Enhancing India's power security

Adani Power Limited
Annual Report 2020-21

adani
Power

Forward-looking statement

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

We cannot guarantee that these forward looking statements will be realised, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information.

Contents

India is among the largest electricity consumers in the world and yet its per capita consumption is less than a third of the global average.

Adani Power Limited is committed to invest in large modern thermal power plants today to ensure that India possesses adequate power tomorrow.

Enhancing India's power security.

CORPORATE SNAPSHOT

Adani Power Limited.

Comprising a portfolio of some of India's most modern thermal power plants.

The Company delivers affordable and reliable power supply.

It possesses proven capabilities in executing world-class projects and turning stressed power assets around after acquisition.

This capability has been complemented by competent fuel management, logistics and technical excellence.

Resulting in a repository of capabilities directed towards responsible nation building.

Background

Adani Power Limited (APL) is India's largest private sector thermal power producer.

The Company ventured into the business in 2006 when it embarked on the construction of its first plant in Mundra, Gujarat. The Company will possess an aggregate power generation capacity of 14,050 MW (40 MW solar) following the completion of its ongoing Jharkhand project. The Company's operating capacity comprises thermal power plants in Gujarat, Maharashtra, Karnataka, Rajasthan and Chhattisgarh and a solar power unit in Gujarat.

The Adani Group

The Adani Group is a diversified multi-business conglomerate in India with a combined market capitalisation of USD 91 Billion as on 31st March, 2021 across six publicly traded companies. The group comprises a world-class transport and utilities infrastructure portfolio with a pan-India presence. The Adani Group is headquartered in Ahmedabad (Gujarat, India). Over the years, the Group has positioned itself as a market leader in the transport logistics and energy utility portfolio businesses focusing on large infrastructure development with operations and maintenance practices benchmarked around global standards. The Group includes four Investment Grade-rated businesses and is the only Infrastructure Investment Grade issuer in India. The Adani Group is committed to 'Nation Building' and 'Growth with Goodness', its principles for sustainable growth. The Group is committed to widen its ESG footprint by realigning its businesses around climate protection and increasing outreach through its CSR programme.

Respect

The Company was the world's first coal-based thermal power project to be granted carbon credits by the United Nations Framework Convention on Climate Change (UNFCCC).

The Company was 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.

The Company is engaged in the construction of a 1,600-MW ultra-supercritical thermal power project in Godda, Jharkhand. The proposed plant will export power from India to Bangladesh.

Big numbers at our Company

8
Strategically located power plants

Largest
Private sector Independent Power Producer (IPP)

87
% of our overall generation units that are supercritical and ultra-supercritical (including Godda)

84
% of domestic coal secured as a part of the Company's needs

89
% of plant availability under long-term power purchase agreements

74
% of power generated secured through long-term power purchase agreements (including Godda)

12.41
GW, Total operational thermal power generation capacity

2,936
Team size

106
%, fly ash utilisation in FY 2020-21

Our power generation assets: Their scale and locations

Location	Category	Coal source	Technology	Total capacity (MW)
Udupi, Karnataka	Coastal; Utility	Imported	Sub-critical	1,200 (600x2)
Tiroda, Maharashtra	Near pithead	Fuel Supply Agreement (FSA)	Super-critical	3,300 (660x5)
Raipur, Chhattisgarh	Near pithead	E-auction	Super-critical	1,370 (685x2)
Raigarh, Chhattisgarh	Near pithead	FSA and e-auction	Sub-critical	600 (600x1)
Kawai, Rajasthan	Hinterland	FSA	Super-critical	1,320 (660x2)
Mundra, Gujarat	Coastal	FSA and imported	Sub-critical Super-critical	4,620 (330x4) and (660x5)
Bitta, Gujarat	Solar	Not applicable	Photovoltaic	40
Godda, Jharkhand	Hinterland (export)	Imported	Ultra-supercritical	1,600 (800x2)

Awards, certifications, and accreditations in for FY 2020-21

- UPCL was awarded a Five Star rating which is the highest category safety recognition and the Sword of Honour-2020 by British Safety Council.
- APMuL, APML, APRL, and UPCL received a recertification for ISO 9001:2015, ISO 14001:2015, ISO 45001:2018, ISO 50001:2018 by TuV Nord, while REL received certification for these standards.
- APML received Safety Appreciation (Prashansa Patra) award from National Safety Council India on Manufacturing Sector – Power Generation category for the effective implementation of its safety system.
- APRL received Safety Appreciation award – Boiler & Factory in manufacturing Sector – Power Generation category from the Factories and Boilers Inspection Department Government of Rajasthan.

How we performed in FY 2020-21

Operations

- APL achieved an average PLF of 58.9% compared to 66.6% in FY 2019-20
- Aggregate sales volume was 59.3 BU compared to 64 BU in FY 2019-20
- Plant uptime was maintained at a high level despite operational restrictions during the nation-wide lockdown.

Strategy

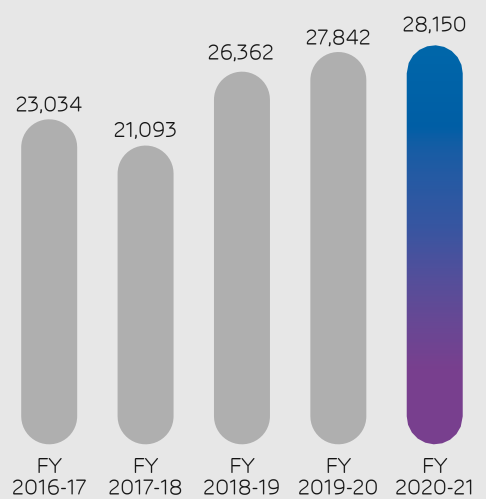
- Signed 1,230 MW power supply agreement with Madhya Pradesh Power Management Co. Ltd.; power to be supplied from greenfield ultra-super-critical power plant to be commissioned in Madhya Pradesh
- Embarked on a transformational program to enhance operational efficiency and business excellence
- Implemented initiatives leading to Dow Jones Sustainability Indices (DJSI) and Standard & Poor's Global (DJSI-S&P) assigning the highest ESG rank among all companies in the electric utility sector in India

Finance

- Consolidated total revenues were marginally higher at ₹28,150 Crore (₹27,842 Crore in FY 2019-20)
- Consolidated EBITDA grew 50% to ₹10,597 Crore compared to ₹7,059 Crore in FY 2019-20 due to improved merchant tariffs, lower imported coal prices, higher prior period income recognition and favourable currency movements
- Total Comprehensive Income was ₹1,240 Crore compared to a loss of ₹2,264 Crore for FY 2019-20.

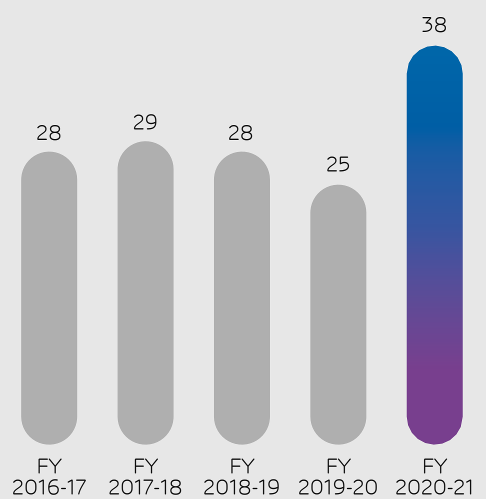
Financial highlights

Consolidated Revenue
(₹ in Crore)

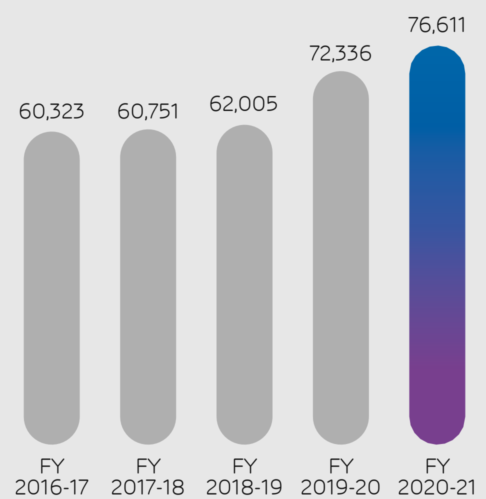


Consolidated EBITDA
(₹ in Crore)

EBITDA Margin
(%)



Gross Block
(₹ in Crore)



Performance highlights, FY 2020-21

COASTAL (4,620 MW)

Adani Power (Mundra) Limited (APMuL)

Mundra, Gujarat

Annual PLF

63%

Generation

25.67 BUs

COASTAL REGULATED UTILITY (1,200 MW)

Udupi Power Corporation Limited (UPCL)

Udupi, Karnataka

Annual PLF

22%

Generation

2.35 BUs

NEAR PIT HEAD (3,300 MW)

Adani Power Maharashtra Limited (APML)

Tiroda, Maharashtra

Annual PLF

62%

Generation

18.05 BUs

HINTERLAND (1,320 MW)

Adani Power Rajasthan Limited (APRL)

Kawai, Rajasthan

Annual PLF

74%

Generation

8.59 BUs

NEAR-PIT HEAD (1,370 MW)

Raipur Energen Ltd. (REL)

Raikheda, Chhattisgarh

Annual PLF

55%

Generation

6.61 BUs

NEAR-PIT HEAD (600 MW)

Raigarh Energy Generation Ltd. (REGL)

Raigarh, Chhattisgarh

Annual PLF

55%

Generation

2.88 BUs

Our 3,300 MW thermal power plant at Tiroda, Maharashtra (APML)

SOLAR (40 MW)

Bitta Solar Power Plant

Bitta (Kutch), Gujarat

Annual PLF

18% (CUF)

Generation

0.07 BUs

The multi-business Adani Group is one of the most dynamic industrial conglomerates in India.

Engaged in nation building

Enhancing stakeholder value

Enriching communities of its presence

Vision

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

Values

Courage	Trust	Commitment
We shall embrace new ideas and business	We shall believe in our employees and other stakeholders	We shall stand by our promises and adhere to high standards of business

Culture

Passion	Results	Integration	Dedication	Entrepreneurship
Performing with enthusiasm and energy	Consistently achieving goals	Working across functions and businesses to create synergies	Working with commitment in the pursuit of our aims	Seizing new opportunities with initiatives and ownership

The promoter

The Adani Group has been promoted by the visionary industrialist Mr. Gautam Adani. The group was founded by Gautam Adani in 1988 as a commodity trading business, the flagship company being Adani Enterprises Limited (previously Adani Exports Limited).

