effect of items constituting Deferred Tax Assets:						
Employee Benefits		22.78	2.34	(0.14)	-	24.98
Others		44.75	(22.80)	-	19.32	41.27
Unabsorbed depreciation		6,486.43	99.07	-	-	6,585.50
	Total - (b)	**6,553.96**	**78.61**	**(0.14)**	**19.32**	**6,651.75**
Deferred Tax Liabilities (Net)	**Total - (a-b)**	**178.49**	**38.19**	**0.14**	**49.25**	**266.07**

(c) Movement deferred tax liabilities (net) for the year ended 31st March, 2019.

		Opening Balance as at 1st April, 2018	Recognised in profit and Loss	Recognised in other comprehensive income	Closing balance as at 31st March, 2019
Tax effect of items constituting Deferred Tax Liabilities :					
Property, Plant and Equipment		5,882.11	850.34	-	6,732.45
	Total - (a)	**5,882.11**	**850.34**	**-**	**6,732.45**
Tax effect of items constituting Deferred Tax Assets :					
Employee Benefits		19.55	3.23	-	22.78
Other Items		-	44.75	-	44.75
Unabsorbed depreciation		5,649.73	836.70	-	6,486.43
	Total - (b)	**5,669.28**	**884.68**	**-**	**6,553.96**
Deferred Tax Liabilities (Net)	**Total - (a-b)**	**212.83**	**(34.34)**	**-**	**178.49**

Notes to Consolidated Financial Statements

for the year ended on 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

24.1 Unrecognised deductible temporary differences and unused tax losses.

Deductible temporary differences and unused tax losses and unused tax credits for which no Deferred Tax Assets have been recognised are attributable to the following :

	As at 31st March, 2020	As at 31st March, 2019
Unrecognised tax losses and unused tax credits (revenue in nature) (Refer note (i) below)	12,413.09	7,636.88
Unabsorbed depreciation	20,136.61	10,953.44
Total	**32,549.70**	**18,590.32**

Notes :

i) Unrecognised tax losses of ₹ 12,258.36 crores will expire from AY 2021-22 to AY 2028-29 and MAT credit of ₹ 154.73 crores will expire from AY 2027-28 to AY 2035-36. and unabsorbed depreciation of ₹ 20,136.61 crores do not have expiry.

ii) No Deferred Tax Asset has been recognised on the above unutilised tax losses, depreciation and tax credits as there is no reasonable certainity that sufficient taxable profit will be available in the future years against which they can be utilised by the Group.

25 Other Non-current Liabilities

	As at 31st March, 2020	As at 31st March, 2019
Deferred Government Grant (Refer note 4.1(ii))	5,095.35	5,399.41
Total	**5,095.35**	**5,399.41**

26 Current Borrowings

	As at 31st March, 2020	As at 31st March, 2019
Secured Borrowings - at amortised cost		
Working Capital Demand Loans From Banks	2,579.97	-
Trade Credits From Banks	3,100.05	2,845.14
Cash Credit From Banks	1,627.23	3,040.08
	7,307.25	**5,885.22**
Unsecured Borrowings - at amortised cost		
Trade Credits From Banks (Refer note (ii) below)	397.57	567.16
Loans From Financial Institutions	-	200.00
Loans From Related Parties (Refer note 54)	1.45	346.76
Loans From Others	95.54	74.39
	494.56	**1,188.31**
Total	**7,801.81**	**7,073.53**

Notes :

i) Working Capital Demand Loans, Trade Credits and Cash Credits provided by Bank (Working Capital Facilities) aggregating to ₹ 7,307.25 crores (Previous year ₹ 5,885.22 crores) are secured by first mortgage and charge on respective immovable and movable assets, both present and future of the respective entities on paripassu basis.

ii) The Group's controlling entity has pledged securities of related parties against the trade credit facilities of ₹ 397.57 crores (Previous year ₹ 567.16 crores).

Notes to Consolidated Financial Statements
for the year ended on 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

27 Trade Payables

	As at 31st March, 2020	As at 31st March, 2019
Acceptances	647.27	357.75
Other than acceptances		
- total outstanding dues of micro enterprises and small enterprises	28.21	3.17
- total outstanding dues of creditors other than micro enterprises and small enterprises (Refer note 54 for related party dues)	4,920.57	6,000.82
Total	**5,596.05**	**6,361.74**

Notes :

i) Trade payables mainly include amount payable to coal suppliers and operation and maintenance vendors in whose case credit period allowed is less than 12 months. Group usually opens usance letter of credit in favour of the coal suppliers. Interest is charged by such suppliers for amount unpaid beyond the credit period. Since the average credit period is less than 12 months, the trade payable amount has been classified as current.

ii) The fair value of trade payables is not materially different from the carrying value presented.

28 Other Current Financial Liabilities

	As at 31st March, 2020	As at 31st March, 2019
Current maturities of Non-Current borrowings (Refer note 21 and note (iii) below)	2,830.61	3,495.90
Lease obligations (Refer note 2.4)	14.23	-
Interest accrued (Refer note (iii) below and note (i) of statement of cashflows)	347.40	209.29
Payable on purchase of Property , Plant and Equipment (including retention money)	903.42	199.91
Book Overdraft	-	0.19
Fair value of derivatives not designated as hedges (Refer note (i) below)	0.65	131.34
Others (Refer note(ii) below)	22.39	0.02
Total	**4,118.70**	**4,036.65**

Note :

i) Includes Forward contracts of ₹ 0.65 crores (Previous year ₹ 131.34 crores) (Also refer note 50).

ii) Includes ₹ 22.38 crores on account of interest payable on Electricity Duty.

iii) Also refer note 46 stating moratorium of interest and principal installment as per RBI circular dated 27th March, 2020.

iv) The fair value of Other Current Financial Liabilities are not materially different from the carrying value presented.

29 Other Current Liabilities

	As at 31st March, 2020	As at 31st March, 2019
Statutory liabilities	202.56	224.49
Advance from Customers	38.22	72.23
Deferred Government Grant (Refer note 4.1(ii))	304.18	304.18
Others (Refer note (i) below)	58.22	7.63
Total	**603.18**	**608.53**

Note :

i) Includes ₹ 55.31 crores on account of Fair Valuation of contingent liabilities on acquisition of subsidiaries (Refer note 42)

Notes to Consolidated Financial Statements
for the year ended on 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

30 Current Provisions

	As at 31st March, 2020	As at 31st March, 2019
Provision for Mine Closure Obligation	24.56	-
Provision for Employee Benefits		
Provision for Gratuity (Refer note 52)	4.48	3.46
Provision for Leave Encashment	10.40	7.74
Total	**39.44**	**11.20**

31 Current Tax Liabilities (Net)

	As at 31st March, 2020	As at 31st March, 2019
Income-tax payable (Net of advance tax ₹ 12.16 crores (Previous year ₹ 3.35 crores))	29.97	68.15
Total	**29.97**	**68.15**

32 Revenue from Operations

	As at 31st March, 2020	As at 31st March, 2019
Revenue from Power Supply (Refer notes below)	25,950.86	23,350.10
Revenue from traded goods	461.80	493.34
Other Operating Revenue		
Sale of Fly Ash and Others	55.06	40.74
Total	**26,467.72**	**23,884.18**

Notes :

i) (a) Current year's revenue from operation includes net income of ₹ 543.92 crores (Previous year ₹ 197.50 crores pertaining to period up to 31st March, 2018) pertaining to the period up to 31st March, 2019 towards change in law compensation for shortfall in domestic coal and other matters, which has been recognized by APMuL based on notifications / orders received during the current year from various regulatory authorities such as CERC / APTEL relating to various claims from Haryana Discoms. In case of NCDP, the Haryana Discoms have filed an appeal with APTEL which is pending to be concluded as at reporting date.

(b) In the year 2018-19, APMuL got into arrangement with Gujarat Urja Vikas Nigam Limited ("GUVNL") whereby it got amended 2000MW Power Purchase Agreement i.e. Bid 1 and Bid 2 through Supplemental Power Purchase Agreements ("SPPAs") for 2434 MW capacity with GUVNL which were effective from 15th October, 2018. The SPPAs were approved by CERC vide its order dated 12th April, 2019. The amendments through SPPA was mainly on account of Energy charges, Capacity charges and additional contractual capacity of 434MW. The effect of Supplemental Agreement in terms of additional revenue of ₹ 711.28 crores was accrued during the previous year.

During the year, pursuant to the Hon'ble Supreme Court order dated 2nd July, 2019, 1234 MW Bid-2 PPA (incl. SPPA) got terminated.

ii) (a) Maharashtra Electricity Regulatory Commission ("MERC") vide its order dated 7th March, 2018 had given a favorable order against APML's petition for change in law claims on account of shortage of coal supply under the NCDP upto 31st March, 2017 for the generation capacity tied up under Power Purchase Agreements ("PPAs") of 1180 MW having Fuel Supply Agreements ("FSAs") ((unit 1 (660 MW) & Unit 2 (520 MW)) and for generation capacity tied up under PPAs of 1320 MW (unit 4 & 5) having MOUs. APML had accounted estimated income against such claims, based on the best estimate till 31st March, 2018. During the previous year, based on the latest deliberations with Maharashtra State Electricity Distribution Company Limited ("MSEDCL"), APML had to revise certain cost parameters and other variables and an additional income of ₹ 624.87 crores (net) was recognised for the period upto 31st March, 2017.

Notes to Consolidated Financial Statements

for the year ended on 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

For the period subsequent to 31st March, 2017, MERC vide its order dated 7th February, 2019 has allowed APML to raise claim under change in law provisions on account of shortage of coal supplies. Based on the said order, APML has recognised revenue of ₹ 417.20 crores (Previous year ₹ 1,901.16 crores).

The aforesaid claims have been recognised based on certain variables as per the methodology given in the MERC order and may be subject to final adjustments after MSEDCL reviews the claims. As at reportding date, MSEDCL and APML both have filed appeals with APTEL against MERC order allowing change in law claim in view of SHAKTI policy.

(b) APML under a long term Power Purchase Agreement ("the PPA") with MSEDCL, has committed to supply 1,320 MW capacity from Unit-2 & Unit-3 of the APML's Power Plant at Tiroda, Maharashtra for 25 years, with one of the sources of coal from Lohara Coal Block. However, before APML could source coal from Lohara Coal Block, the Terms of Reference ("TOR") for Lohara Coal Block were withdrawn on 25th November, 2009 by the Ministry of Environment and Forest ("MOEF"). Subsequently, the MOEF in January 2010 confirmed that Lohara Block will not be considered for environment clearance.

APML had generated and supplied power to MSEDCL under this 1320 MW PPA from unit 2 & 3 w.e.f. from 25th March, 2013 onwards, by procuring coal from alternative suppliers to meet the shortage in domestic coal supplies on account of withdrawal of coal allocation from Lohara Coal Block. For the losses suffered by APML due to consumption of alternative coal in the generation and supply of power to MSEDCL, APML is in appeal with APTEL since 2014, in this matter relating to compensation for losses suffered due to de-allocation of the Lohara Coal Block.

During the previous year, APML has reversed the revenue of ₹ 1,259.71 crores (recognised in earlier years) being probable compensation for losses suffered due to consumption of alternative coal, since the matter is sub-judice and pending with APTEL for final decision, on a prudent accounting basis. APTEL vide its judgment dated 31st May, 2019 remanded back the matter to MERC for fresh adjudication on the issue of Force Majeure and Change in Law.

During the year, MERC vide its order dated 6th September, 2019 has allowed relief on account of non-availability of coal from Lohara coal block / non availability of coal linkages towards APML's 800 MW of power generation capacity and granted compensation under change in law along with carrying cost thereon. Based on the MERC order, APML has raised provisional claims on MSEDCL. However, MSEDCL has filed an appeal against the aforesaid order with APTEL challenging the compensation on account of de-allocation of Lohara coal block due to withdrawal of Terms of Reference ("TOR"). As the matter is sub judice, the revenue on account of such compensation (including for prior years since 2013-14) has not been recognised as a matter of prudence.

(c) In case of APML, Revenue from operations (Power Supply) includes net income reversal of ₹ 106.25 crores (Previous year ₹ 567.22 crores for the period upto 31st March, 2018) for the period upto 31st March, 2019 (excluding amounts disclosed in note (a) and (b) above) based on notifications and orders received during reporting year from various regulatory authorities such as MERC / APTEL relating to various claims, including escalation / de-escalation claims.

iii) (a) APRL, under long term Power Purchase Agreements ("the PPAs"), has committed 1200 MW capacity with Rajasthan Discoms with a substantially fixed tariff for twenty five years.