The Adani Group

The Adani Group is a diversified industrial conglomerate in India with a combined market capitalisation of USD 91 Billion as on 31st March, 2021, comprising six publicly traded companies. The Group's extensive business interests across India's infrastructure sector – transport, logistics, energy and utilities – possess a proven track record of excellence in business development, construction and maintenance. The Group comprises among the largest infrastructure and utility portfolios in the world. There has been a gradual shift in the business mix from B2B to B2C with the Group engaged in agro commodities and ancillary industries, gas distribution across geographies in India, electricity distribution that powers the financial capital of India, and the airports business that will manage and develop eight airports in India. The Group is also engaged in the digital, road building, water and data centre businesses.

The scale

Most of the Group's businesses are among the largest in India, generating attractive economies of scale. Adani Green Energy Limited is among the largest renewable energy businesses in India. Adani Total Gas Limited is the largest city gas distribution business in India. Adani Ports & Special Economic Zone Limited is the largest private sector port operator in India. Adani Wilmar is the largest edible oils brand in India. Adani Transmission Limited is the largest private sector transmission and distribution company in India.

The visibility

The Adani Group comprises six publicly traded companies that were collectively valued at a market capitalisation of USD 91 Billion as on 31st March, 2021.

The positioning

The Adani Group has positioned itself as a leader in the transport logistics and energy utility portfolio businesses in India. The Group has focused on sizable infrastructure development in India with operations and maintenance (O&M) practices benchmarked to global standards.

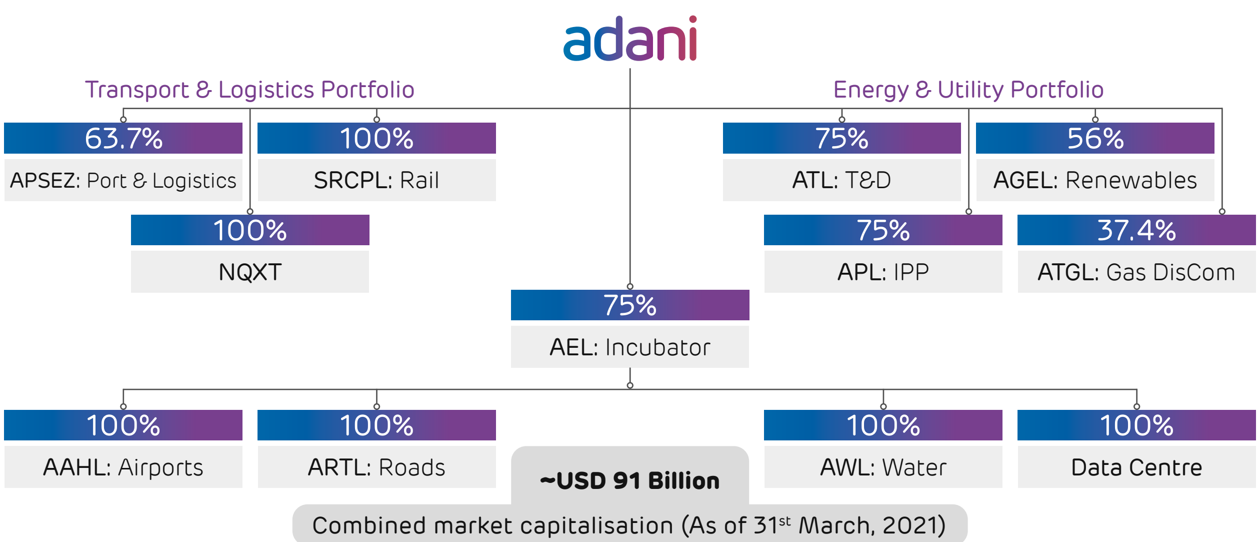
The core philosophy

The Adani Group's core philosophy is 'Nation Building', driven by 'Growth with Goodness' , its beacon for sustainable growth. The Adani Group is committed to widen its ESG footprint with an emphasis on climate protection and increasing community outreach through CSR programmes woven around sustainability, diversity and shared values.

The credibility

The Adani Group comprises four IG-rated businesses and is the only Infrastructure Investment Grade bond issuer from India.

Adani Group: A world class infrastructure & utility portfolio



Marked shift from B2B to B2C businesses

ATGL: Gas distribution network to serve key geographies across India

AEML: Electricity distribution network that powers the financial capital of India

Adani Airports: To operate, manage and develop eight airports in the country

Locked in Growth

Transport & logistics: Airports and Roads

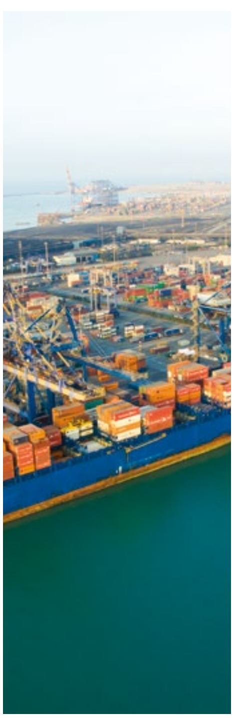
Energy & Utility: Water and Data Centre

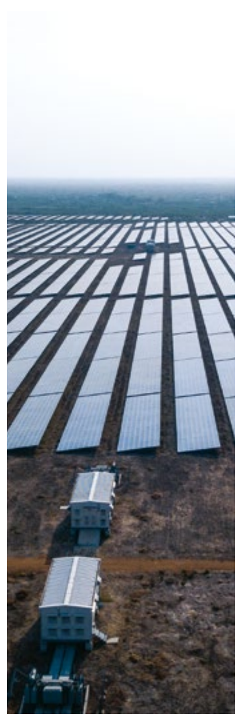
APSEZ: Adani Ports & Special Economic Zone Limited
NQXT: North Queensland Export Terminal
SRCPL: Sarguja Rail Corridor Pvt Ltd
AAHL: Adani Airports Holdings Ltd
ATL / APL / AGEL / ATGL: Adani Transmission / Power / Green Energy / Total Gas Ltd.
AEML: Adani Electricity Mumbai Ltd
ARTL: Adani Road Transport Ltd
AWL: Adani Water Ltd
T&D: Transmission and Distribution
IPP: Independent Power Producer

Opportunity identification, development and beneficiation is intrinsic to diversification and growth of the group

Adani Group: Repeatable & proven transformative investment model

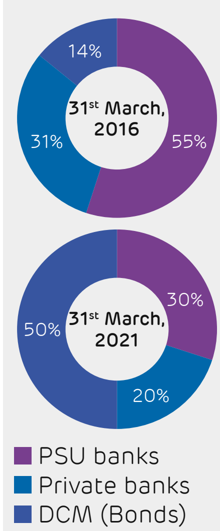
Phase	Phase	Development		Operations	Post operations
	Origination	*Site development*	*Construction*	*Operation*	*Capital management*
Activity	▪ Analysis & market intelligence ▪ Viability analysis ▪ Strategic value	▪ Site acquisition ▪ Concessions and regulatory agreements ▪ Investment case development	▪ Engineering & design ▪ Sourcing & quality levels ▪ Equity & debt funding projects	▪ Life cycle O&M planning ▪ Asset management plan	▪ Redesigning the capital structure of the asset ▪ Operational phase funding is consistent with asset life
Performance	▪ India's largest commercial port (at Mundra) ▪ Highest margin among peers	▪ Longest private HVDC line in Asia (Mundra to Mahendragarh) ▪ Highest line availability	▪ 648 MW ultra mega solar power plant (at Kamuthi, Tamil Nadu) ▪ Constructed and commissioned in a record nine months	▪ Energy Network Operation Centre (ENOC) enables a centralised continuous monitoring of projects and installations on a single cloud-based platform	▪ In FY 2020-21, APSEZ and its joint venture AICTPL issued three bonds amounting to USD 1.55 Billion international bonds with 5-10 year maturity, elongating maturity profile and reducing the weighted average cost of capital ▪ AGEL's issuance of USD 1.35 Billion revolving project finance facility will fully fund its entire project pipeline





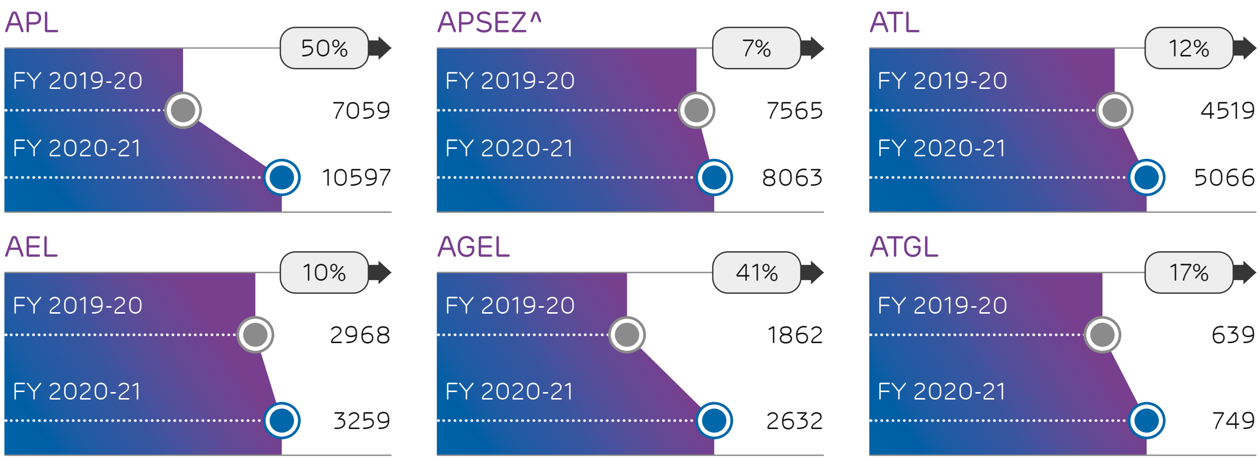
All listed entities maintain a liquidity cover of 1.2x- 2x as a matter of policy