In light of the Hon'ble Supreme Court order dated 11th April, 2017 in the case of Energy Watchdog versus CERC and other matter, it was concluded, that the change in New Coal Distribution Policy of 2007 ("NCDP") and Tariff Policy of 2016 issued by Government of India constitutes Change in Law event in terms of power purcharse aggreement (PPA) between various Discoms and Power generator, whereby APRL had filed an affidavit with Rajasthan Electricity Regulatory Commission ("RERC") to grant relief due to non-availability / shortage of domestic coal, as a Change in Law event.

During the previous year, RERC vide its order dated 17th May, 2018, has granted relief as provided under clause 10 of the PPAs for the additional cost incurred on procurement of alternate coal based on the direction of Hon'ble Supreme Court of India in the case of Energy Watchdog V/s CERC and others whereby the claim receivable on account of NCDP policy of the government, for the period May 2013 to January 2018 was revised in the books on the best management estimate basis. The Rajasthan Discoms have filed an appeal against the

Notes to Consolidated Financial Statements

for the year ended on 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

aforesaid order of RERC. Meanwhile, based on the petition filed by Rajasthan Discoms against APTEL's interim order dated 24th September, 2018 directing them to pay provisional amount equivalent to 70% of the claim amount, Hon'ble Supreme Court of India vide its order dated 29th October, 2018 directed Rajasthan Discoms to pay provisional amount equivalent to 50% of the amount claimed by APRL within a period of 2 months from the date of order. Pursuant to the said order, APRL has received ₹ 2,351.14 crores in Previous year and ₹ 75.68 crores in Current year from Discoms. As per the assessment by the Management, it would not be unreasonable to expect ultimate collection of the entire amount of relief recorded in the books of accounts since financial year 2013-14 subject to settlement of matter pending with Hon'ble Supreme court as at 31st March 2020.

(b) During the year, APTEL vide its order dated 14th September, 2019, has granted APRL further relief towards change in law event including carrying cost thereof, as provided under clause 10 of the Power Purchase Agreements ("PPAs"), for the additional cost incurred on procurement of alternate coal under SHAKTI policy due to shortfall in availability of domestic coal and upheld the compensation under NCDP including for the period from February 2018 to till date. Accordingly, APRL has recognised revenue towards such cost compensation of ₹ 124.80 crores and carrying cost claim of ₹ 737.99 crores (under Other Income) during the year on the best management estimate basis.

(c) In case of APRL, Revenue from operations (Power Supply) for the year is net of reversal of ₹ 197.09 crores pertaining to the financial years upto 31st March, 2019 recognised based on the orders / notifications received during the year from various regulatory authorities such as CERC, RERC and APTEL relating to various claims including escalation / de-escalation thereon.

iv) (a) CERC vide its order dated 27th June, 2019 has revised the tariff applicable for Multi Year Tariff ("MYT") period 2009-14, as per directions in the APTEL's Judgment dated 6th February, 2019. UPCL has recognised revenue of ₹ 394.80 crores. APTEL Judgment dated 6th February, 2019 has been challenged by the Power Company Of Karnataka Limited ("PCKL") / Discoms in Supreme Court as at reporting date.

(b) UPCL has recognised revenue of ₹ 17.82 crores on account of tariff adjustment for the regulation period 2014-19 based on CERC order dated 22nd January, 2020.

(c) In case of UPCL, Revenue for the year is net of reversal of ₹ 379.12 crores on account of adjustments made in the books against long pending disputed claims in respect of past years from the PCKL and ESCOM's, as a matter of prudence.

Contract balances:

The following table provides information about receivables, contract assets and contract liabilities from the contracts with customers.

Particulars	As at 31st March, 2020	As at 31st March, 2019
Trade Receivables	8,366.47	8,550.99
Contract Assets (Unbilled revenue)	441.74	1,466.15
Contract Liabilities (advance from customers)	38.22	72.23

Set out below is the amount of revenue recognised from:	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Amount included in contract liabilities at the beginning of the year	72.23	130.26

Notes to Consolidated Financial Statements

for the year ended on 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

Reconciliation of the amount of revenue recognised in the statement of profit and loss with the contracted price:

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Revenue as per contracted price	26,657.05	24,126.62
Adjustments		
Discount on prompt payment	(161.41)	(218.35)
Discount under Shakti Scheme	(27.92)	(24.09)
Revenue from contract with customers (net off adjustments on account of change in estimates made during the year)	**26,467.72**	**23,884.18**

33 Other Income

	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Interest income (Refer note (a) below)	959.63	1,993.62
Income from Mutual Funds	4.09	1.60
Sale of Scrap	16.36	19.45
Amortised Government Grant Income	304.06	304.06
Insurance Claim Received	-	108.33
Miscellaneous Income (Refer note (b) below)	89.95	50.39
Total	**1,374.09**	**2,477.45**

Note :

a) interest income of ₹ 959.63 crores (Previous year - ₹ 1,993.62 crores) mainly includes Interest income for Late payment surcharge on power supply of ₹ 91.82 crores (Previous year ₹ 388.00 crores), Carrying cost of ₹ 798.40 crores (mainly pertaining to earlier years) (Previous year ₹ 1,373.32 crores) in pursuant to the order of APTEL/ RERC / MERC / CERC.

b) Miscellaneous income includes ₹ 42.44 crores (Previous Year ₹ 7.82 crores) towards liability no longer required written back.

34 Purchase of Stock in trade / Power for resale

Purchase of Stock in trade / Power for resale includes purchase of trading goods of ₹ 466.67 crores (Previous year ₹ 488.41 crores), and purchase of Power for resale of ₹ 0.43 crores (Previous year ₹ 321.50 crores)

35 Employee Benefits Expense

	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Salaries, Wages and Allowances	388.60	333.18
Contribution to Provident and Other Funds (Refer note 52)	20.22	16.83
Staff Welfare Expenses	18.00	13.27
Total	**426.82**	**363.28**

Notes to Consolidated Financial Statements

for the year ended on 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

36 Finance costs

	For the year ended 31st March, 2020	For the year ended 31st March, 2019
(a) Interest Expenses on :		
Loans and Debentures	4,778.54	5,000.03
Trade Credits and Others (Refer note (i) below)	466.43	455.65
	5,244.97	**5,455.68**
(b) Other borrowing costs :		
(Gain) on Derivative Contracts	(247.15)	(25.67)
Bank Charges and Other Borrowing Costs	145.24	141.31
	(101.91)	**115.64**
(c) Net loss on foreign currency transactions and translation (to the extent considered as finance cost)	171.76	85.20
	171.76	**85.20**
Total	**5,314.82**	**5,656.52**

Note :

i) Includes interest on lease liabilities ₹ 8.98 crores (Previous year ₹ Nil)

37 Other Expenses

	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Consumption of Stores and Spares	252.20	154.51
Repairs and Maintenance		
Plant and Equipment	466.45	257.43
Others	51.20	21.45
Expenses related to short term leases	6.18	-
Rent	-	20.64
Rates and Taxes*	189.78	5.80
Legal and Professional Expenses	190.34	94.59
Directors' Sitting Fees	0.22	0.19
Communication Expenses	10.64	7.53
Travelling and Conveyance Expenses	26.82	27.64
Insurance Expenses	74.51	63.79
Office Expenses	3.07	2.74
Bad debt written off	28.80	118.18
Provision for Doubtful Debt / Advances	9.97	5.99
Capital Expenditure Written-off	20.75	-
Electricity Expenses	8.19	3.17
Foreign Exchange Fluctuation Loss (Net)	196.42	446.52
Loss on Sale / Retirement of Property, Plant and Equipment and capital asset written off (Net)	48.34	29.58
Donations	0.77	0.53
Corporate Social Responsibility expenses	2.02	2.07
Miscellaneous Expenses	99.62	108.24
Total	**1,686.29**	**1,370.59**

Note:

*Rates and Taxes includes provision of ₹ 157.32 crores against pending claims.

Notes to Consolidated Financial Statements

for the year ended on 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

38 Exceptional Items

	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Write off of advances (Refer note (i) below)	1,002.99	-
Total	**1,002.99**	**-**

Note :

i) Exceptional items aggregating to ₹ 1,002.99 crores during the year ended 31st March, 2020 represents adjustment of outstanding sale proceeds of 49% stake in KWPCL (now REGL) amounting to ₹ 263.69 crores, balance purchase consideration of ₹ 511.31 crores, part of subrogated loans given to KWPCL amounting to ₹ 130.80 crores and interest receivable of ₹ 97.19 crores on loans given to KWPCL. The Company has written off these balances / amounts during the year ended 31st March, 2020, subsequent to the resolution plan submitted by the Company and approved by the NCLT vide its Order dated 24th June, 2019.

39 Income Tax

	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Current Tax:		
Current Income Tax Charge	24.68	68.26
Adjustments in respect of prior years	(7.33)	-
Total (A)	**17.35**	**68.26**
Deferred Tax		
Deferred Tax Charge / (Credit)	38.19	(34.34)
Total (B)	**38.19**	**(34.34)**
Current tax netted off with Deferred tax recoverable from future tariff	16.30	-
Total (C)	**16.30**	**-**
Total (A+B+C)	**71.84**	**33.92**
OCI section		
Deferred tax related to items recognised in OCI during the year	0.14	-
Total	**71.98**	**33.92**

The income tax expense for the year can be reconciled to the accounting profit as follows:

	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Loss before tax as per Statement of Profit and Loss	**(2,264.92)**	**(975.86)**
Income tax using the Group's domestic tax rate @ 34.944% (Previous year rate 34.922%)	(791.45)	(340.79)
Tax Effect of :		
i) Deferred Tax Asset not created on losses of Current Year	1,061.29	502.38
ii) Deferred Tax Asset created on losses of Earlier Years	(258.02)	(35.23)
iii) Minimum Alternate Tax (MAT)	24.60	68.23
iv) MAT on Deferred Tax Recoverable	16.30	-
v) Income-taxes related to prior years	(7.33)	-
vi) Tax Impact on Distribution to holders of Unsecured Perpetual Securities	(213.86)	(64.61)
vii) Non Deductible Expenses	407.04	8.62
viii) Non Taxable Income	(102.26)	(106.25)
ix) Impact of Tax Rate Difference	(73.05)	-
x) Others	8.72	1.57
Income tax recognised in Statement of Profit and Loss Total	**71.98**	**33.92**

Notes to Consolidated Financial Statements

for the year ended on 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

Note:

(i) On 20th September, 2019, vide the Taxation Laws (Amendment) Ordinance, 2019 ('the Ordinance'), the Government of India inserted Section 115BAA in the Income Tax Act, 1961 which provides domestic companies a non-reversible option to pay corporate tax at reduced rates effective 1st April, 2019, subject to certain conditions. APRL a wholly owned subsidiary of the Company, has recognised the tax provision in its books as per Section 115BAA during the current year. Depreciation rates are yet to be prescribed under the new tax regime and companies continue to have an option to select either of the tax regimes, till the time of filing of return of income for the financial year 2019-20, under the income tax act.

40 Details of Subsidiaries:

The consolidated financial statements comprise the financial statements of the parent company, Adani Power Limited (referred to as "the Company") and the following subsidiaries (together as "the Group").

Name of the subsidiaries	Country of incorporation	Effective ownership in subsidiary as at	
		31st March, 2020	31st March, 2019
Adani Power (Mundra) Limited	India	100%	100%
Adani Power Maharashtra Limited	India	100%	100%
Adani Power Rajasthan Limited	India	100%	100%
Udupi Power Corporation Limited	India	100%	100%
Adani Power Resources Limited ("APReL")(Refer note (iv) below)	India	51%	100%
Adani Power (Jharkhand) Limited	India	100%	100%
Raigarh Energy Generation Limited (formerly known as Korba West Power Corporation Limited)(Refer note (i) below)	India	100%	-
Raipur Energen Limited (formerly known as GMR Chhattisgarh Energy Limited) (Refer note (ii) below)	India	100%	-
GMR Mining and Energy Private Limited (w.e.f 2nd August, 2019 to 26th December, 2019) (Refer note (v) below)	India	-	-
Adani Power Dahej Limited	India	100%	100%
Pench Thermal Energy (MP) Limited (formerly known as Adani Pench Power Limited)	India	100%	100%
Kutchh Power Generation Limited	India	100%	100%

Notes :

(i) National Company Law Tribunal ("NCLT") vide its order dated 24th June, 2019, approved the Company's resolution plan in respect of corporate insolvency resolution process of KWPCL. The Resolution Professional vide its letter dated 20th July, 2019, handed over the affairs / control of KWPCL to the Company on fulfilment of conditions precedent as per the Resolution Plan and on payment of agreed consideration of ₹ 1.00 crore towards purchase of equity. Accordingly, KWPCL become wholly owned subsidiary of the Company and is considered for consolidation w.e.f. 20th July, 2019. Subsequent to acquisition, the name of KWPCL has been changed to Raigarh Energy Generation Limited

(ii) The Company through Share Purchase Agreements ("SPAs") dated 29th June, 2019 with the owners and lenders of GMR Chhattisgarh Energy Limited ("GCEL") acquired 100% equity stake in GCEL, which owns and operates a 1370 MW thermal power plant in state of Chhattisgarh. During the current year, the Company acquired control over GCEL w.e.f. 2nd August, 2019 on fulfilment of conditions precedent as per SPAs (restructuring of GCEL loans to sustainable level) and on payment of agreed consideration of ₹ 16 only towards purchase of equity. Accordingly, GCEL has become wholly owned subsidiary of the Company and is considered for consolidation w.e.f. 2nd August, 2019. Subsequent to acquisition, the name of GCEL has been changed to Raipur Energen Limited

(iii) During the previous year, the Company has acquired 100% equity shares and Compulsorily Convertible Debentures of three companies viz. Pench Thermal Energy (MP) Limited (formerly known as Adani Pench Power Limited), Adani Power Dahej Limited and Kutchh Power Generation Limited for a consideration of ₹ 323.83 crores as at 29th March, 2019. Hence, these Companies became wholly owned subsidiaries of the Company. The previous year numbers includes assets and liabilities of these subsidiaries as at 31st March 2019.

Notes to Consolidated Financial Statements

for the year ended on 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

(iv) During the year, APML and APRL has sold its investment in equity to related party. Thus investment in APReL has reduced to 51% compare to 100% during the previous year (also refer note 41).

(v) During the year, REL has sold its entire investment in equity shares of GMR Mining Energy Private Limited.

41 Non-Controlling Interest (NCI)

Non controlling interest relate to APReL as on 31st March, 2020. NCI holds 49% shares in APReL.

The table below shows summarized financial information of subsidiaries of the Group that have non-controlling interests.

Particulars	As at 31st March, 2020	As at 31st March, 2019
Non-current assets	0.09	-
Current assets	0.80	-
Non-current liabilities	-	-
Current liabilities	0.87	-
Net Assets	**0.02**	**-**
Equity attributable to owners of the group	0.01	-
Non-controlling interest	0.01	-

Notes :

During the year, 49% of equity shares sold to related party, for which fair value is ₹ 0.01 crores, the same is adjusted in non-controlling interest.

42 Business Combinations

(a) Acquisition of Raigarh Energy Generation Limited (REGL)

National Company Law Tribunal ("NCLT") vide its order dated 24th June, 2019, approved the Company's resolution plan in respect of corporate insolvency resolution process of REGL. The Resolution Professional vide its letter dated 20th July, 2019, handed over the affairs / control of REGL to the Company on fulfilment of conditions precedent as per the Resolution Plan and on payment of agreed consideration of ₹ 1.00 crore towards purchase of 100% equity. Accordingly, during the current year REGL become wholly owned subsidiary of the Company and is considered for consolidation w.e.f. 20th July, 2019.

(b) Acquisition of Raipur Energen Limited (REL)

The Company through Share Purchase Agreements ("SPAs") dated 29th June, 2019 with the owners and lenders of REL acquired 100% equity stake in REL, which owns and operates a 1370 MW thermal power plant in state of Chhattisgarh. The Company acquired control over REL w.e.f. 2nd August, 2019 on fulfilment of conditions precedent as per SPAs (restructuring of GCEL loans to sustainable level) and on payment of agreed consideration of ₹ 16 only towards purchase of equity. Accordingly, during the current year REL has become wholly owned subsidiary of the Company and is considered for consolidation w.e.f. 2nd August, 2019.

The business acquisition accounting of these transactions have been done in terms of Ind AS 103 "Business Combinations". The acquisitions were accounted for in the books, using the acquisition method and accordingly, all the assets and liabilities were measured at their fair values as on the acquisition date.

The management has determined that various tranches of the acquisition are part of single arrangement and linked. Hence, they should be treated as single acquisition for application of the acquisition method. For convenience purposes and based on materiality consideration, the Group has used 20th July, 2019 as acquisition date to account for acquisition of REGL and 2nd August, 2019 as acquisition date to account for acquisition of REL.

This has resulted in capital reserve aggregating to ₹ 1029.60 crores in consolidated financial statements of Adani Power Limited.

The fair value of the identifiable assets and liabilities of REGL and REL as at the date of acquisition based on audited accounts of respective entities were:

Notes to Consolidated Financial Statements

for the year ended on 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

Particulars	REGL	REL	Total
ASSETS			
Non-current Assets			
(a) Property, Plant and Equipment	3,112.20	4,333.85	7,446.05
(b) Capital Work-In-Progress	97.74	119.60	217.34
(c) Other Intangible Assets	0.02	73.31	73.33
(d) Financial Assets			
(i) Loans	-	0.55	0.55
(ii) Other Non-current Financial Assets	-	45.39	45.39
(e) Other Non-current Assets	55.86	88.56	144.42
Total Non-Current Assets	**3,265.82**	**4,661.26**	**7,927.08**
Current Assets			
(a) Inventories	44.74	20.66	65.40
(b) Financial Assets			
(i) Trade Receivables (Refer note (i) below)	84.88	5.57	90.45
(ii) Cash and Cash Equivalents	5.04	19.23	24.27
(iii) Bank balances other than (ii) above	-	74.68	74.68
(iv) Loans	-	4.21	4.21
(v) Other Financial Assets	-	10.12	10.12
(c) Other Current Assets	34.65	156.49	191.14
Total Current Assets	**169.31**	**290.96**	**460.27**
Total Assets	**3,435.13**	**4,952.22**	**8,387.35**
LIABILITIES			
Non-current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	2,802.49	3,458.57	6,261.06
(ii) Other Financial Liabilities	5.43	11.18	16.61
(b) Long Term Provisions	0.93	31.38	32.31
(c) Deferred Tax Liabilities (Net)	(0.44)	49.69	49.25
Total Non- Current Liabilities	**2,808.41**	**3,550.82**	**6,359.23**
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	-	19.84	19.84
(ii) Trade Payables	99.69	49.16	148.85
(iii) Other Financial Liabilities	1.52	564.83	566.35
(b) Other Current Liabilities (Refer note (ii) below)	28.54	218.08	246.62
(c) Short Term Provisions	0.15	15.71	15.86
Total Current Liabilities	**129.90**	**867.62**	**997.52**
Total Liabilities	**2,938.31**	**4,418.44**	**7,356.75**
Total Net Assets (Total Assets Less Total Liabilities)	496.82	533.78	1,030.60
Purchase Consideration paid	1.00	*	1.00
Capital Reserve on Acquisition	**495.82**	**533.78**	**1,029.60**

(i) Gross contractual value and fair value of trade receivable is same and no ECL accounted related to trade receivable.

(ii) Includes ₹ 54.04 crores and ₹ 1.27 crores on account of Fair Valuation of contingent liabilities for REL and REGL resepctively

Notes to Consolidated Financial Statements
for the year ended on 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

Net cash flow arising on acquisition is as below:

Particulars	REGL	REL
Total consideration paid through cash	1.00	*
Net cash acquired with the subsidiary (included in cash flows from investing activities)	5.04	19.23
Net cash Inflow on acquisition	**4.04**	**19.23**

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

43 Contingent liabilities and Commitments :

	As at 31st March, 2020	As at 31st March, 2019
(a) Contingent Liabilities :		
1. Claims against the Group not acknowledged as debts in respect of:		
a. Income Tax demands (under appeal)	57.14	55.97
b. Service Tax / Goods and Service Tax / Central Sales Tax	7.05	5.12
c. Custom Duty	1,217.34	251.70
d. State Sales Tax	13.52	13.52
e. Commercial dispute under arbitration suit (Refer note (ii) below)	-	182.73
f. Electricity Duty	11.31	-
g. Transmission Line Relinquishment	339.93	-
h. Others	-	0.02
Total	**1,646.29**	**509.06**

Note:

i) The possibility of outflow of resources embodying economic benefits is remote in above cases.

ii) The matter is settled during year ended 31st March, 2020

2. The Development Commissioner, Mundra has issued a show cause notice to APMuL for the period FY 2009-10 to FY 2014-15 in relation to custom duty on raw materials used for generation of electricity supplied from SEZ to DTA, which amounts to ₹ 963.94 crores. APMuL has contested the said show cause notice. Further, the management is of the view that such duties on raw material are eligible to be made good to APMuL under the PPA with Discoms or are refundable from the Authorities.

(b) Commitments :

	As at 31st March, 2020	As at 31st March, 2019
Estimated amount of contracts remaining to be executed on capital account and not provided for	7,519.02	9,279.94
Estimated amount payable towards coal block allocated to APMuL (Refer note 44) (Upfront Fees payable towards allotment of Jitpur coal mine)	13.60	13.60
Total	**7,532.62**	**9,293.54**

Others:

(i) The Company has given a commitment to lenders of REL that it will not transfer its 49% equity holding in REL except with the prior approval of lenders. The Company has similarly given a commitment to lenders of REGL that it will not transfer its 49% equity holding in REGL outside the Adani Group except with the prior approval of lenders.

Notes to Consolidated Financial Statements

for the year ended on 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

44 APMuL had successfully secured a coal block at Jitpur in the State of Jharkhand and executed the Coal Mine Development and Production Agreement ("the agreement") with the Government of India in FY 2014-15. The land for the Jitpur mine has been awarded to APMuL by District Collector in FY 2014-2015 and APMuL deposited ₹ 103.76 crores with the authorities from time to time as per the demand notice. APMuL has incurred additional cost of ₹ 18.40 crores on the project as at reporting date. During the year, District Collector, Godda informed to APMuL that the land so awarded has been lapsed and it needs a fresh acquisition. APMuL has taken up the matter with the Government of Jharkhand (GOJ) and a Nominated Authority (NA), Ministry of Coal (MoC). In its application to NA, Ministry of Coal and Chief Secretary GOJ vide its letter dated 13th March, 2020, APMuL has requested to convene a meeting of concerned department of state government for an early resolution to enable APMuL to take further steps towards operationalise of the mine.

APMuL expect to resolve all matters relating to Jitpur mine and will be able realise value of ₹ 122.16 crores spent as at reporting date.

45 (a) The Hon'ble Supreme court ("SC"), vide its order dated 2nd July, 2019, allowed appeal dated 8th November, 2011 of APMuL, a wholly owned subsidiary of the Company, for termination of long term Power Purchase Agreement (PPA) ("Bid 2") with GUVNL, (the PPA since transferred to APMuL w.e.f. 31st March, 2017 in terms of Scheme of Arrangement approved by National Company Law Tribunal order dated 3rd November, 2017), for supply of 1000 MW power with effect from 4th January, 2010 and allowed APMuL right to claim compensatory tariff thereof as may be decided by CERC. SC has directed CERC to decide the said matter in the light of the provisions of Section 62 of the Electricity Act, 2003 and CERC (Terms and Conditions of Tariff) Regulation 2009, within three months from the date APMuL approaches CERC. Based on the SC order, APMuL has filed its petition on 2nd September, 2019 and based on Record of Proceedings also submitted additional information on 7th January, 2020 and 5th March, 2020 with CERC for determination of compensatory tariff. The proceedings in the matter are in progress and the compensation claim is not yet finalised by CERC.

In the meantime, the Company and GUVNL both have filed petitions with CERC to settle claims and contractual arrangement in terms of Bid 1 and Bid 2 PPAs.