Share of institutions in debt structure



How Adani Group companies performed in a challenging FY 2020-21

EBITDA growth

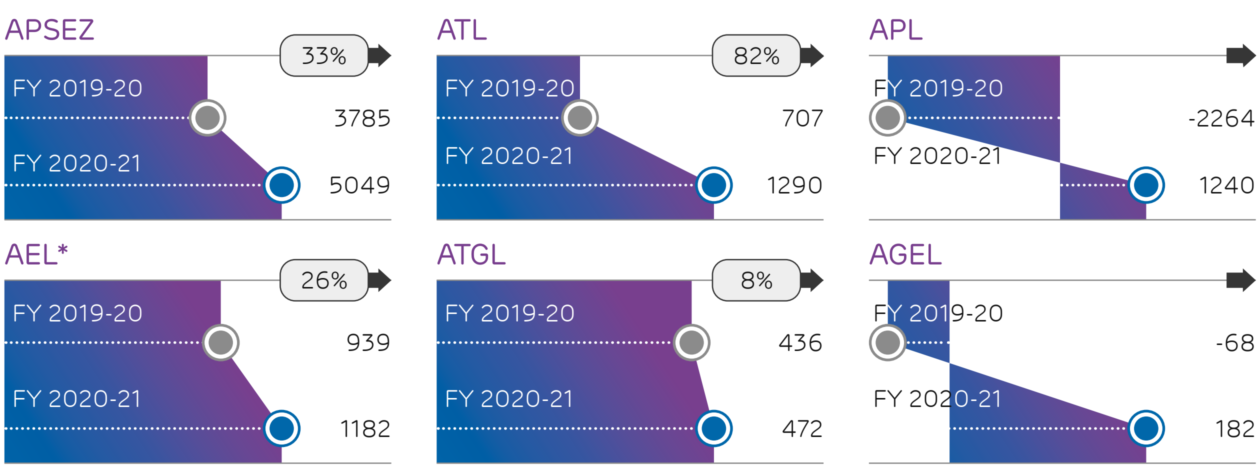


Strong growth in the consolidated EBITDA of the listed companies of the Group by 22% in FY 2020-21 demonstrates the utility nature of the businesses

- APL EBITDA improved due to improved merchant tariffs, lower imported coal prices and higher prior period income recognition
- AGEL EBITDA grew on account of increased revenue from power supply and O&M cost optimisation
- ATL EBITDA grew due to growth in power transmission EBITDA and higher regulatory income from the power distribution business
- APSEZ EBITDA growth was on account of an increase in cargo volume, operational efficiency and cost restructuring
- AEL EBIDTA grew due to an increase in EBITDA from the solar manufacturing business

EBITDA includes Other Income. ^APSEZ EBITDA excludes forex gain/loss, other income and one time donation of ₹80 Crore. AEL: Adani Enterprises Limited; AGEL: Adani Green Energy Limited; APL: Adani Power Limited; APSEZ: Adani Ports & Special Economic Zone Limited; ATGL: Adani Total Gas Limited; ATL: Adani Transmission Limited

PAT growth



Combined PAT of Adani Group's listed portfolio grew 166% in FY 2020-21

- All portfolio companies registered profit after tax (PAT)
- Adani portfolio PAT grew through the pandemic, underlining the core utility nature of the businesses

**PAT for AEL excludes exceptional items*

The Adani Group platform of excellence, outperformance and leadership

The Adani Group businesses

Transport	Logistics	Energy	Utilities

The Group Adani growth platform

Betting on India	Strategic big picture	Making outsized investments in futuristic infrastructure	Investing at a competitive capital cost in a relatively low commissioning time	Creating long-term revenue visibility	Reinforcing attractive margins

The platform

India

At the Adani Group, we believe in and bet on India. We have observed that following the announcement of liberalisation in 1991, India has not just grown faster; it has compressed the GDP growth of the earlier decades into considerably fewer years for equivalent growth. For instance, the GDP growth that India achieved across nearly 60 years was replicated in the next seven years. This is precisely what is expected going ahead: India is expected to transition from a sub-USD 3 Trillion economy to a USD 5 Trillion economy in the next few years. At Adani Group, we have proactively invested in businesses that will ride the middle-income consumption engine seeking improved life quality. We have invested not on the basis of what is, but on what can be. In making disproportionate investments, we intend to shift the needle not just for the Company but for the country as a whole with the objective of widening access, reducing costs, widening the market and, in doing so, helping strengthen India.

Competitive advantage

At the Adani Group, we believe that the ability to make a significant national contribution can only be derived from a broad-based competitive advantage that is not dependent on any one factor but is the result of an overarching culture of excellence – the coming together of rich sectorial experience, timely project implementation, ability to commission projects faster than the sectorial curve, competence to do so at a cost lower than the industry average, foresight to not merely service the market but to grow it, establish a decisive sustainable leadership and evolve the Company's position into a generic name within the sector of its presence.

Relatively non-mature spaces

At the Adani Group, we have selected to enter businesses that may be considered 'maturely non-mature'. Some of the businesses can be classified as mature, based on the enduring industry presence and the conventional interpretation of their market potential; these very businesses can be considered non-mature by the virtue of their vast addressable market potential and the superior Adani Group value proposition. The result is that the Adani Group addresses sectorial spaces not on the basis of existing market demand but on the basis of prospective market growth following the superior Adani sectorial value proposition.

Outsized

The Adani Group has established a respect for taking outsized bets in select sectors and businesses without compromising Balance Sheet safety. The Group establishes a large capacity aspiration that sends out a strong message of its long-term direction. Its outsized initial capacity establishes economies of scale within a relatively short time horizon that deters prospective competition and generates a substantial cost leadership (fixed and variable) across market cycles.

Technology

The Adani Group invests in the best technology standards of the day that could generate precious additional basis points in profitability and help more than recover the additional cost (if at all) paid within a short tenure. This superior technology standard evolves into the Company's sustainable competitive advantage, respect, talent traction and profitability.

Execution excellence

The Adani Group has built a distinctive specialisation in project execution, one of the most challenging segments in

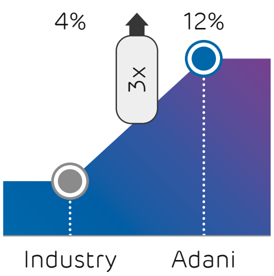
India. The Group has established benchmark credentials in executing projects faster than the sectorial average by drawing from the multi-decade Adani pool of managerial excellence across a range of competencies. This capability has resulted in quicker revenue inflow, increased surplus and competitive project cost per unit of delivered output.

Scalable financial structure
The Adani Group has created a robust financial foundation of owned and borrowed funds (the lowest cost by far for infrastructure building companies in India). This enhanced credibility makes it possible for the Adani Group to mobilise resources from some of the largest global lenders at among the lowest costs. This approach helps transform these marquee institutions from mere lenders to stable resource (fund or growth) providers for the long-term.

Ownership
The Adani Group comprises a high promoter ownership, validating a high commitment and ownership in projects.

Adani Group's outperformance

Port cargo throughput growth
(MMT)



2014	972 MMT	113 MMT
2021	1,246 MMT	247 MMT

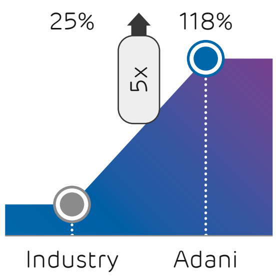
APSEZ

Highest margin among peers global

EBITDA margin: 70%[1,2]

Next best peer margin: 55%

Renewable capacity growth
(GW)



2016	46 GW	0.3 GW
2021	140 GW[9]	14.8 GW[6]

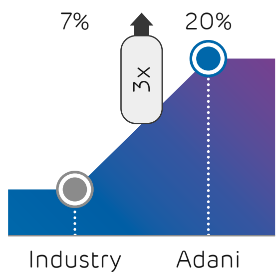
AGEL

World's largest solar energy developer

EBITDA margin: 91%[1,4]

Among the industry's best

Transmission network growth
(ckm)



2016	320,000	6,950
2021	441,821	18,801

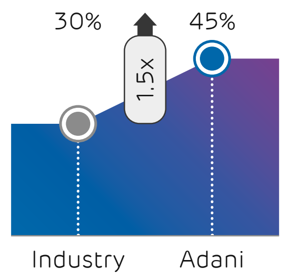
ATL

Highest network availability among peers

EBITDA margin: 92%[1,3,5]

Next best peer margin: 89%

City gas distribution[7] growth
(GAs[8] covered)



2015	62 GAs	6 GAs
2021	228 GAs	38 GAs

ATGL

India's largest private CGD business

EBITDA margin: 41%[1]

Among the best in industry

Transformative model driving scale, growth and free cashflow

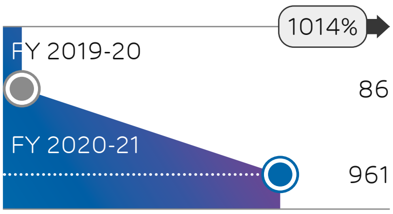
Note: 1. Data for FY 2020-21; **2.** Margin for ports business only, Excludes forex gains/losses; **3.** EBITDA = PBT + Depreciation + Net Finance Costs – Other Income; **4.** EBITDA Margin represents EBITDA earned from power supply **5.** Operating EBITDA margin of transmission business only, does not include distribution business. **6.** Contracted & awarded capacity **7.** CGD – City Gas distribution **8.** GAs – Geographical Areas - Including JV | Industry data is from market intelligence **9.** This includes 17GW of renewable capacity where PPA has been signed and the capacity is under various stages of implementation and 29GW of capacity where PPA is yet to be signed'

How Adani Group enhanced value in FY 2020-21

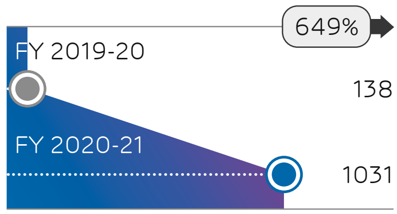
(share price in ₹)

Movement in the Adani listed portfolio on the stock exchanges in FY 2020-21

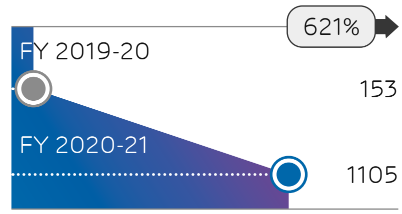
Adani Total Gas Limited



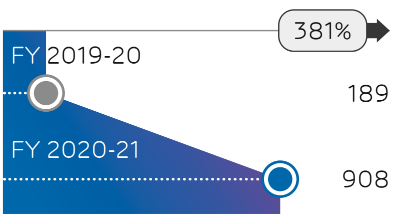
Adani Enterprises Limited



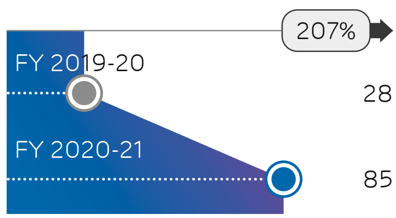
Adani Green Energy Limited



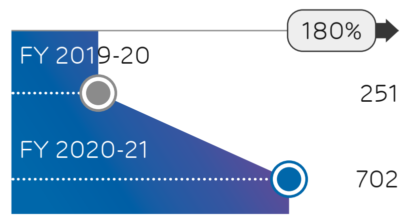
Adani Transmission Limited



Adani Power Limited



Adani Ports and Special Economic Zone Limited



All Adani portfolio stocks generated a return in excess of 100% and outperformed the index by a significant margin (Nifty-50 generated a return of 71%). FY 2020-21 stock prices were as of 31st March, 2021 and FY 2019-20 stock price was as of 31st March, 2020

The Adani Group: Establishing benchmarks

Largest

India's largest commercial port (Mundra)

India's largest private sector ports company

India's largest single location private thermal IPP (Mundra)

One of the world's largest ultra mega solar power plant of 648 MW at Kamuthi (Tamil Nadu)

Highest

Ports company enjoying the highest margin among peers

Highest transmission line availability in India

Quickest

The 648 MW solar power Kamuthi plant commissioned in only nine months

Longest

Longest private HVDC line in Asia (Mundra to Mahendragarh)

CHAIRMAN'S MESSAGE

A Time For Pragmatic Optimism

It is hard to believe that a 100-year-old Keynesian statement, made at a time when telecommuting and global e-commerce were not even nebulous ideas, could still ring so true.

'He could order by telephone, sipping his morning tea in bed, the various products of the whole earth, in such quantity as he might see fit, and reasonably expect their early delivery upon his doorstep. He could at the same moment and by the same means adventure his wealth in the natural resources and new enterprises of any quarter of the world.'

This appeared in John Maynard Keynes' influential best-seller *The Economic Consequences of the Peace*, first published in 1919, when the word *globalisation* had not even been coined (it first showed up in its modern meaning only in 1930). The fact is that globalisation did exist even then, except that the pace was sedentary in comparison to today's world.

Some Things Never Change

If Keynes' time is remembered for the gradual globalisation of social and economic life, our time will be remembered for the unbridled pace at which globalisation is enveloping our lives, driven by the ubiquitous reach of the internet. The consequences are still emerging as our world's political, cultural and economic barriers dissolve faster than ever before in a dual solvent of global interdependence and hyper interconnectivity that are creating unprecedented new opportunities, new business models and several new challenges.

Of all the challenges, however, one of the most significant consequences of globalisation has been pandemics – and the most difficult of them has been COVID-19. While this is no surprise given that pandemics like the Asian Flu of 1957 spread through trade and travel routes, it is obvious that the world was just not prepared for the explosive rate of spread of a pandemic of COVID-19's scale. This has exposed several of the fragilities of global interdependence that will need to be fixed and each country is expected to do it differently.

Curiously though, the remedy for this malady is coming through the process of globalisation, as evidenced by the worldwide collaboration on accelerated genome sequencing, vaccine development and vaccine manufacturing. Therefore, paradoxically, both the problem and its solution lie in our embrace of globalisation.

Learnings During a Crisis

There is no denying the fact that while COVID-19 has challenged every nation, India's size and population density have made it a harsher challenge. Indeed, the pandemic froze economic

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The COVID-19 pandemic has demonstrated, to most nations across the world, that free market economies cannot be at the cost of self-reliance. We must believe in our own capabilities and must be able to depend on it for economic construction, especially in times of crisis.

priorities and forced the world to divert time and resources to manage the crisis, as did India. No one denies that India could have done much better and that every life lost is a tragedy. However, as the world races to vaccinate its people, we see India being criticised repeatedly for not doing enough to protect its own. Sometimes, it is worth keeping in mind that India has more people than the *combined population* of Europe, North America and Oceania. In other words, our country is facing a challenge bigger than what three *continents* are facing at a time when every nation is maximising what it can do for its own people and has far better healthcare infrastructure built over several decades. Given that our vaccination effort is bigger than the combined efforts of *87 countries*, it is only fair to take a step back and determine the scale of the challenge our nation has confronted.

In this context, I believe that the *Atmanirbharta* initiative launched by the Government is a transformational and correct step in our nation's journey. The COVID-19 pandemic has demonstrated, to most nations across the world, that free market economies cannot be at the cost of self-reliance. We must believe in our own capabilities and must be able to depend on it for economic construction, especially in times of crisis. Therefore, the five pillars of *Atmanirbhar Bharat* – Economy, Infrastructure, System, Vibrant Demography, and Demand – are a necessity to ensure our economy builds the intrinsic robustness to manage disruptive black swan events like COVID-19. The definition of a free-market economy will undergo a change in a post-COVID-19 world, and we must unhesitatingly write our own definition. After all, not only is India the world's largest democracy but it is also the world's most unique and boldest experiment with democracy. One size does not fit all and it is increasingly evident that the phenomenon of hyper-globalisation that created the unrealistic expectation of being the panacea for efficient manufacturing and services across the world has been one important cause of much of the inequalities we are witnessing today. Therefore, only when we are able to fully mobilise the efforts of our own people will we be able to develop our economy in a way that we can take advantage of our country's demographic dividends that we have not yet been able to fully unleash. COVID-19 is a wakeup call for all of us to transform ourselves. There cannot be a better time for us to commence the journey towards true self-reliance *(Atmanirbharta)* for accelerating the building of our nation in the post-COVID-19 world.

Despite a pandemic-induced large-scale disruption in economic activity, all six of our listed entities posted results significantly above market expectations.

Organisational Values as a Platform for Numbers

The past year has been one that further reinforced my belief in the values of an organisation. About a decade back, we chose *Courage, Trust and Commitment* as the guiding values that would determine our actions and, today, I credit the resilience that we have demonstrated to the stoutness of these values. It strengthens my confidence in our organisation's fortitude, and this has been demonstrated in the results of our Group. Not only has the Adani Group emerged as India's benchmark for market leadership in difficult times, but we have also broadcast our organisational ability to rapidly pivot in the right market direction. An exciting example of this agility is our expanding partnership with TOTAL (now TotalEnergies) who are strategically increasing their renewables portfolio. These developments exemplify the resilience of our diversified business across sectors, industries, and geographies. Despite a pandemic-induced large-scale disruption in economic activity, all six of our listed entities posted results significantly above market expectations and some of these record highlights appear below.

Group highlights

- Capacity addition, sweating of assets, and a relentless focus on operational excellence and efficiency ensured that the EBITDA of our listed portfolio registered a year-on-year growth of 22% (₹32,337 Crore in FY21).
- The return to equity shareholders (PAT) increased by a significant 166% on a year-on-year basis (₹9,415 Crore in FY21).
- All Adani portfolio stocks gave returns over 100% and out-performed index by a significant margin (Nifty-50 gave a return of 71%).

Segment highlights

- Adani Green Energy Limited (AGEL) added 925 MW operational capacity, achieved a high consistent Solar CUF of 22.5% and Wind CUF of 26.8%.
- Adani Transmission Limited (ATL) added 3,931 ckt km to its network, reaching 18,801 ckt km, and sold a record 7,169 Million units during the year.
- Adani Ports and Special Economic Zone Limited (APSEZ) achieved a cargo volume of 247 MMT (up by 11%) and reached a market share of 25%, a gain of 4% points.
- Adani Total Gas Limited (ATGL) added 102 CNG stations, 500 commercial and 40,939 domestic customers, achieving a combined volume of 515 MMSCM (CNG+PNG)

Strategic highlights

- APSEZ announced four acquisitions — KPCL, GPL, Dighi Ports & SRCPL — thus improving East Coast - West Coast parity. It also announced the setting up of a container terminal at Colombo port in partnership with John Keells and SLPA.
- Adani Enterprise Limited (AEL) took over operations of airports at Ahmedabad, Lucknow and Mangalore, signed concession agreements for Guwahati, Jaipur & Thiruvananthapuram, and is in the process of acquiring Mumbai International Airports Limited (MIAL) & Navi Mumbai International Airport Limited (NMIAL) airports.
- AGEL fortified its partnership with TotalEnergies who acquired a 50% stake in its 2.35 GW portfolio of operating solar assets and 20% equity stake in AGEL from the founders for an investment amounting to USD 2.5 Billion.

While we can look back and feel satisfied about our results, I believe that the real phase of accelerated growth of the Adani Group as an entity that benefits from having a portfolio of companies with several strategic adjacencies, is only now gathering momentum. This helps us bridge the B2B to B2C gap in unique ways and will encompass our new businesses like Airports, Data Centres, Defence and several others. What we have built over the past two decades is India's largest integrated and yet diversified infrastructure business that is now manifesting itself as an integrated 'platform of platforms' and moving us closer to unprecedented access to the Indian end consumer. I know of no business model akin to ours with access to an unlimited B2B and B2C market over the next several decades.

Not only has the Adani Group emerged as India's benchmark for market leadership in difficult times, we have also broadcast our organisational ability to rapidly pivot in the right market direction. These traits exemplify the resilience of our diversified business across sectors, industries, and geographies.

Building the Template for Capitalising on Trends

While we are known as an organisation that makes swift decisions, our foray into the world of renewables and clean energy has further allowed us to templatise our expansion process and has given us the confidence to move into several new sectors as has been increasingly evident with our diverse business portfolio. As an example, it is worth noting that the thought process of accelerating our clean energy footprint was seeded as recently as in 2020 (at the Davos World Economic Forum in January 2020). From my meetings at Davos, two things had become evident.

- First – Climate change had become the defining issue of our time and climate change action must be accepted as a global, national, and personal responsibility.

It was at Davos that I decided we must align with our nation's perspective on renewable energy – and set ourselves the goal to be the world's largest solar power producer. I also decided that a significant part of our Group's future investments must be focused on sustainable and renewable energy.

- Second – With India driving one of the largest consumption growths, our country would have to play a defining role as it balanced its need to provide affordable electricity to its citizens as well as accelerate its renewable energy ambitions.