Pursuant to SC order, GUVNL has discontinued scheduling power w.e.f. 10th July, 2019 under the said Bid 2 PPA (including subsequent amendments thereof). Post discontinuation of scheduling, APMuL is selling power under merchant sale basis. The management does not foresee any adverse financial impact on future operating cash flows of APMuL due to termination of Bid 2 PPA considering the expected compensation on account of such termination of the 1000 MW PPA (1234 MW as per amended PPA) and merchant sale of power.

Apart from above, APMuL has evaluated the factors based on which the future cash flow projections have been prepared for computing the recoverable amount / value in use of its Mundra power generation plants of 4620 MW capacity. The management's long term assessment for recoverable amount of APMuL's power generation assets has also factored better operational parameters such as coal prices, borrowing cost, power tariff, leading to better operational and financial performance of APMuL. The management believes that over foreseeable future, APMuL would be able to establish profitable operations and meet its liabilities as and when they fall due and hence, no provision / adjustment is considered necessary to the carrying value of its property, plant and equipment aggregating to ₹ 19,403.53 crores as at 31st March, 2020.

(b) APML, UPCL, APRL. REL and REGL have determined the recoverable amounts of the Power Plants over their useful life under Ind AS 36, Impairment of Assets on the basis of their Value in Use by estimating the future cash inflows over the estimated useful lives of the Power Plants. Further, the cash flow projections are based on estimates and assumptions relating to tariff, operational performance of the Plants, availability of domestic coal under fuel supply agreement / coal linkage as per the directives of Competent Authority, life extension plans, market prices of coal and other fuels, exchange variation, inflation, terminal value etc. which are considered reasonable by the Management.

On a careful evaluation of the aforesaid factors, the Management of APML, UPCL, APRL. REL and REGL have concluded that the Recoverable values of the Power Plants are higher than their carrying amounts as at 31st March, 2020. However, if these estimates and assumptions change in future, there could be corresponding impact on the recoverable value of the Plants.

Notes to Consolidated Financial Statements

for the year ended on 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

46 Due to outbreak of COVID-19 globally and in India, the Group has made initial assessment of likely adverse impact on economic environment in general and financial risks on account of COVID-19. The Group is in the business of generation of electricity which is an essential service as emphasized by the Ministry of Power, Government of India. The availability of power plant to generate electricity as per the demand of the customers is important. Hence, the Group has ensured not only the availability of its power plant to generate power but has also continued to supply power during the period of lockdown, considering essential service as declared by the Government of India. However, for the short term period the demand of power is expected to be lower and accordingly, the Group has to operate power plants at lower load factor. The Group has also received notices of force majeure from four State distribution entities ("Discoms") which have been replied by the respective subsidiary entities and clarified that the said situation is not covered under force majeure clause, considering electricity falls under essential services vide notification dated March 25, 2020 issued by Ministry of Home Affairs. The Power Ministry has also clarified on 6th April, 2020 that Discoms will have to comply with the obligation to pay fixed capacity charges as per PPA. Further, the Reserve Bank of India has granted relief to borrowers by way of moratorium of interest and principal instalments falling due to banks and financial institution till May 2020.This will largely mitigate the stress on cash flows, if any, during the period of COVID-19. The Group is also having sufficient stock of coal and has also tied up further supply of coal so as to maintain supply of electricity. On long term basis also, the Group does not anticipate any major challenge in meeting its financial obligations. Basis above, the management has estimated its future cash flows for the Group which indicates no major change in the financial performance as estimated prior to COVID-19 impact and hence, the Group believes that there is no impact on its ability to continue as a going concern and meeting its liabilities as and when they fall due.

47 The Group has taken various derivatives to hedge its risks associated with foreign currency fluctuations. The outstanding position of derivative instruments is as under :

Nature	Purpose	As at 31st March, 2020		As at 31st March, 2019	
		Amount	Foreign Currency (in Millions)	Amount	Foreign Currency (in Millions)
Forward covers	Hedging of Trade Credits, Acceptances, Creditors and future trade contracts	5,219.91	USD 689.88	4,735.00	USD 684.76
	Hedging of ECB and interest	567.44	USD 74.99	687.00	USD 99.42
Options	Hedging of ECB and interest	2,425.02	USD 320.50	2,866.00	USD 414.44
Principal only swaps	Hedging of LC, Acceptances, Creditors	450.21	USD 59.50	-	-
Coupon Only Swaps	Hedging of interest on LC / Acceptances	179.95	USD 23.78	-	-
		8,842.53		**8,288.00**	

The Group has taken various derivatives to hedge its risks associated with interest rate. The outstanding position of derivative instruments is as under :

Nature	Purpose	As at 31st March, 2020		As at 31st March, 2019	
		Amount	Foreign Currency (in Millions)	Amount	Foreign Currency (in Millions)
Interest rate swaps	Hedging of interest rate on ECB	1,553.40	USD 205.30	1,765.70	USD 255.00
		1,553.40		**1,765.70**	

Notes to Consolidated Financial Statements
for the year ended on 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

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

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Amount	Foreign Currency (in Millions)	Amount	Foreign Currency (in Millions)
1. Import Creditors and Acceptances	1,675.76	USD 221.48	604.27	USD 87.38
	0.44	EURO 0.06	-	-
2. Trade credits from banks	39.37	USD 5.21	87.97	USD 12.72
3. Foreign currency borrowings	2,907.86	USD 384.31	2,543.42	USD 367.78
4. Interest accrued but not due	12.87	USD 1.70	3.37	USD 0.49
	4,636.30		**3,239.03**	

48 (i) Financial Risk Management Objective and Policies :

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

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

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and commodity risk.

a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the part of Group's long-term debt obligations with floating interest rates.

The Group manages its interest rate risk by having a mixed portfolio of fixed and variable rate loans and borrowings. To manage this, the Group enters into interest rate swaps, in which it agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed upon notional principal amount.

The sensitivity analysis have been carried out based on the exposure to interest rates for instruments not hedged against interest rate fluctuation at the end of the reporting period. The said analysis has been carried out on the amount of floating rate long term liabilities outstanding at the end of the reporting period. A 50 basis point increase or decrease represents management's assessment of the reasonably possible change in interest rates.

In case of fluctuation in interest rates by 50 basis points on the exposure of Non-current borrowings (having fluctuating rates i.e. exposed to changes in rates) of ₹ 27,606.11 crores as on 31st March, 2020 and ₹ 27,822.20 crores as on 31st March, 2019 respectively and if all other variables were held constant, the Group's profit or loss for the year would increase or decrease as follows:

	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Impact on Profit / (Loss) for the year	138.03	139.11

Notes to Consolidated Financial Statements

for the year ended on 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities. The Group manages its foreign currency risk by hedging transactions that are expected to realise in future. The Group manages its foreign currency risk by entering into currency swap for converting INR loan into other foreign currency for taking advantage of lower cost of borrowing in stable currency environment. The Group also enters into various foreign exchange contracts to mitigate the risk arising out of foreign exchange rate movement on foreign currency borrowings and trade payables.

Every one percentage point depreciation / appreciation in the exchange rate between the Indian rupee and U.S.dollar on the exposure of \$ 261.48 million as on 31st March, 2020 and \$ 77.96 million as on 31st March, 2019 would have affected the Group's profit or loss for the year as follows:

	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Impact on Profit / (Loss) for the year (net of amounts capitalised under Property, Plant and Equipment)	19.28	5.38

c) Commodity price risk

The Group is affected by the price volatility of coal which is moderated by optimising the procurement under fuel supply agreement. Its operating / trading activities require the on-going purchase or continuous sale of coal and other agriculture commodities. Therefore the Group monitors its purchases closely to optimise the price.

Credit risk

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

The Group is having majority of receivables from State Electricity Boards which are Government undertakings and hence they are secured from credit losses in the future.

Liquidity risk

The Group monitors its risk of shortage of funds using cash flow forecasting models. These models consider the maturity of its financial investments, committed funding and projected cash flows from operations. The Group's objective is to provide financial resources to meet its business objectives in a timely, cost effective and reliable manner and to manage its capital structure. A balance between continuity of funding and flexibility is maintained through internal accruals as well as adequately adjusting the working capital cycle.

Maturity profile of financial liabilities :

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

Notes to Consolidated Financial Statements

for the year ended on 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

As at 31st March, 2020	Less than 1 year	1 to 5 years	More than 5 years	Total
Borrowings (Refer note 21 and 26)	10,632.42	25,950.03	18,616.31	55,198.76
Trade Payables	5,596.05	-	-	5,596.05
Derivative Instruments	0.65	32.41	-	33.06
Lease obligations (Refer note 2.4)	14.23	24.55	68.27	107.05
Other Financial Liabilities	1,273.21	213.98	-	1,487.19

As at 31st March, 2019	Less than 1 year	1 to 5 years	More than 5 years	Total
Borrowings (Refer note 21 and 26)	10,569.43	19,575.37	16,834.90	46,979.70
Trade Payables	6,361.74	-	-	6,361.74
Derivative instruments	131.34	0.91	-	132.25
Other Financial Liabilities	409.41	61.95	-	471.36

(ii) Capital management :

The Group's objectives when managing capital is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth. The Group's overall strategy remains unchanged from previous year.

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

The funding requirements are met through a mixture of equity, perpetual debt, internal fund generation and other long term borrowings. The Group monitors capital and long term debt on the basis of debt to equity ratio.

The debt equity ratio at the end of the reporting period is as follows :

Particulars	As at 31st March, 2020	As at 31st March, 2019
Debt (Refer note (i) below)	47,396.95	39,906.17
Total Capital (Refer note (ii) below)	6,480.44	7,712.29
Debt Equity Ratio (In times)	**7.31**	**5.17**

Notes:

(i) Debt is defined as Non-current borrowings (including current maturities).

(ii) Capital is defined as Equity share capital, Unsecured perpetual securities and other equity including reserves and surplus.

The Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest bearing loans and borrowings that define capital structure requirement.

Notes to Consolidated Financial Statements

for the year ended on 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

49 Fair Value Measurement :

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

Particulars	Fair Value through other Comprehensive income	Fair Value through profit or loss	Amortised cost	Total
Financial Assets				
Cash and cash equivalents	-	-	941.10	941.10
Bank balances other than cash and cash equivalents	-	-	1,038.21	1,038.21
Investments	-	2.79	0.01	2.80
Trade Receivables	-	-	8,366.47	8,366.47
Loans	-	-	3.05	3.05
Derivative Instruments	-	511.62	-	511.62
Other Financial assets	-	-	683.94	683.94
Total	**-**	**514.41**	**11,032.78**	**11,547.19**
Financial Liabilities				
Borrowings	-	-	55,198.76	55,198.76
Trade Payables	-	-	5,596.05	5,596.05
Derivative Instruments	-	33.06	-	33.06
Lease obligations	-	-	107.05	107.05
Other Financial Liabilities	-	-	1,487.19	1,487.19
Total	**-**	**33.06**	**62,389.05**	**62,422.11**

b) The carrying value of financial instruments by categories as of 31st March, 2019 is as follows :

Particulars	Fair Value through other Comprehensive income	Fair Value through profit or loss	Amortised cost	Total
Financial Assets				
Cash and cash equivalents	-	-	24.54	24.54
Bank balances other than cash and cash equivalents	-	-	891.34	891.34
Investments	-	2.71	0.01	2.72
Trade Receivables	-	-	8,550.99	8,550.99
Loans	-	-	1,589.88	1,589.88
Derivative Instruments	-	145.82	-	145.82
Other Financial assets	-	-	2,804.09	2,804.09
Total	**-**	**148.53**	**13,860.85**	**14,009.38**
Financial Liabilities				
Borrowings	-	-	46,979.70	46,979.70
Trade Payables	-	-	6,361.74	6,361.74
Derivative Instruments	-	132.25	-	132.25
Other Financial Liabilities	-	-	471.36	471.36
Total	**-**	**132.25**	**53,812.80**	**53,945.05**

The Carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are reasonable approximation of their fair value, since the Group does not anticipate that the carrying amount would be significantly different from the values that would eventually be received or settled.