It was at Davos that I decided we must align with our nation's perspective on renewable energy – and set ourselves the goal to be the world's largest solar power producer. I also decided that a significant part of our Group's future investments must be focused on sustainable and renewable energy. On the 22nd of January, I penned down my thoughts and the Group's ambitions in a LinkedIn article wherein I wrote: *"Our vision is to become the world's largest solar power company by 2025 and thereafter the world's largest renewable power company by 2030"*. I also stated that we would *"build 25 Gigawatts by 2025 and also become the world's biggest solar player"*. Our existing portfolio of renewable power at that time stood at just 2.5 Gigawatts.

We moved fast since January 2020 and my focus has been on building an organisation that can add an unmatched 5 Gigawatts of generation capacity every year over the next decade and foster a cleaner energy future. So far, we are very much on target. Let me highlight some of the milestones:

- Five months following the promise at Davos, in Q2 of 2020, we won the world's largest solar tender when SECI awarded us 8 Gigawatts through a competitive bidding process.
- Thereafter, in Q3 of 2020, Mercom reported that we had become the world's largest solar power developer. We rose from No.6 position in 2019 to No.1 in 2020 – in just nine months.
- Simultaneously, we formed game-changing partnerships in energy to start establishing the base for global partnerships. Inducting TotalEnergies as a 20% partner in the renewables business sealed a strategic alliance that covers investments in LNG terminals and renewable assets across India, besides the gas utility business. The partnership within the renewables space in India will be a key contributor to TotalEnergies' objective of transforming into a clean energy leader.
- Since January 2020, the value of our renewables business increased over 600 times thereby yielding one of the best returns across all stock markets.
- Thereafter, in May 2021, we acquired Softbank's and Bharti's 5 Gigawatts portfolio of renewable assets, allowing us to leapfrog and get to our target of 25 Gigawatts a full four years ahead of our schedule.

This is what templatisation means to us and it gives us the confidence to expand swiftly across several adjacent sectors. This success is also a manifestation of the core of our three organisational values – Courage, Trust, and Commitment – that fundamentally define our Group.

Adani Foundation: Growth with Goodness

As a Group with businesses in locations where some of the poorest segments of our population reside, we are deeply conscious of our responsibility to help marginalised and underprivileged communities – over and above just creating jobs. Through a wide variety of initiatives led by the Adani Foundation, we have touched millions of lives across thousands of villages, driving beneficial change in education, health, infrastructure development and sustainable livelihood development. We expect to amplify our work and double these numbers over the next five years.

However, in line with the rest of the world, the Adani Foundation's primary focus over the past year was guided by the battle against COVID-19. One of the issues the cascading nature of this pandemic thrust into the national spotlight was the grave inequality across our scattered communes in access to relief and care. As soon as the virus took hold, we mapped out the urgencies of the moment and studied how best we could mitigate distress across India. We quickly realised that the battle needed more than the standard assortment of medical items, like protective gear and diagnostic kits. The most pressing need was for additional means to quickly deliver medical oxygen across the land.

The solution was tied to several items that were in short supply locally. We needed more cryogenic tanks capable of transporting oxygen in supercooled liquid form, more medical oxygen cylinders for hospitalised patients, more oxygen generator plants for healthcare facilities unable to rely on transported supplies and more oxygen concentrators for people managing their infection by themselves.

> At no time in the past was the work of the Adani Foundation more necessary and relevant than it is now.

It was a formidable challenge but one that we rose to, quickly and efficiently. Working with our business partners and Indian missions across the world, we managed to secure a massive life-saving inventory of these critical items, the biggest of which we brought in with the help of the Indian Air Force. Back home, our indefatigable logistics teams ensured that the oxygen tanks and cylinders were repeatedly refilled and despatched to all corners of the country.

I am also proud that the Foundation went well beyond procuring essential supplies. In just days, our engineering and medical teams expertly converted our Adani Vidya Mandir school in Ahmedabad and the Noida Indoor Stadium into emergency COVID Care Facilities with hundreds of beds, oxygen support and catered food. In Bhuj and Mundra, our hospitals that serve as a general medical oasis for the neighbouring districts were swiftly turned into 100% COVID care hospitals.

At no time in the past was the work of the Adani Foundation more necessary and relevant than it is now. I am deeply moved by the extent of the effort our Foundation's team members have put in, often choosing to ignore the risk to their own health.

The Belief in the Long Term

Over the past few months there have been several voices that wonder if India's target to be a five-trillion-dollar economy over the next four years is achievable. I personally see it as an inconsequential question. History has amply demonstrated that out of every pandemic crisis, emerge several learnings and I believe that India and the world become wiser as we go through this pandemic. India will be a five-trillion-dollar economy and will then go on to be a 15-trillion-dollar-plus economy over the next two decades, emerging as one of the largest global markets in terms of consumption size and market capitalisation. There will be bumps along the road, as has been the case in the past, and is expected to be the case in the future. However, there cannot be any doubt that the largest middle-class that will ever exist, augmented by an increase in the working age and consuming population share, will have a positive impact on India's growth rates very much in line with the demographic dividend India enjoys. The most essential factor required will be a better trained workforce and I have no reason to believe that over the next two decades we will not have been able to suitably address this challenge. It is a virtuous cycle that is driven by the growth in the middle-class population and India today has a longer runway than any other nation in the world.

> India will be a five-trillion-dollar economy and will then go on to be a 15-trillion-dollar-plus economy over the next two decades and will emerge as one of the largest global markets, in terms of both consumption size and market capitalisation.

Regards,
Gautam S Adani
Chairman

MANAGING DIRECTOR'S COMMUNIQUE

At Adani Power, we adapted to a rapidly evolving environment with speed; our services continued to be accessible without interruption. I extend my gratitude to all our stakeholders who stood by us during the challenging phase.

Anil Sardana, Managing Director

Dear stakeholders,

Since March 2020, humanity has been braving a challenge that could not have been fathomed by most, in their imagination. The global and Indian economies have passed through prolonged and repetitive lockdowns, brought about by fresh bouts of the COVID-19 contagion, some of which has proved pugnacious and unprecedented in every way.

However, across the world and much more so in India, the collective resilience of the people, coupled with initiatives by governments, helped counter these attacks, although the pandemic was not completely vanquished. Human ingenuity presented in the form of rapid development of advanced vaccines; their quick rollout to vulnerable populations, however the same may yet not be an immediate cure to the challenges.

The impact of the pandemic has been devastating for those affected directly and it has become incumbent upon us, as a society, to provide succour to all those needing the same.

Your Company is a leading power generator, which contributes considerably to India's economic engine. During the COVID-19 lockdown, your Company honoured all its commitments duly, ensuring maximum power generation availability so that power supply to consumers remained uninterrupted. We were able to achieve this while following all safety guidelines, strict social distancing and minimising our workforce in

offices and plants. The credit for this goes to the dedication of our team members and to the development of a robust Operations & Maintenance practices coupled with industry-leading fuel and logistics management capabilities, which made this achievement possible.

At Adani Power, we have always been amenable to a rapidly evolving environment and ecosystem with agility and speed. I extend my gratitude to all our stakeholders who stood by us during the challenging phase. Power demand in India declined (-) 1.1% in FY 2020-21, which followed the slower growth of 1.2% during FY 2019-20. While demand in FY 2020-21 was impacted by the COVID-19 pandemic, a slowdown in economic growth and lower agricultural demand due to heavy monsoons in recent years across much of the country dampened demand growth.

However, before the COVID-19-related movement restrictions came into effect, power demand started improving, providing evidence of India's economic resilience and deep-rooted growth drivers. During the FY 2020-21, our average PLF achievement was lower at 59% compared to 67% in the previous financial year due to a sharp drop in demand from the Commercial and Industrial (C&I) segments, especially during the initial nation-wide lockdown and gradual lifting during the second half of the year. Units sold in FY 2020-21 declined to 59.3 Billion Units (BUs) compared to 64 BUs in FY 2019-20.

At Adani Power, we have always been amenable to a rapidly evolving environment and ecosystem with agility and speed. I extend my gratitude to all our stakeholders who stood by us during the challenging phase.

Adjusting for the one-time revenue recognition as well as certain one-time expenses, normalised EBITDA for FY 2020-21 was ₹6,609 Crore, an increase of 9.3% over the normalised EBITDA of ₹6,043 Crore in the preceding year.

Power demand approached normalisation along with economic activity following the lockdown, resulting in improved power offtake in most states during the second half of the year.

Our total revenue for FY 2020-21 was ₹28,150 Crore, a nominal growth of 1.1% over revenues of ₹27,842 Crore for FY 2019-20. The consolidated revenue for FY 2020-21 incorporated higher recognition of prior period revenue from operations and prior period income, primarily on account of regulatory orders adjudicated, such as the APTEL order for the compensation to APML in lieu of non-availability of coal due to the cancellation of the Lohara coal block.

Consolidated EBITDA for FY 2020-21 stood higher by 50% at ₹10,597 Crore compared to ₹7,059 Crore for FY 2019-20 due to improved merchant generation contribution at the Raipur and Raigarh plants, lower imported coal prices, higher prior period income recognition and favourable currency movements. Adjusting for the one-time revenue recognition as well as certain one-time expenses, normalised EBITDA for FY 2020-21 was ₹6,609 Crore, an increase of 9.3% over the normalised EBITDA of ₹6,043 Crore in the preceding year.

Our upcoming 2x800MW state-of-the-art and most advanced Ultra supercritical thermal power project at Godda, Jharkhand, which is to export power to Bangladesh, has been ramping up its execution pace after stoppage of work due to restrictions imposed by the COVID-19 lockdown. Our experience in project execution and dedicated efforts of our project teams are the key strengths that will help us in seeing this ambitious project reach fruition on schedule.

Our regulatory petitions and appeals for the recovery of domestic coal shortfall claims, along with carrying costs, are close to fruition. We are continuing to receive payments from DISCOMs under the orders issued so far. During the FY 2020-21, APML received ₹2,993 Crore as compensation for change-in-law for domestic coal shortfall on account of the de-allocation of the Lohara coal block. We are hopeful of recovering the balance claims of APML and APRL in the current financial year. Further, the Central Electricity Regulatory Commission (CERC) completed hearings on 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, following termination of the Bid-2 PPA, and reserved its order.