Notes to Consolidated Financial Statements

for the year ended on 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

50 Level wise disclosure of fair value for financial instruments requiring fair value measurement / disclosure :

Particulars	As at 31st March, 2020			
Assets	Level 1	Level 2	Level 3	Total
Investment	-	2.79	-	2.79
Derivative Instruments	-	511.62	-	511.62
Total	**-**	**514.41**	**-**	**514.41**
Liabilities				
Derivative Instruments	-	33.06	-	33.06
Total	**-**	**33.06**	**-**	**33.06**

Particulars	As at 31st March, 2019			
Assets	Level 1	Level 2	Level 3	Total
Investment	-	2.71	-	2.71
Derivative Instruments	-	145.82	-	145.82
Total	**-**	**148.53**	**-**	**148.53**
Liabilities				
Derivative Instruments	-	132.25	-	132.25
Total	**-**	**132.25**	**-**	**132.25**

There have been no transfers between Level 1 and Level 2 during the year.

The fair value of the financial assets and financial liabilities included in the level 2 categories above have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties.

The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves and forward rates curves of the underlying derivative.

51 Earnings per share

		For the year ended 31st March, 2020	For the year ended 31st March, 2019
Basic and Diluted EPS			
(Loss) for the year	₹ in crores	(2,274.77)	(984.40)
Less : Distribution on Unsecured Perpetual Securities (including paid - ₹ 612.01 crores (Previous year ₹ 184.90 crores))	₹ in crores	884.25	254.65
(Loss) attributable to equity shareholders after distribution on Unsecured Perpetual Securities	₹ in crores	(3,159.02)	(1,239.05)
Weighted average number of equity shares outstanding during the year	No.	3,85,69,38,941	3,85,69,38,941
Nominal Value of equity share	₹	10	10
Basic and Diluted EPS	₹	(8.19)	(3.21)

Notes to Consolidated Financial Statements

for the year ended on 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

52 (a) Defined Benefit Plan

The Group operates a defined benefit plan (the Gratuity plan) covering eligible employees, which provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment.

As per Ind AS - 19 "Employee Benefits", the disclosures are given below :

Particulars	As at 31st March, 2020	As at 31st March, 2019
i. Reconciliation of Opening and Closing Balances of Defined Benefit Obligation		
Liability at the beginning of the year	48.98	36.73
Acquisition liability		
Current Service Cost	7.63	5.61
Interest Cost	3.86	2.75
Liability Transferred in / out	(1.13)	(1.49)
Acquisition adjustment	2.93	0.06
Benefits paid	(2.79)	(2.37)
Re-measurement (or Actuarial) (gain) / loss arising from:		
change in demographic assumptions	0.23	(0.09)
change in financial assumptions	(1.68)	7.05
experience variance (i.e. Actual experience vs assumptions)	(0.06)	0.73
Present Value of Defined Benefits Obligation at the end of the year	**57.97**	**48.98**
ii. Reconciliation of Opening and Closing Balances of the Fair value of Plan Assets		
Fair Value of Plan assets at the beginning of the year	20.84	20.05
Investment Income	1.76	1.56
Employer's Contributions	0.43	0.75
Acquisition adjustment	2.35	-
Benefits paid	(0.89)	(1.31)
Return on plan assets, excluding amount recognised in net interest expense	(0.17)	(0.21)
Fair Value of Plan assets at the end of the year	**24.32**	**20.84**
iii. Reconciliation of the Present value of defined benefit obligation and Fair value of plan assets		
Present Value of Defined Benefit Obligations at the end of the year	57.97	48.98
Fair Value of Plan assets at the end of the year	24.32	20.84
Net Asset / (Liability) recognized in balance sheet as at the end of the year	**(33.65)**	**(28.14)**
iv. Composition of Plan Assets		
Plan assets for the Company, UPCL and REL are administered by Life Insurance Corporation of India, except these three companies all plan assets are unfunded.		
v. Gratuity Cost for the year		
Current service cost	7.63	5.61
Interest cost	3.86	2.75
Return on plan assets	(1.76)	(1.56)
Net Gratuity cost recognised in the statement of Profit and Loss	**9.73**	**6.80**
vi. Other Comprehensive Income		
Actuarial (gains) / losses		
change in demographic assumptions	0.23	(0.09)
change in financial assumptions	(1.68)	7.05
experience variance (i.e. Actual experience vs assumptions)	(0.06)	0.73
Return on plan assets, excluding amount recognised in net interest expense	0.17	0.21
Add / (Less) : Gain / (Loss) Capitalised	0.08	(0.16)
Components of defined benefit costs recognised in other comprehensive income	**(1.26)**	**7.74**
vii. Actuarial Assumptions		
Discount Rate (per annum)	6.70%	7.60%
Expected annual Increase in Salary Cost	7.00%	8.50%
Attrition / Withdrawal rate (per annum)	4.62%	5.50%
Mortality Rates as given under Indian Assured Lives Mortality (2012-14) Ultimate Retirement Age 58 Years.		

Notes to Consolidated Financial Statements

for the year ended on 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

viii. Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

Particulars	As at 31st March, 2020	As at 31st March, 2019
Defined Benefit Obligation (Base)	57.97	48.98

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%)	64.50	52.46	53.99	44.76
Salary Growth Rate (- / + 1%)	46.55	56.99	44.75	53.89
Attrition Rate (- / + 50%)	51.77	51.08	50.13	48.20
Mortality Rate (- / + 10%)	51.39	51.39	49.02	49.01

ix. Asset Liability Matching Strategies

The Company, UPCL and REL have purchased insurance policy, which is basically a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance Company, as part of the policy rules, makes payment of all gratuity outgoes happening during the year (subject to sufficiency of funds under the policy). The policy thus, mitigates the liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Group is exposed to movement in interest rate, which can result in a increase in liability without corresponding increase in the funded asset wherever applicable. Gratuity plan is unfunded in other subsidiaries.

x. Effect of Plan on Entity's Future Cash Flows

a) Funding arrangements and Funding Policy

The Company, UPCL and REL have purchased an insurance policies 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 these Companies. Any deficit in the assets arising as a result of such valuation is funded by these Companies.

b) Expected Contribution during the next annual reporting period

The Company's, UPCL's and REL's best estimate of Contribution during the next year is ₹ Nil, ₹ 4.73 crores and ₹ 2.44 crores respectively.

c) Maturity Profile of Defined Benefit Obligation

Weighted average duration (based on discounted cash flows) - 12 years

Expected cash flows over the next (valued on undiscounted basis):	Amount
1 year	6.34
2 to 5 years	15.83
6 to 10 years	21.13
More than 10 years	85.85

xi. The Group has defined benefit plans for Gratuity to eligible employees. The contributions for which are made to Life Insurance Corporation of India who invests the funds as per Insurance Regulatory Development Authority guidelines.

The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.

The expected contributions for Defined Benefit Plan for the next financial year will be in line with FY 2019-20.

Notes to Consolidated Financial Statements

for the year ended on 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

(b) Defined Contribution Plan

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

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Employer's Contribution to Provident Fund	20.11	16.67
Employer's Contribution to Superannuation Fund	0.30	0.24
Total	**20.41**	**16.91**

53 The Group has reported losses of ₹ 2,274.77 crores and ₹ 984.40 crores for the year ended 31st March, 2020 and 31st March, 2019, respectively. The Group has continued to operate 12,450 Thermal Power Undertaking although its operational performance has got impacted due to fluctuations in international and domestic coal prices, billable compensatory tariff / change in law claims on discoms for various additional cost components incurred. Further, as at 31st March, 2020, its current liabilities exceed current assets by ₹ 3,595.97 crores, which includes net payable ₹ 1,841.07 crores for related parties.

Notwithstanding the above, as per APMuL's Power Purchase Agreement (under Bid 1) of 1000 MW including SPPA signed on 5th December, 2018 with GUVNL, APMuL is allowed compensation for imported coal in terms of SPPA. In respect of the APMuL's Power Purchase Agreement (PPA) of 1424 MW with Uttar Haryana Bijli Vitran Nigam Limited and Dakshin Haryana Bijli Vitran Nigam Limited ("Haryana Discoms"), CERC has allowed change in law claims towards shortage of coal under National Coal Distribution Policy ("NCDP"). APMuL has ability to sell power generated from 1320 MW capacity on merchant basis subsequent to termination of PPA / SPPA (under Bid 2) of 1234 MW with GUVNL w.e.f. 9th July, 2019. Accordingly, APMuL expects to sustain its operational performance from sale of power to GUVNL, Haryana Discoms and on merchant basis.

APMuL's power purchase agreement / SPPA (under Bid 2) with GUVNL got terminated vide order dated 2nd July, 2019 of Hon'ble Supreme Court of India ("SC") in the matter of civil appeal dated 8th November, 2011 with retrospective effect from January 2010. SC has allowed APMuL to claim compensatory tariff towards cancellation of PPA since January 2010, in accordance with section 62 of the Electricity Act, 2003 and the CERC (Terms and Conditions of Tariff) Regulation 2009. APMuL has filed the petition on 2nd September, 2019 with CERC for determination of compensatory tariff from the date of supply of power to GUVNL under the said PPA. As at reporting date, APMuL and GUVNL have both filed petitions with CERC to settle claims and contractual arrangement in terms of Bid 1 and Bid 2 and SC Order dated 2nd July, 2019.

Notwithstanding the above, the financial statements of the Group have been prepared on a going concern basis as the management believes. In view of above and favorable orders from regulatory authorities that over the foreseeable future, the Group would be able to establish profitable operations and will meet its financial obligations in next twelve months based on continued support from various stakeholders including unconditional financial support from the Adani group and availability of financing from lenders as may be required to sustain its operations on a going concern basis.

Notes to Consolidated Financial Statements

for the year ended on 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

54 Related party transactions

a. List of related parties and relationship

Description of relationship	Name of Related Parties
Controlling Entity (through direct and indirect control)	S. B. Adani Family Trust (SBAFT)
Entities on which Controlling Entity or one or more Key Management Personnel ("KMP") have a significant influence / control	Adani Agrifresh Limited
	Adani Bunkering Private Limited
	Adani Cementation Limited
	Adani Defence Systems and Technologies Limited
	Adani Electricity Mumbai Limited
	Adani Ennore Container Terminal Private Limited
	Adani Enterprises Limited
	Adani Estate Management Private Limited
	Adani Finserve Private Limited
	Adani Foundation
	Adani Gas Limited
	Adani Global DMCC
	Adani Global FZE
	Adani Global PTE Limited
	Adani Green Energy (Tamilnadu) Limited
	Adani Green Energy (UP) Limited
	Adani Green Energy Limited
	Adani Hazira Port Private Limited
	Adani Hospitals Mundra Private Limited
	Adani Infra (India) Limited
	Adani Infrastructure And Developers Private Limited
	Adani Infrastructure Management Services Limited
	Adani Institute for Education and Research
	Adani International Container Terminal Private Limited
	Adani Kandla Bulk Terminal Private Limited
	Adani Kattupalli Port Private Limited
	Adani Logistics Limited
	Adani Murmugao Port Terminal Private Limited
	Adani Petronet (Dahej) Port Private Limited
	Adani Ports & Special Economic Zone Limited
	Adani Properties Private Limited
	Adani Rail Infra Private Limited
	Adani Renewable Energy (RJ) Limited
	Adani Renewable Energy Park (Karnataka) Limited
	Adani Renewable Energy Park KA Limited
	Adani Renewable Energy Park Limited
	Adani Renewable Energy Park Rajasthan Limited
	Adani Road Transport Limited (formerly known as Adani Transport Limited)
	Adani Shipping (India) Private Limited
	Adani Skill Development Centre
	Adani Synenergy Limited
	Adani Township and Real Estate Company Private Limited
	Adani Transmission (India) Limited
	Adani Transmission Limited
	Adani Vizag Coal Terminal Private Limited
	Adani Vizhinjam Port Private Limited
	Adani Wilmar Limited