Domestic coal supply during the year remained satisfactory, allowing our power plants to maintain high availability for generation and service customer demand at all times. We were able to post high availability numbers above the normative availability, due to our continuous focus on excellence in O&M, as well as fuel and logistics management.

Looking forward, as India's power demand reclaims its growth trajectory, your Company, with its modern and efficient portfolio will be standing ready to fulfil need for reliable, cost-effective and efficient base load supply. Even as the execution of our strong growth pipeline progresses as per schedule, we will enhance our operating efficiencies across parameters to maximise asset value.

Your Company is also undertaking a holistic and organisation-wide transformation exercise to achieve excellence across five key areas:

One, operational performance excellence to enhance cash flows from existing assets through implementation of targeted initiatives;

Two, financial excellence to optimise balance sheet structure;

Three, fuel management excellence to optimise fuel linkages and integrate supply chain;

Four, regulatory & commercial excellence for the timely realisation of regulatory claims and dues from customers; and

Five, gainful placement of open capacities to secure our EBITDA.

Apart from the above, your Company is also implementing Digital Analytics as a performance excellence program in partnership with globally reputed strategic consultants. This outcome-driven programme will emphasise capacity and skill building of your Company's employees to continue with Data Analytics through Center of Excellence being created during the ensuing Financial Year.

We will continue to seize value-accretive opportunities to further our vision and long-term growth by leveraging our deep experience on the one hand and complementarity with the Adani Group's energy mix portfolio and strategic partnerships on the other.

As a part of our responsibility and as a committed corporate citizen and with the welfare of our dedicated and hardworking teams at heart, we have been following strict safety protocols, which were reinforced to address challenges of the second wave of the COVID-19 pandemic. The sudden impact of the second wave has been drastic, not just on the day-to-day lives of our employees, but also on communities and society.

I am happy to state that your Company improved its Corporate Sustainability Assessment score for 2020 to 62 (out of 100) compared to 59 in 2019 in an exercise conducted by DJSI-S&P Global.

I am confident that renewed lockdown measures and a greater adherence to civic discipline across all layers of society, coupled with the increasing penetration of vaccination, will gradually normalise the situation. I therefore implore all stakeholders to ensure the protection of everyone around them following COVID-19-appropriate behaviour, and their own wellbeing by maintaining a positive attitude.

As a thermal power producer, we are conscious of our impact on the environment and continue to take steps to improve our ESG performance. I am happy to state that your Company improved its Corporate Sustainability Assessment score for 2020 to 62 (out of 100) compared to 59 in 2019 in an exercise conducted by DJSI-S&P Global. Your Company ranked at the top of its peers and secured the top rank among its Indian peers and 33rd position for ESG benchmarking among 283 electric utility companies across the world in 2020 (average global score of electric utilities 43).

During FY 2020-21, your Company achieved 106% fly ash utilisation across all plants against 97% in the previous year, while we targeted water consumption of 2.35 cubic metres per MW hour in our fresh water-based thermal power plants as against a statutory limit of 3.5 cubic metres per MW hour. Our partnership with Adani Foundation in delivering social projects and community initiatives continued to support the local communities in which we operate. We reported our ESG performance through our externally assured annual Sustainability Performance and Value Creation Report, which followed the Integrated Reporting framework.

I again thank all our stakeholders for their support and assure a continued delivery of services during these testing times. We remain committed to addressing the challenges and are hopeful of capitalising on opportunities while adapting rapidly to changes expected of us.

Anil Sardana,
Managing Director

Adani Power. Engaged in addressing a critical building block for a modern India

Overview

Even as India's electricity demand has increased significantly over the past decade, the country's per capita electricity consumption of 1,208 units still compares weakly with that of countries like USA (11,730 units), China (3,991 units) and the global average of 3,316 units (Source: Our world in data).

Demand outlook

The International Energy Agency has projected that India's electricity demand will treble between 2018 and 2040. The increase in consumption will be accompanied by a significant increase in base load demand, which will need to be addressed through stable power supply sources like thermal energy.

Accelerating reforms

The Indian government has undertaken significant reforms to improve the health of the country's power sector. These have strengthened fuel linkages under the Scheme for Harnessing and Allocating Koyala (Coal) Transparently in India (SHAKTI) and the Ujwal DISCOMS Assurance Yojana (UDAY) to catalyse the transformation of power distribution companies. The Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY) for rural electrification and the Pradhan Mantri Har Ghar Sahaj Bijli Yojana (Saubhagya) will widen the consumption of electricity across the coming years.

Dependence on conventional fuel sources

Even as the Indian power sector has broadened its access to renewable energy, more than 60% of the country's total installed capacity and ~84% of the total generation is still thermal (including coal, lignite, and gas-based power plants). This indicates a continuing co-existence of conventional fuel sources alongside renewable options. Coal-fired (including lignite) thermal power plants accounted for ~55% of India's installed capacity by the close of the year under review.

~55

% of India's total installed capacity that was thermal as on 31st March, 2021

Our 600 MW thermal power plant at Raigarh, Chhattisgarh (REGL)

Adani Power. Playing an integral role in national prosperity

Overview

At Adani Power, we went into business with the singular objective of catalysing national growth and prosperity.

Our commitment was driven by the conviction that once all pockets of the country were provided with electricity, there would not just be a linear growth in power consumption, there would be a lateral transformation in lifestyles, mindsets and priorities as well.

In view of this, we believed (and still do) that electricity access and consumption would represent the fundamental driver of national prosperity.

Bullish on investment

At Adani Power, we brought to this perspective a bullish commitment of investments, talent bandwidth and strategic direction. We accelerated faster than the sectorial curve; we built assets quicker than the industry standard; we invested in next-generation assets in line with the best global technologies.

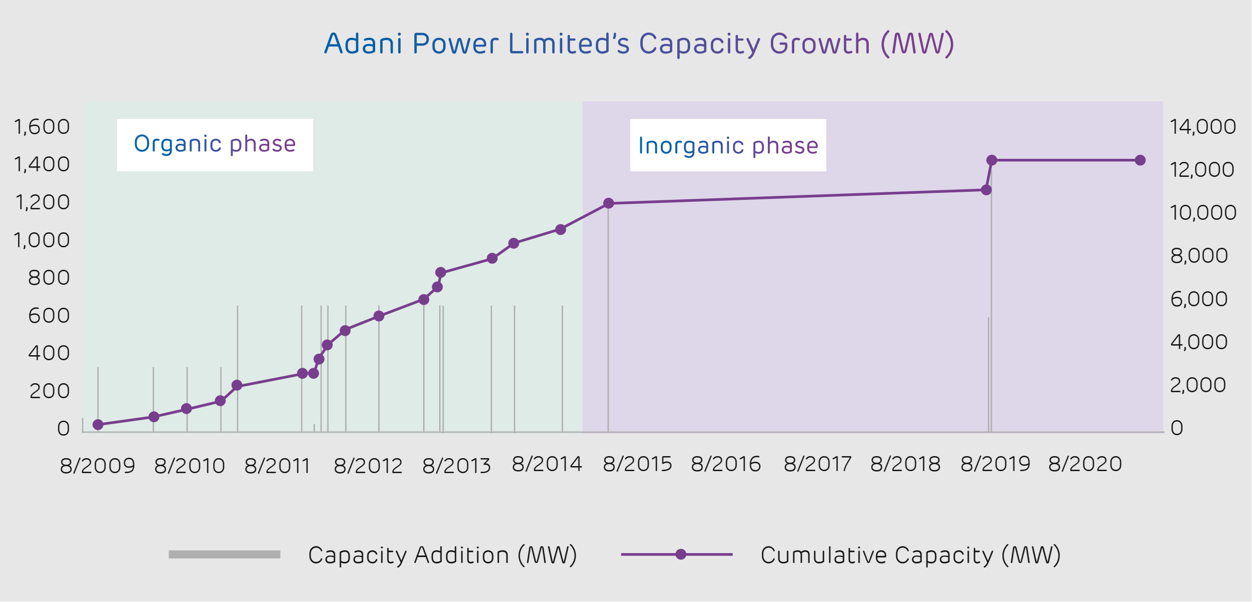
Report card

Within the short space of a decade, Adani Power accounts for around 6% of all the capacity created in India's multi-decade coal and lignite-based power generation sector. The Company accounted for nearly 16% of all the investments made by the private sector in India's coal and lignite-based power generation sector as on 31st March, 2021.

Validation

This sizable commitment, within a compressed period in a sector marked by long commissioning tenures and sizable investments, represents a validation of the Adani Group's commitment to build multi-decade assets for national benefit.

Total power generation from India's thermal power plants in FY 2020-21	Power generated by India's private sector in FY 2020-21	Total generation by Adani Power, FY 2020-21	APL's power generation as a % of all-India power generation in FY 2020-21	APL's power generation as a % of the power generated by India's private sector in FY 2020-21
10,32,395 MU (PLF 53%)	**3,78,528.08 MU (PLF 54%)**	**64,209 MU (PLF 58.9%)**	**5.9%**	**16.4%**




Our 3,300 MW thermal power plant at Tiroda, Maharashtra (APML)

Adani Power. More than just a power generation company; a sectorial benchmark instead

Overview

At Adani Power, we went into business with the objective to extend beyond just enhancing the country's power generation capacity; we were driven by the vision of building the most contemporary assets that would enhance the sectorial benchmark; we were catalysed by the objective of graduating respect for India as a destination of state-of-the-art core industrial technologies.

The result is that the Company invested in a combination of scale, scope and sophistication that represented the next generation of the country's power generation infrastructure.

Showcase

Sophistication: The Company introduced India's first supercritical power generation unit (660 MW), commissioned at Unit 5 in Mundra in December 2010. Over time, the Company commissioned the maximum number of operational supercritical units (14), establishing a critical mass of sophisticated power generation scale and technology in India.

Scale: The Company created the world's largest single location thermal power plant when commissioned, the objective being to generate superior operating economies of scale.

Pioneering: The Company invested in the country's largest seawater-based flue gas de-sulphurisation plant at its Mundra power generation facility.

Responsibility: The Company's Mundra power station was the first coal-based thermal power station in the world to be registered with UNFCCC under CDM.

Operational excellence: The Company established a national record when its Unit 4 at the 330MW sub-critical technology in the Mundra power plant operated continuously for 686 days; Unit 7 of the 660MW supercritical technology at the Mundra power plant created a national record when it delivered a continuous uptime of 444 days as on 13th September, 2020.

Our 4,620 MW thermal power plant at Mundra, Gujarat

Adani Power. Widened its national footprint with proximity to resources and consumers

Overview

At Adani Power, we prospected some of the most suitable locations for thermal power generation with the objective to enhance resource utilisation on the one hand and moderate logistics costs on the other.

The result is that the Company's thermal generation facilities are among the most attractively located from the perspective of long-term logistical and operational competitiveness.

Our operating plants

Bitta, Kutch (Adani Power Ltd.)

40 MWp solar power plant

Mundra, Kutch (Adani Power (Mundra) Ltd.

4,620 MW coal-based

(4 x 330 MW sub-critical; 5 x 660 MW supercritical units)

Tiroda, Maharashtra (Adani Power Maharashtra Ltd.)

3,300 MW coal-based

(5 x 660 MW supercritical units)

Kawai, Rajasthan (Adani Power Rajasthan Ltd.)

1,320 MW coal-based

(2 x 660 MW supercritical units)

Udupi, Karnataka (Udupi Power Corporation Ltd., acquired from Lanco)

1,200 MW coal-based

(2 x 600 MW sub-critical units)

Raipur, Chhattisgarh (Raipur Energen Ltd., erstwhile GMR Chhattisgarh Energy Ltd.)

1,370 MW coal-based

(2 x 685 MW supercritical units)

Raigarh, Chhattisgarh (Raigarh Energy Generation Ltd., erstwhile Korba West Power Company Ltd.)

600 MW coal-based

(1 x 600MW sub-critical units)


Our 1,200 MW thermal power plant at Udupi, Karnataka (UPCL)


Our township at Tiroda


Steam turbines at power plant


Our 4,620 MW thermal power plant at Mundra, Gujarat


Cooling tower at power plant


Our 1,370 MW thermal power plant at Raipur, Chhattisgarh

Adani Power. Driven by the vision of pioneering new standards in a conventional sector

Overview

At Adani Power, we have been driven by the vision of bringing the best operating standards of the world to India.

Over the years, the Company did not just commission some of the world's largest thermal generation units but did so in tenures that have since become global benchmarks.

Pioneering: The Company's Udupi plant was the first independent power project in India to use 100% imported coal. Besides, the Company is commissioning an ultra-supercritical power project of 1,600 MW (2 x 800 MW) through its Adani Power (Jharkhand) Limited to supply power to Bangladesh through a dedicated transmission line (supported by a 25-year power purchase agreement with Bangladesh Power Development Board, power supply projected to commence from January 2022 for Unit 1 and May 2022 for Unit 2). The Company invested in sonic soot blowers in boilers to reduce ash accumulation at gooseneck furnace areas. It installed fast cooling turbine devices to reduce turbine downtime in plants. Its thermography of coal stockpiles identifies hot spots in coal stockpiles to prevent coal fires in yards across all plants and eliminate energy loss. A comparative study between UAV Ninja/Drone and 3D scanner was carried out in the Mundra port for volumetric measurement to establish technology suitability.

Speed: The Mundra super critical units 6 and 9 achieved synchronisation following boiler commissioning in less than 3.5 months. The super critical segment of unit 5 of the Mundra thermal power plant (660MW) was synchronised within 36 months from inception, the fastest such implementation anywhere in the world. Two super-critical units (Unit 8 and Unit 9 of the Mundra thermal power plant) completed steam blowing within two days of boiler commissioning, among the quickest. The Mundra units 3, 5 and 9 achieved full load operation following synchronisation in less than four days.

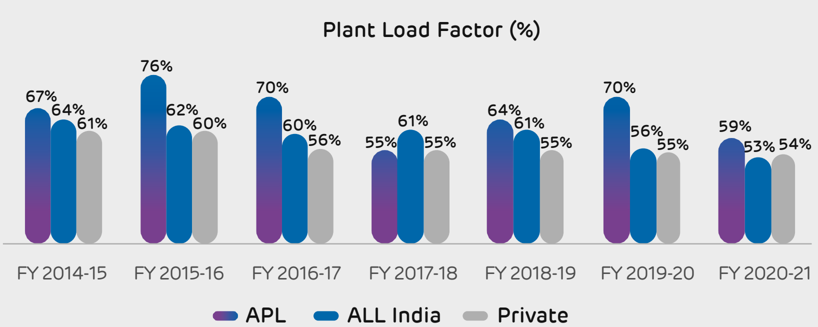
Scale: The Mundra thermal power plant is India's largest to function off a seawater-based closed-cycle induced draft circulating cooling water system. The system draws on sea water that is recycled up to four times, conserving water and requiring a smaller discharge pipeline into the sea than an open circuit cooling system. The Company's Tiroda plant is equipped with the largest denomination of the latest high efficiency electrostatic precipitators (pollution control equipment) in Asia.

Integration: The Company invested in power generation facilities that represent a synergic complement of scale, cost economy, feedstock integration, port support and power back-up. Besides, a complement of identical power generation units across locations represents an advantage in the utilisation of spares and vendor management. The progressive indigenisation of critical equipment and a widening domestic vendor eco-system is a strategic priority that is periodically measured.

Sophistication: In the under-construction 1,600 MW Godda thermal power project in Jharkhand, the Company employed the next generation ultra-supercritical technology. The Company's Energy Network Operations Centre (ENOC) draws online and real-time data from all its power generating plants comprising remote monitoring, automated reporting, benchmarking and performance enhancement. This real-time supervision facilitates timely troubleshooting and responsive decision-making following supervision by multi-disciplinary experts using artificial intelligence and machine learning. Besides, the Company invested in drones to facilitate the inspection of difficult-to-approach high-rise structures (natural draft cooling tower and chimneys), enhancing accuracy, cost-efficiency and time saving.

Scope: The Company built the rail under rail (RUR) on the busy Mumbai-Howrah rail route, resulting in uninterrupted coal supply.

The Company's power generation outperforming India's thermal power sector



Adani Power. Bringing to its sectorial ambition the speed of inorganic growth

Overview

At Adani Power, we did not only commission greenfield thermal power generation assets; we also acquired units and companies around a superior value proposition that enhanced productivity of the asset following acquisition.

Udupi Power Corporation Limited (UPCL): The Company acquired UPCL from Lanco Infratech Limited. The acquired company operates a 1,200 MW (2x600 MW) imported coal-based power project in Udupi district, Karnataka. The Company entered into a power purchase agreement with Power Company of Karnataka Ltd. UPCL was India's first independent power project to consume 100% imported coal; the Company was awarded the Gold Shield for the early completion of the thermal power project Unit 1 from the Ministry of Power in FY 2010-11 and the prestigious Golden Peacock Environment Management Award in FY 2014-15.

Raipur Energen Limited: The Company completed the acquisition of GMR Chhattisgarh Energy Ltd. in FY 2019-20 following approval of the Company's resolution plan (after which the name of the Company was changed to Raipur Energen Ltd.). REL owns and operates a 1,370 MW (2 x 685 MW) supercritical power plant at Raikheda (Raipur district, Chhattisgarh).

Raigarh Energy Generation Ltd.: The Company completed the acquisition of Korba West Power Company Ltd. through the NCLT process under IBC in FY 2019-20. Following the acquisition, the Company was renamed Raigarh Energy Generation Ltd. The acquired company owns and operates a 600 MW thermal power plant in Raigarh district, Chhattisgarh. The Company enjoys a 2.572 MTPA long-term fuel supply arrangement with the subsidiaries of Coal India Ltd.

Our 1,200 MW thermal power plant at Udupi

Adani Power. How we have created environmentally responsible assets for the long-term

Overview

India submitted a Nationally Determined Contribution to the United Nations Framework Convention on Climate Change (UNFCCC). As per the NDC, India committed to reduce its emissions intensity of GDP by 33-35% by 2030 (compared to the 2005 levels). Besides, the Government targeted 450 GW of renewable energy investment by 2030 in line with the National Action Plan on Climate Change.

Our priority

At Adani Power, we have grown our business in line with this national direction and priority. We have not only focused on timely project completion; we have also focused on a high environmental responsibility.

This responsibility has been holistic, reflecting in a high plant availability, relatively low resource consumption and high environment integrity.

This culture of high operating efficiency ensured that the Company's resource consumption was more optimised than the sectorial average.

Environment performance

In FY 2020-21, we were well on course to achieve our target of 0.84 tCO_2/MWh consumption by 2025.

Our continuous online emission monitoring system was functional at all sites; the data was continually shared with the Central Pollution Control Board.

India's surface water consumption regulatory norm for thermal power plants was 3.5 m^3/MWh; the Company set a stricter internal target of 2.5 m^3/MWh of surface water consumption for hinterland power plants. For seawater consumption, where there was no regulatory limit, the Company set an internal target of 9.5 m^3/MWh for plants with seawater-based Flue Gas Desulphurisation (FGD) and 6 m^3/MWh at plants without seawater-based FGD. During the year under review, the Company performed creditably in the area of seawater consumption; it initiated rainwater harvesting across all its plants, harvesting 3.79 Million m^3 rainwater in FY 2020-21.

Operational excellence

At Adani Power, we believe that a culture of operational excellence moderates resource consumption, strengthening environment integrity. The Company deepened innovation, embraced best-in-class technologies and implemented internationally recognised management standards. The Company was conferred awards for excellence in 5S (Workplace Management System), ISO 45000:2018 (OHSAS) and ISO 50001:2018 (EMS), as well as Quality management.

The result is that about 75% of the power generation by the Company was derived from the supercritical power generation technology, saving ~2% fuel consumed per unit of power generated over legacy technologies and correspondingly reducing greenhouse gas emissions per unit of generation.

The Company's freshwater consumption – a critical input in thermal power plants – was way below the indicated statutory limit.

A high utilisation of fly ash – around 106% during the year under review - validated our environment responsibility.

The business was secured through a high back-to-back resource support, ensuring operational continuity.

The volume of resource movement through railways made the Company the second largest rail user, translating into logistical economies.

The Company secured its revenues through long-term power purchase agreements covering 74% of its installed generation capacity.

The complement of these realities ensured operational predictability around a high operating standard that is widely accepted as a benchmark for new generation thermal power plants in India.