Notes to Consolidated Financial Statements

for the year ended on 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

Description of relationship	Name of Related Parties
	Adani Wind Energy (Gujarat) Private Limited
	Adani-Elbit Advanced Systems India Limited
	Chhattisgarh - WR Transmission Limited
	Ghatampur Transmission Limited
	Golden Valley Agro Tech Private Limited
	Hadoti Power Transmission Service Limited
	Kamuthi Solar Power Limited
	Karnavati Aviation Private Limited
	Maharashtra Eastern Grid Power Transmission Company Limited
	Marine Infrastructure Developer Private Limited
	MPSEZ Utilities Private Limited
	Mundra International Airport Private Limited
	Mundra Solar PV Limited
	Mundra Solar Technopark Private Limited
	Parampujya Solar Energy Private Limited
	Parsa Kente Collieries Limited
	Prayagraj Water Private Limited
	Prayatna Developers Private Limited
	Sarguja Rail Corridor Private Limited
	Shanti Sagar International Dredging Private Limited
	The Adani Harbour Services Private Limited
	The Dhamra Port Company Limited
	Wardha Solar (Maharashtra) Private Limited
	Anuppur Thermal Energy (MP) Private Limited (Formerly known as Welspun Energy Anuppur Private Limited)
Key Management Personnel	Mr. Gautam S. Adani, Chairman
	Mr. Rajesh S. Adani, Managing Director
	Mr. Vneet S Jaain, Whole-time Director
	Mr. Suresh Jain, Chief Financial Officer (W.e.f. 30th May, 2019)
	Mr. Rajat Kumar Singh. Chief Financial Officer (Up to 29th May, 2019)
	Mr. Deepak Pandya, Company Secretary
	Mr. Raminder Singh Gujral, Independent Director
	Mr. Mukesh Shah, Independent Director
	Ms. Gauri Trivedi, Independent Director (W.e.f. 24th October, 2018)
	Ms. Nandita Vohra, Independent Director (Up to 14th, October, 2018)

Notes to Consolidated Financial Statements

for the year ended on 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

b. Transactions with related parties

Sr No.	Particulars	For the year ended 31st March, 2020		For the year ended 31st March, 2019	
		Entities on which Controlling Entity or one or more KMP have a significant influence / control	KMP	Entities on which Controlling Entity or one or more KMP have a significant influence / control	KMP
1	Borrowing Taken	8,460.01	-	17,150.52	-
2	Borrowing Repaid Back	8,458.39	-	13,815.32	-
3	Interest Expense on Loan	545.52	-	605.49	-
4	Interest Expense on Others	33.44	-	54.33	-
5	Interest Income	-	-	15.59	-
6	Sale of Goods	2,168.07	-	1,784.38	-
7	Purchase of Goods (Including Traded Goods)	2,230.69	-	7,497.24	-
8	Purchase of Property, Plant and Equipment	0.02	-	-	-
9	Rendering of Service	6.76	-	3.62	-
10	Receiving of Services	1,124.52	-	574.36	-
11	Advance received	202.07	-	-	-
12	Advance refund	201.13	-	-	-
13	Unsecured Perpetual Securities issued	615.00	-	10,900.00	-
14	Distribution to holders of Unsecured Perpetual Securities	612.01	-	184.90	-
15	Repayments of Unsecured Perpetual Securities	-	-	2,900.00	-
16	Purchase of Investment in Equity and Debentures of subsidiaries	-	-	323.83	-
17	Sale of Investments of subsidiaries	0.02	-	-	-
18	Purchase of equity shares	*	-	-	-
19	Compensation of Key Management Personnel				
a	Short-term benefits	-	5.02	-	3.72
b	Post-employment benefits	-	0.49	-	0.06
c	Director sitting fees	-	0.18	-	0.16

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

Notes to Consolidated Financial Statements

for the year ended on 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

c. Balances With Related Parties :

Sr No.	Particulars	As at 31st March, 2020	As at 31st March, 2019
		Entities on which Controlling Entity or one or more KMP have a significant influence / control	
	Balances With Related Parties :		
1	Borrowings	4,772.02	4,627.46
	Receivables		
2	Trade Receivables	387.37	744.09
3	Security Deposit and Advances Given	2.22	2.40
4	Capital Advances	3.21	3.21
	Payables		
5	Trade and Other Payables	2,220.75	4,873.79
6	Security Deposit and Advances Received	15.42	-
7	Interest Payable	3.36	36.12
	Perpetual Securities issued		
8	Perpetual Securities	8,615.00	8,000.00

Note :

i) interest accrued of ₹ 219.83 crores (Previous year ₹ 525.92 crores) on Inter Corporate Deposit ("ICD") taken from related parties, have been converted to the ICD balances as on reporting date in terms of the Contract

ii) The Group's ultimate controlling entity has pledged securities of its related parties against the trade credit facilities of ₹ 397.57 crores as at 31st March, 2020 (Previous year ₹ 567.16 crores)

Notes to Consolidated Financial Statements

for the year ended on 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

55 Additional information as required by para 2 of the General Instructions for preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013:

Name of the Entity	Net assets		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated	Amount	As % of consolidated	Amount	As % of consolidated	Amount	As % of consolidated	Amount
Adani Power Limited	244 %	15,790.38	59 %	(1,340.56)	1 %	0.12	59 %	(1,340.44)
Subsidiaries (Indian) :								
Adani Power (Mundra) Limited	(60)%	(3,891.52)	63 %	(1,427.10)	10 %	0.99	63 %	(1,426.11)
Adani Power Maharashtra Limited	61 %	3,969.39	(2)%	35.19	6 %	0.66	(2)%	35.85
Adani Power Rajasthan Limited	52 %	3,387.84	(41)%	927.03	3 %	0.26	(41)%	927.29
Udupi Power Corporation Limited	30 %	1,974.89	(4)%	98.00	1 %	0.11	(4)%	98.11
Raigarh Energy Generation Limited (Formerly known as Korba West Power Company Limited)	3 %	199.33	17 %	(378.18)	(7)%	(0.75)	17 %	(378.93)
Raipur Energen Limited (Formerly known as GMR Chhattisgarh Energy Limited)	1 %	58.03	9 %	(213.97)	(3)%	(0.27)	9 %	(214.24)
GMR Mining and Energy Private Limited (w.e.f. 2nd August, 2019 upto 26th December, 2019)	-	-	-	*	-	-	-	*
Adani Power Resources Limited	0 %	0.02	0 %	(0.01)	-	-	0 %	(0.01)
Adani Power (Jharkhand) Limited	26 %	1,657.02	1 %	(24.83)	89 %	9.20	1 %	(15.63)
Adani Power Dahej Limited	3 %	199.05	0 %	(3.42)	-	-	0 %	(3.42)
Pench Thermal Energy (MP) Limited (formerly known as Adani Pench Power Limited)	2 %	104.98	0 %	(2.59)	-	-	0 %	(2.59)
Kutchh Power Generation Limited	0 %	13.84	(0)%	0.04	-	-	(0)%	0.04
Non-controlling interest	0 %	0.01	-	-	-	-	-	-
Intercompany Elimination and consolidated adjustments	(262)%	(16,982.81)	(2)%	55.63	-	-	(2)%	55.63
Total	**100%**	**6,480.45**	**100%**	**(2,274.77)**	**100%**	**10.32**	**100%**	**(2,264.45)**

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

Notes to Consolidated Financial Statements

for the year ended on 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

56 The Group's business activities revolve around development and operations of power generation plants including related activities and other trading activities. The segments are largely organised and managed separately according to the organisation structure that is designed based on the nature of Group's business and operations, as well as based on reviews of operating results by the chief operating decision maker to make decisions about resource allocation and performance measurement. Following are the details of segment wise revenue, results, segment assets and segment liabilities:

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Segment Revenue		
Power Generation and related activities	26,005.92	23,390.84
Trading activities	461.80	493.34
Total	**26,467.72**	**23,884.18**
Less: Inter Segment Transfer	-	-
Revenue from Operations	**26,467.72**	**23,884.18**
Segment Results		
Power Generation and related activities	4,052.62	4,677.09
Trading activities	0.27	3.57
Unallocable Income	-	-
Profit before interest, exceptional items, tax and Deferred tax adjustable in / (recoverable from) future tariff	**4,052.89**	**4,680.66**
Less: Finance Cost	5,314.82	5,656.52
(Loss) before exceptional items, tax and Deferred tax adjustable in / (recoverable from) future tariff	**(1,261.93)**	**(975.86)**
Less: Exceptional Items	1,002.99	-
(Loss) before tax and Deferred tax adjustable in / (recoverable from) future tariff	**(2,264.92)**	**(975.86)**
Current Tax	17.35	68.26
Deferred Tax	38.19	(34.34)
Total Tax Expense	**55.54**	**33.92**
Deferred tax adjustable in / (recoverable from) future tariff (net of tax)	(45.69)	(25.38)
(Loss) for the year	**(2,274.77)**	**(984.40)**
Less : Non - Controlling interest	*	-
Net (Loss) for the year	**(2,274.77)**	**(984.40)**
Segment Assets		
Power Generation and related activities	74,847.54	67,505.57
Trading activities	177.46	479.03
Unallocable Assets	-	-
Total Assets	**75,025.00**	**67,984.60**
Segment Liabilities		
Power Generation and related activities	68,365.69	59,816.66
Trading activities	178.86	455.65
Unallocable Liabilities	-	-
Total Liabilities	**68,544.55**	**60,272.31**
Depreciation / Amortisation		
Power Generation and related activities	3,006.50	2,750.62
Trading activities	-	-
Total Depreciation / Amortisation	**3,006.50**	**2,750.62**
Capital Expenditure		
Power Generation and related activities	(2,226.56)	(1,211.53)
Trading activities	-	-
Total Capital Expenditure	**(2,226.56)**	**(1,211.53)**

During the year, the Group has revisited Trading as its business segment as till previous year the Group used to trade in coal which was part of Power generation activities but since in the current year, the Group has also dealt with other trading activities, the entire Trading activities has been considered as separate business segment and accordingly disclosed the information.

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

Notes to Consolidated Financial Statements

for the year ended on 31st March, 2020

All amounts are in ₹ Crores, unless otherwise stated

57 National Green Tribunal ("NGT") vide its order dated 14th March, 2019, directed UPCL to make payment of ₹ 5.00 crores as an interim environmental compensation to Central Pollution Control Board ("CPCB"). UPCL has made payment of the said amount in April 2019 with CPCB subject to final outcome of the case. The report of the Committee of Experts constituted by the NGT is under consideration of the NGT for final disposal. Existing operating plant continues to operate in compliance with all the conditions under Environment Clearance, and the management does not foresee any further liability in the matter.

58 In case of UPCL's Power Purchase Agreement (PPA) tariff determination is regulated and is determined on cost plus basis wherein return on equity and the current tax is pass through and deferred tax is recoverable from / adjusted against future tariff, when and to the extent such deferred tax converts into current tax in future periods. Until previous year, the same was presented under 'Tax Expense'. During the year ended 31st March, 2020, pursuant to an opinion by the Expert Advisory Committee of the Institute of Chartered Accountants of India, the same has been presented separately. The comparative information shown under 'Tax Expense' in the financial statements have been reclassified in line with the said opinion. There is no impact in the other equity / loss on account of such change in presentation.

59 According to the management's evaluation of events subsequent to the balance sheet date, there were no significant adjusting events that occurred other than those disclosed / given effect to, in these financial statements as of 27th April, 2020.

In terms of our report attached
For S R B C & CO LLP
Firm Registration No. : 324982E/E300003
Chartered Accountants

per NAVIN AGRAWAL
PARTNER
Membership No. 056102

Place : Bengaluru
Date : 27th April, 2020

For and on behalf of the Board of Directors

GAUTAM S. ADANI
CHAIRMAN
DIN : 00006273

RAJESH S. ADANI
MANAGING DIRECTOR
DIN : 00006322

SURESH JAIN
CHIEF FINANCIAL OFFICER

DEEPAK PANDYA
COMPANY SECRETARY

Place : Ahmedabad
Date : 27th April, 2020

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures

PART "A" : Subsidiaries

(₹ in Crores)

Sr No	Name of the Subsidiary	The date since when subsidiary was acquired	Reporting Period	Reporting Currency	Share Capital	Other equity	Unsecured Perpetual Securities	Instrument Entirely Equity in Nature	Total Assets	Total Liabilities	Invest-ments	Turnover	Profit/(Loss) before taxation	Provision for taxation/ Adjustment of tax relating to earlier periods/ deferred tax	Profit/ (Loss) after taxation	Other Compre-hensive Income	Total Other Compre-hensive Income	Proposed Dividend	% of Shareholding
1	Adani Power Maharashtra Limited	11.04.2007 (Date of Incorporation)	2019-20	INR	2,854.73	364.66	750.00	-	20,890.53	16,921.14	-	8,473.11	27.86	(7.33)	35.19	0.66	35.85	-	100%
2	Adani Power Rajasthan Limited	25.01.2008 (Date of Incorporation)	2019-20	INR	1,200.00	(12.16)	2,200.00	-	10,785.25	7,397.41	*	4,213.18	896.47	(30.56)	927.03	0.26	927.29	-	100%
3	Udupi Power Corporation Limited	20.04.2015 (Date of Acquisition)	2019-20	INR	1,934.20	40.69	-	-	6,357.37	4,382.48	-	2,373.61	138.85	40.85	98.00	0.11	98.11	-	100%
4	Adani Power (Mundra) Limited	16.02.2015 (Date of Incorporation)	2019-20	INR	106.05	(9,047.57)	5,050.00	-	25,841.78	29,733.30	-	13,294.34	(1,427.10)	-	(1,427.10)	0.99	(1,426.11)	-	100%
5	Raigarh Energy Generation Limited (Formerly known as Korba West Power Company Limited)	20.07.2019 (Date of Acquisition)	2019-20	INR	1.00	198.33	-	-	3,395.55	3,196.22	-	117.47	(1,566.87)	-	(1,566.87)	(0.75)	(1,567.63)	-	100%
6	Raipur Energen Limited (Formerly known as GMR Chhattisgarh Energy Limited)	02.08.2019 (Date of Acquisition)	2019-20	INR	5,712.76	(5,654.73)	-	-	4,829.97	4,771.94	-	1,612.15	(6,034.37)	-	(6,034.37)	(0.52)	(6,034.89)	-	100%
7	GMR Mining and Energy Private Limited@	02.08.2019 (Date of Acquisition)	2019-20	INR	0.05	(1.12)	-	-	0.01	1.08	-	-	*	-	*	-	*	-	-
8	Adani Power Resources Limited	04.12.2013 (Date of Incorporation)	2019-20	INR	0.05	(0.03)	-	-	0.89	0.87	-	0.95	(0.01)	-	(0.01)	-	(0.01)	-	51%
9	Adani Power (Jharkhand) Limited	18.12.2015 (Date of Incorporation)	2019-20	INR	1,675.22	(18.20)	-	-	4,418.40	2,761.38	-	*	(24.82)	0.01	(24.83)	9.20	(15.63)	-	100%
10	Adani Power Dahej Limited	29.03.2019 (Date of Acquisition)	2019-20	INR	0.05	(565.28)	-	764.28	210.21	11.16	1.12	0.08	(3.39)	0.03	(3.42)	*	(3.42)	-	100%
11	Pench Thermal Energy (MP) Limited (Formerly known as Adani Pench Power Limited)	29.03.2019 (Date of Acquisition)	2019-20	INR	0.05	(176.61)	-	281.54	107.45	2.47	-	0.01	(2.59)	*	(2.59)	*	(2.59)	-	100%
12	Kutchh Power Generation Limited	29.03.2019 (Date of Acquisition)	2019-20	INR	0.05	(105.59)	-	119.38	13.88	0.04	1.67	0.09	0.08	0.04	0.04	-	0.04	-	100%

*(Figures below 50,000 are denominated with *)

@ GMR Mining and Energy Private Limited was sold on 26th December, 2019, hence the figures are upto 26th December, 2019.

Notes:

1. Names of subsidiaries which are yet to commence operations:

Sl. No.	Name of the Subsidiary
1	Adani Power Resources Limited
2	Adani Power (Jharkhand) Limited
3	Adani Power Dahej Limited
4	Pench Thermal Energy (MP) Limited@
5	Kutch Power Generation Limited

@ Earlier known as Adani Pench Power Limited

2. Names of subsidiaries which have been liquidated or sold during the year:

Sl. No.	Name of the Subsidiary
1	GMR Mining and Energy Private Limited

PART B :- Associates and Joint Ventures

The Company has no associate company and joint venture, therefore Part B relating to associate companies and joint ventures is not applicable.

Notice

NOTICE is hereby given that the 24th Annual General Meeting of the Members of Adani Power Limited will be held on Thursday, June 25, 2020 at 11:30 a.m. through Video Conferencing / Other Audio Visual Means 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 March 31, 2020 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.

Special Business:

3. 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 12 and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder, the Registered Office of the Company be shifted from its present address at "Shikhar", Near Adani House, Mithakhali Six Roads, Navrangpura, Ahmedabad - 380009 to "Adani Corporate House", Shantigram, Near Vaishnav Devi Circle, S. G. Highway, Khodiyar, Ahmedabad - 382421, which is outside the local limits of the city, but within the same state falling under the jurisdiction of Registrar of Companies, Gujarat.

   RESOLVED FURTHER THAT the Board of Directors of the Company or its Committee thereof be and is hereby authorized to file necessary forms and documents, as may be required and to do all such acts, deeds and things as may be deemed fit and proper for shifting of registered office of the Company."

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

   "RESOLVED THAT pursuant to the provisions of Section 42, 62 and all other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Foreign Exchange Management Act, 1999, as amended or restated ("FEMA"), the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended or restated (the "ICDR Regulations"), the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Depository Receipt Mechanism) Scheme, 1993, as amended or restated, the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations 2000, as amended or restated, and subject to all other applicable laws, statutes, rules, circulars, notifications, regulations and guidelines of the Government of India, the Securities and Exchange Board of India (the "SEBI"), the Reserve Bank of India (the "RBI"), the 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 ₹ 2,500 crores (Rupees Two Thousand Five Hundred Crores Only) or foreign currency equivalent thereof, at such premium as may from time to time be decided by the Board and the Board shall have the discretion to determine the categories of eligible investors to whom the offer, issue and allotment shall be made to the exclusion of all other categories of investors at the time of such offer, issue and allotment considering the prevailing market conditions and all other relevant factors and where necessary in consultation with advisor(s), lead manager(s), and underwriter(s) appointed by the Company."

"**RESOLVED FURTHER THAT** without prejudice to the generality of the above, the issue(s) of Securities may, subject to compliance with all applicable laws, rules, regulations, guidelines and approvals, have all or any terms, or combination of terms, in accordance with domestic and/or international practice, including, but not limited to, conditions in relation to payment of interest, additional interest, premium on redemption, prepayment and any other debt service payments whatsoever and all other such terms as are provided in offerings of such nature including terms for issue of additional equity shares or variation of the conversion price of the Securities during the duration of the Securities."

"**RESOLVED FURTHER THAT** in case of any offering of Securities, including without limitation any GDRs/ADRs/FCCBs/FCEBs/other securities convertible into equity shares, consent of the members be and is hereby given to the Board to issue and allot such number of equity shares as may be required to be issued and allotted upon conversion, redemption or cancellation of any such Securities referred to above in accordance with the terms of issue/offering in respect of such Securities and such equity shares shall rank pari passu with the existing equity shares of the Company in all respects, except as may be provided otherwise under the terms of issue/offering and in the offer document and/or offer letter and/or offering circular and /or listing particulars."

"**RESOLVED FURTHER THAT** the Board be and is hereby authorised to engage, appoint and to enter into and execute all such agreement(s)/ arrangement(s)/ MoU(s)/placement agreement(s)/ underwriting agreement(s)/ deposit agreement(s)/ trust deed(s)/ subscription agreement/ payment and conversion agency agreement/ any other agreements or documents with any consultants, lead manager(s), co-lead manager(s), manager(s), advisor(s), underwriter(s), guarantor(s), depository(ies), custodian(s), registrar(s), agent(s) for service of process, authorised representatives, legal advisors / counsels, trustee(s), banker(s), merchant banker(s) and all such advisor(s), professional(s), intermediaries and agencies as may be required or concerned in such offerings of Securities and to remunerate them by way of commission, brokerage, fees and such other expenses as it deems fit, listing of Securities in one or more Indian/ International Stock Exchanges, authorizing any director(s) or any officer(s) of the Company, severally, to sign for and on behalf of the Company offer document(s), arrangement(s), application(s), authority letter(s), or any other related paper(s)/document(s), give any undertaking(s), affidavit(s), certification(s), declaration(s) including without limitation the authority to amend or modify such document(s)."

"**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution, consent of the members of the Company be and is hereby accorded to the Board to do all such acts, deeds, matters and/or things, in its absolute discretion and including, but not limited to finalization and approval of the preliminary as well as final document(s), determining the form, terms, manner of issue, the number of the Securities to be allotted, timing of the issue(s)/offering(s) including the investors to whom the Securities are to be allotted, issue price, face value, number of equity shares or other securities upon conversion or redemption or cancellation of the Securities, premium or discount on issue /conversion/

Notice (Contd.)

exchange of Securities, if any, rate of interest, period of conversion or redemption, listing on one or more stock exchanges in India and / or abroad and any other terms and conditions of the issue, including any amendments or modifications to the terms of the Securities and any agreement or document (including without limitation, any amendment or modification, after the issuance of the Securities), the execution of various transaction documents, creation of mortgage/charge in accordance with the provisions of the Act and any other applicable laws or regulations in respect of any Securities, either on a pari passu basis or otherwise, fixing of record date or book closure and related or incidental matters as the Board in its absolute discretion deems fit and to settle all questions, difficulties or doubts that may arise in relation to the issue, offer or allotment of the Securities, accept any modifications in the proposal as may be required by the Appropriate Authorities in such issues in India and/or abroad and subject to applicable law, for the utilization of the issue proceeds as it may in its absolute discretion deem fit without being required to seek any further consent or approval of the members or otherwise to the end and intent and that the members shall be deemed to have given their approval thereto for all such acts, deeds, matters and/or things, expressly by the authority of this resolution."

"**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution, the Board is authorised on behalf of the Company to take all actions and to do all such deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient to the issue or allotment of aforesaid Securities and listing thereof with the stock exchange(s) as 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 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 of 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."

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of Solar Power Plant of the Company for the financial year ending March 31, 2021, be paid the remuneration as set out in the Explanatory Statement annexed to the Notice convening this Meeting.

   RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution."

6. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT pursuant to the provisions of Section 188 and all other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and in terms of Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, consent of the members be and is hereby accorded for ratification / approval of material related party transactions entered into by the Company with related parties as set out in the explanatory statement annexed to the notice convening this meeting.

   RESOLVED FURTHER THAT the Board of Directors and/ or a Committee thereof, be and is hereby, authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

By Order of the Board of Directors

Place: Ahmedabad
Date: May 13, 2020

DEEPAK PANDYA
COMPANY SECRETARY

Regd. Office:
"Shikhar", Nr. Adani House,
Mithakhali Six Roads,
Navrangpura,
Ahmedabad - 380 009 Gujarat, India.
CIN: L40100GJ1996PLC030533

Notice (Contd.)

Notes:

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed, the Government of India, Ministry of Corporate Affairs allowed conducting Annual General Meeting through Video Conferencing (VC) or Other Audio Visual Means (OAVM) and dispended the personal presence of the members at the meeting. Accordingly, the Ministry of Corporate Affairs issued Circular No. 14/2020 dated April 08, 2020, Circular No. 17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020 prescribing the procedures and manner of conducting the Annual General Meeting through VC/ OAVM. In terms of the said circulars, the 24th Annual General Meeting (AGM) of the members will be held through VC/OAVM. Hence, members can attend and participate in the AGM through VC/OAVM only. The detailed procedure for participation in the meeting through VC/OAVM is as per note no. 18 and available at the Company's website www.adanipower.com.

2. The helpline number regarding any query / assistance for participation in the AGM through VC/ OAVM is 1800225533.

3. Information regarding appointment/re-appointment of Director(s) and Explanatory Statement in respect of special businesses to be transacted pursuant to Section 102 of the Companies Act, 2013 and/or Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed hereto.

4. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.

5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

6. In line with the aforesaid Ministry of Corporate Affairs (MCA) Circulars and SEBI Circular dated May 12, 2020, the Notice of AGM alongwith Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Member may note that Notice and Annual Report 2019-20 has been uploaded on the website of the Company at www.adanipower.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the AGM Notice is also available on the website of CDSL (agency for providing the Remote e-Voting facility) i.e. www.evotingindia.com.

7. The Register of members and share transfer books of the Company will remain closed from Thursday, June 18, 2020 to Thursday, June 25, 2020 (both days inclusive) for the purpose of Annual General Meeting.

8. 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.

9. 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.

10. In terms of Section 72 of the Companies Act, 2013, nomination facility is available to individual shareholders holding shares in the physical mode. 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.

11. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 and all other documents referred to in the Notice will be available for inspection in electronic mode.

12. The Members can join the AGM through the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1,000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

13. Process and manner for members opting for voting through Electronic means:

    i. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020, May 05, 2020 and SEBI Circular dated May 12, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL), as the Authorised e-voting agency for facilitating voting through electronic means. The facility of casting votes by a member using remote e-voting as well as e-voting system on the date of the AGM will be provided by CDSL.

    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. Thursday, June 18, 2020, shall be entitled to avail the facility of remote e-voting as well as e-voting system on the date of 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. Thursday, June 18, 2020, shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or e-voting system on the date of the AGM by following the procedure mentioned in this part.

    iv. The remote e-voting will commence on Sunday, June 21, 2020 at 9.00 a.m. and will end on Wednesday, June 24, 2020 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. Thursday, June 18, 2020 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 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. Thursday, June 18, 2020.

    vii. 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 e-voting system on the date of the AGM, in a fair and transparent manner.

14. PROCESS FOR THOSE MEMBERS WHOSE EMAIL IDS ARE NOT REGISTERED:

a) For members holding shares in Physical mode - please provide necessary details like Folio No., Name of shareholder by email to deepak.pandya@adani.com.

b) Members holding shares in Demat mode can get their E-mail ID registered by contacting their respective Depository Participant or by email to deepak.pandya@adani.com.

15. THE INSTRUCTIONS FOR SHAREHOLDRES FOR REMOTE VOTING ARE AS UNDER:

(i) The voting period begins on Sunday, June 21, 2020 at 9.00 a.m. and will ends on Wednesday, June 24, 2020 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Thursday, June 18, 2020, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting.

(iii) The shareholders should log on to the e-voting website www.evotingindia.com.

(iv) Click on Shareholders.

(v) Now Enter your 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 Folio Number registered with the Company.

(vi) Next enter the Image Verification as displayed and Click on Login.

(vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

Notice (Contd.)

(viii) 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 (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number 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 instruction (v).

(ix) After entering these details appropriately, click on "SUBMIT" tab.

(x) 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.

(xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

(xiii) 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.

(xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xv) 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.

(xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xviii) 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.

(xix) Shareholders can also cast their vote using CDSL's mobile app m-Voting. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xx) **Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to 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.
- Alternatively, Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company, if voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or call 1800225533.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call 1800225533.

16. THE INSTRUCTIONS FOR SHAREHOLDERS VOTING ON THE DAY OF THE AGM ON e-VOTING SYSTEM ARE AS UNDER: -

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available in the AGM.
3. If any Votes are cast by the members through the e-voting available during the AGM and if the same members have not participated in the meeting through VC/OAVM facility, then the votes cast by such members shall be considered invalid as the facility of e-voting during the meeting is available only to the members participating in the meeting.
4. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

17. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.adanipower.com and on the website of CDSL i.e. www.cdslindia.com within three days of the passing of the Resolutions at the 24th Annual General Meeting of the Company and shall also be communicated to the Stock Exchanges where the shares of the Company are listed.

18. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Members may access the same at https://www.evotingindia.com under shareholders'/members' login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. For ease of conduct, members who would like to ask questions may send their questions in advance atleast (7) days before AGM mentioning their name, demat account number / folio number, email id, mobile number at deepak.pandya@adani.com and register themselves as a speaker. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM.
6. Since the AGM will be held through VC/OAVM, the Route Map is not annexed in this Notice.

Contact Details:

Company	Adani Power Limited
Registered Office:	"Shikhar", Nr. Adani House, Mithakhali Six Roads, Navrangpura, Ahmedabad – 380009, Gujarat, India. CIN: L40100GJ1996PLC030533 E-mail ID: deepak.pandya@adani.com
Registrar and Transfer Agent :	M/s. KFin Technologies Private Limited Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad– 500 032. Tel.: +91-40-67161526 Fax: +91-40-23001153 E-mail: einward.ris@kfintech.com Website: www.kfintech.com
e-Voting Agency :	Central Depository Services (India) Limited E-mail ID: helpdesk.evoting@cdslindia.com Phone: 022- 22723333 / 8588
Scrutinizer :	CS Chirag Shah Practising Company Secretary E-mail ID: pcschirag@gmail.com

Annexure to Notice

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND / OR REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

For Item No. 3

The existing Registered Office of the Company's is located at "Shikhar" Near Adani House, Mithakhali Six Roads, Navrangpura, Ahmedabad-380009, which is within the local limits of Ahmedabad. The Company has set up new office premises in the name of "Adani Corporate House" which is situated at Shantigram, Near Vaishnav Devi Circle, S. G. Highway, Khodiyar, Ahmedabad 382 421. The following are some of the advantages for shifting of registered office of the Company to the new address -

- The Adani group has built its own new multi-storied and spacious office building for integration of operations of all group companies at one central office place.
- Synergy of operations leading to administrative convenience.
- Single point of contact for all the stakeholders of the Adani Group of Companies and its subsidiaries/ associates etc.
- To avoid multiple office locations and reduce rental and incidental costs for managing offices at different locations.

The proposed registered office falls outside the local limits of Ahmedabad city and pursuant to the provisions of section 12(5) of the Act, shifting of registered office to the new address as mentioned in the Special Resolution, outside the local limits of the city, requires approval of the members by way of a Special Resolution.

The Board of Directors recommends the above resolution for your approval.

None of the other Directors or key managerial personnel or their relatives is, in any way, concerned or interested in the said resolution.

For Item No. 4

The Company proposes to have flexibility to infuse additional capital, to tap capital markets and to raise additional long term resources, if necessary in order to sustain growth in the business, for business expansion and to improve the financial leveraging strength of the Company. The proposed resolution seeks the enabling authorization of the members to the Board of Directors to raise funds to the extent of ₹ 2,500 crores (Rupees Two Thousand Five Hundred Crores Only) or its equivalent in any one or more currencies, in one or more tranches, in such form, on such terms, in such manner, at such price and at such time as may be considered appropriate by the Board (inclusive at such premium as may be determined) by way of issuance of equity shares of the Company ("Equity Shares") and/or any instruments or securities including Global Depository Receipts ("GDRs") and/or American Depository Receipts ("ADRs") and/or convertible preference shares and/ or convertible debentures (compulsorily and/ or optionally, fully and/or partly) and/or non-convertible debentures (or other securities) with warrants, and/or warrants with a right exercisable by the warrant holder to exchange or convert such warrants with equity shares of the Company at a later date simultaneously with the issue of Foreign Currency Convertible Bonds ("FCCBs") and/ or Foreign Currency Exchangeable Bonds ("FCEBs") and/ or any other permitted fully and/or partly paid securities/ instruments/ warrants, convertible into or exchangeable for equity shares at the option of the Company and/or holder(s) of the security(ies) and/or securities linked to equity shares (hereinafter collectively referred to as "Securities"), in registered or bearer form, secured or unsecured, listed on a recognized stock exchange in India or abroad whether rupee denominated or denominated in foreign currency by way of private placement or otherwise.

The Special Resolution also seeks to empower the Board of Directors to undertake a Qualified Institutional Placement (QIP) with Qualified Institutional Buyers (QIBs) as defined by SEBI under Issue of Capital and Disclosure Requirements Regulations, 2009. The Board of Directors may in their discretion adopt this mechanism as prescribed under Chapter VIII of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009. Further in case the Company decides to issue eligible securities within the meaning of Chapter VIII of the SEBI Regulations to Qualified Institutional Investors, it will be subject to the provisions of Chapter VIII of the SEBI Regulations as amended from time to time. The aforesaid securities can be issued at a price after taking into consideration the pricing formula prescribed in Chapter VIII of the SEBI (ICDR) Regulations. Allotment of securities issued pursuant to Chapter VIII of SEBI Regulations shall be completed within twelve months from the date of passing of the resolution under Section 42 and 62 of the Companies Act, 2013 ("Act"). This Special Resolution gives (a) adequate flexibility and discretion to the Board to finalize the terms of the issue, in consultation with the Lead Managers, Underwriters, Legal Advisors and experts or such other authority or authorities as need to be consulted including in relation to the pricing of the Issue which will be a free market pricing and may be at premium or discount to the market price in accordance with the normal practice and (b) powers to issue and market any securities issued including the power to issue such Securities in such tranche or tranches with/without voting rights or with differential voting rights.

The detailed terms and conditions for the issue of Securities will be determined in consultation with the advisors and such Authority/Authorities as may be required to be consulted by the Company considering the prevailing market conditions and other relevant factors.

The consent of the members is being sought pursuant to the provisions of Section 42, 62 and other applicable

Annexure to Notice (Contd.)

provisions of the Act and in terms of the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Since the resolution involves issue of Equity Shares to persons other than existing members, special resolution in terms of Section 42 and 62 of the Act is proposed for your approval. The amount proposed to be raised by the Company shall not exceed ₹ 2,500 crores (Rupees Two Thousand Five Hundred 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. 5

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s. Kiran J. Mehta & Co. Cost Accountants (Firm Reg. No. 000025) as the cost auditors of the Company to conduct the audit of the cost records of the Solar Power Plant of the Company for the financial year 2020-21, at a fee of ₹ 65,000/- plus applicable Taxes and reimbursement of out of pocket expenses, as remuneration for cost audit services for the FY 2020-21.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 5 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending on March 31, 2021.

The Board of Directors recommends the above resolution for your approval.

None of the Directors or any key managerial personnel or any relative of any of the Directors of the Company or the relatives of any key managerial personnel is, in anyway, concerned or interested in the above resolution.

For Item No. 6

Pursuant to the provisions of Section 188 of the Companies Act, 2013 read with rules made thereunder and Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, which has come into effect from 1st October, 2015 has also prescribed seeking of shareholders' approval for material related party transactions.

The Company has entered into following material related party transactions with the related party during the year under review:

(₹ in Crores)

Name of Related Party	Relationship	Nature of transactions	Transaction value for the period ended March 31, 2020
Adani Infra (India) Limited	Entity on which one or more KMP have a significant influence / control Subsidiary Company	Loan Repaid Back	**5,349.82**

Rationale for the transaction - The Company has repaid the loans as per terms of the loan agreement by refinancing at the competitive rate.

As per Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, related parties of the Company shall abstain from voting on said resolution.

The Board of Directors recommends the above resolution for your approval.

Except Mr. Gautam S. Adani, Mr. Rajesh S. Adani and their relatives, none of the other Directors or key managerial personnel or their relatives is, in anyway, concerned or interested in the said resolution.

By Order of the Board of Directors

DEEPAK PANDYA
COMPANY SECRETARY

Place: Ahmedabad
Date: May 13, 2020

Regd. Office:
"Shikhar", Nr. Adani House,
Mithakhali Six Roads,
Navrangpura,
Ahmedabad - 380 009 Gujarat, India.
CIN: L40100GJ1996PLC030533

Annexure to Notice

Details of Directors seeking Appointment / Re-appointment

Name of Director	Age, Date of Birth (No. of Shares held)	Qualification	Nature of expertise in specific functional areas	Name of the companies in which he holds directorship as on 31.03.2020	Name of committees in which he holds membership/ chairmanship as on 31.03.2020
Mr. Gautam S. Adani (DIN: 00006273)	58 Years 24/06/1962 (1)#	S.Y. B. Com	Mr. Gautam Adani, the Chairman and Founder of the Adani Group, has more than 36 years of business experience. Under his leadership, Adani Group has emerged as a global integrated infrastructure player with interest across Resources, Logistics and Energy verticals. Mr. Adani's success story is extraordinary in many ways. 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 but also resulted in creation of a robust business model which is contributing towards building sound infrastructure in India.	Adani Enterprises Limited^^ Adani Power Limited^^ Adani Transmission Limited^^ Adani Ports and Special Economic Zone Limited^^ Adani Green Energy Limited^^ Adani Gas Limited^^ Adani Institute for Education and Research [Section 8 Company]	1. Adani Enterprises Limited – Nomination & Remuneration Committee (Member) 2. Adani Power Limited – Nomination & Remuneration Committee (Member)

#Individual Capacity

^^Listed Company

For other details such as number of meetings at the board attended during the year, remuneration drawn and relationship with other directors and Key Managerial Personnel in respect of above directors, please refer to the Corporate Governance Report.

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.


adani

Power

Adani Power Limited

Shikhar, Nr. Adani House,
Mithakhali Six Roads, Navrangpura,
Ahmedabad 380 009, Gujarat, India.

T: +91 79 2656 5555
F: +91 79 2656 5500
Email: investor.apl@adani.com
www.adanipower.com

Follow us on: /AdaniOnline

/Concept, content and design at AICL (hello@aicl.in)