Our 3,300 MW Supercritical thermal power plant at Tiroda

Big numbers of our Godda projects

1,600	148.2	January 2022	May 2022
MW, planned capacity (800 MW x 2)	₹ Billion, estimated project cost	Projected completion of Unit 1	Projected completion of Unit 2

Adani Power. Driven by a value-accretive business model

1

Parentage

The Company enjoys parentage of the Adani Group, the USD 91 Billion (by market capitalisation, 31st March, 2021) diversified multi-business conglomerate, possessing deep capabilities in the areas of engineering, procurement, project management, project execution and timely project commissioning.

2

Assets

The Company is India's largest private sector thermal power producer with six operational thermal power stations and a solar plant, comprising an aggregate 12,450 MW installed capacity

3

Technology

The Company focused on capacity growth using cutting-edge ultra-supercritical / supercritical technologies, delivering high efficiencies and related competitiveness.

4

Raw materials

The Company is serviced by a diversified fuel mix; two coastal plants are serviced by imported coal and four hinterland plants by domestic coal (secured through long-term fuel supply agreements)

5

Logistics

The Company comprises strategically located plants, coastal assets using imported coal, and hinterland assets consuming domestic coal proximate to resource mines, representing a logistics cost advantage.

6

Security

The Company has been adequately secured; 74% of gross capacity has been secured by long-term power purchase agreements; the average life of the PPAs was 18.5 years at the close of FY 2020-21; the PLF was 58.9% and availability 89% for long-term PPAs

7

Governance

The Company is driven by a strong leadership team, robust governance framework and a Board that represents professionalism, competence and experience

8

Validated process

The Company has grown around a validated project management approach. This comprises established approaches in project origination (market analysis, strategic value identification and investment case development), site development (land acquisition, permits and clearances) and construction (engineering and design, sourcing, contracting and funding).

9

Material handling

The Company has strengthened its material handling infrastructure (only private power producer in India with in-house, mine-to-logistics capability) with more than 12,000 rake equivalents of fuel handled annually, eliminating the need to coordinate with multiple agencies and touch points.

10

Operational excellence

The Company has sustained a culture of operational excellence. This comprises established competence in the area of operations and maintenance (lifecycle operations and maintenance planning, technology use, training and development) and feedstock management (diversification and logistics management). Over the years, the Company has invested in cutting-edge technologies to moderate resource consumption and enhance asset availability, leading to a lower environmental footprint.

11

Strategic portfolio

The Company possesses a diversified operating portfolio comprising pithead and coastal regulated plants accounting for ~80% of its generation capacity, resulting in recurring EBITDA visibility.

12

Post-operational excellence

The Company has leveraged Group capabilities in strengthening its capital structure, reinforcing business sustainability.

Our four priorities in enhancing performance excellence

1

Operational performance

Our initiatives in this direction will be directed at enhancing cash flows from our existing operational assets through targeted initiatives that are broken down into plant-wise objectives and corresponding action plans

2

Fuel management

The Company intends to optimise fuel linkages with the objective to moderate logistics costs and transit losses; supply chain integration is expected to improve supply reliability on the one hand and moderate costs on the other

3

Regulatory and commercial

The Company will focus deeper on the timely realisation of receivables related to regulatory orders in addition to maximising regular power sales

4

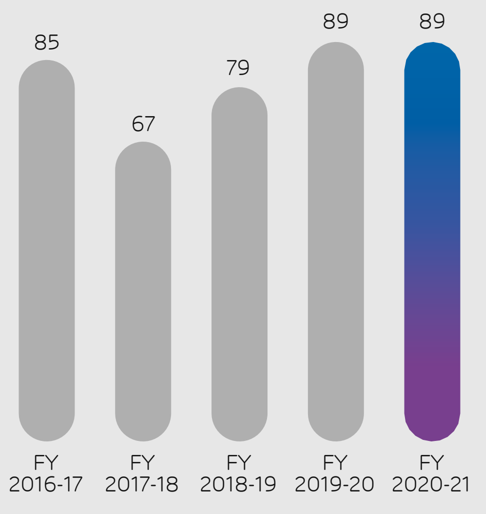
Capacity utilisation

The Company will seek alternative electricity consumption markets that make it possible to allocate under-utilised power generation capacity in an earnings-accretive manner

How we have broadbased our risk profile through wider terrain presence, enhanced technology capability and high operating efficiency

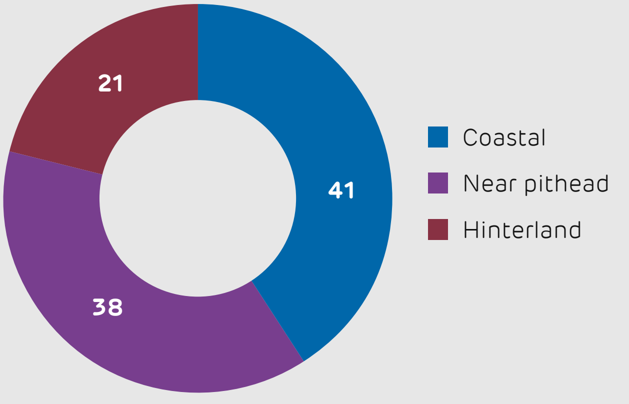
Commercial availability of plants with long-term PPAs

(%)

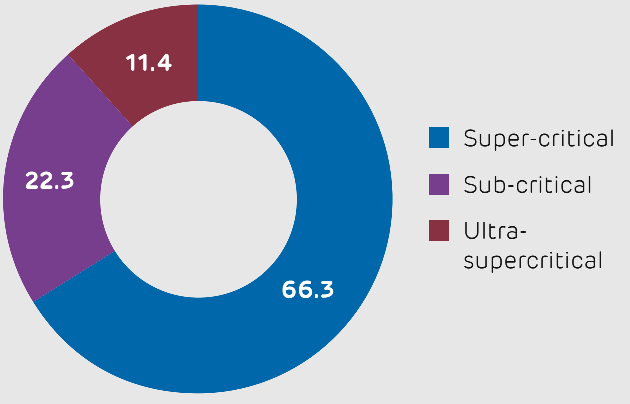


Thermal portfolio mix

Geographic spread (%)

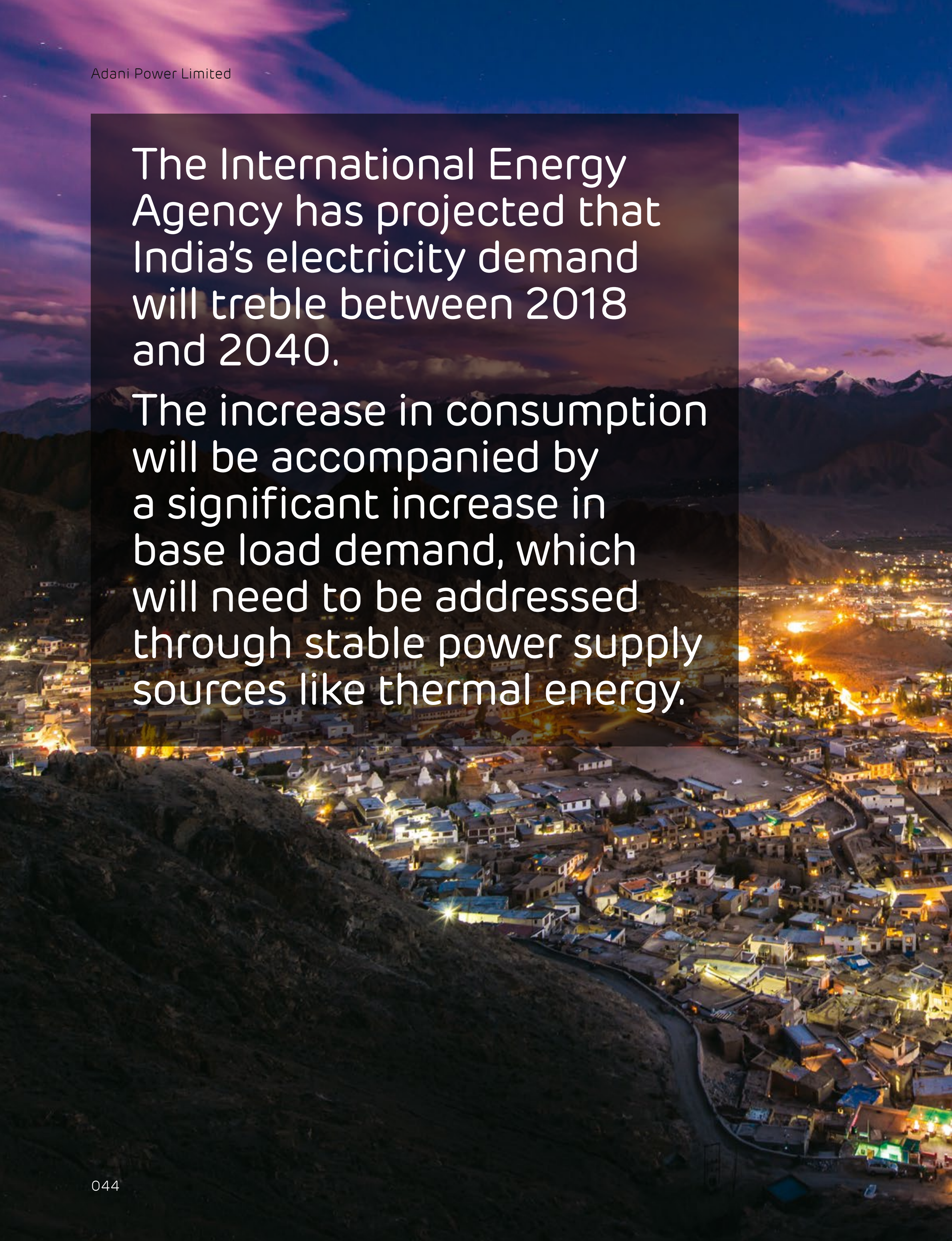


Modern and efficient fleet (%)



The desired outcomes of our business model

- Increased market share
- Redefinition of competitive dynamics
- Sustained dominance
- High operational safety
- High productivity
- Optimised cash flows
- Swifter project execution
- Competent inventory management
- Enhanced fuel security
- Cost-efficiency based on proven technology
- Responsible community engagement
- Operational dependability and revenue visibility



The International Energy Agency has projected that India's electricity demand will treble between 2018 and 2040.

The increase in consumption will be accompanied by a significant increase in base load demand, which will need to be addressed through stable power supply sources like thermal energy.

A culture of Operations & Maintenance excellence

Overview

At Adani Power, we have built on the lead established by our project origination and commissioning teams with a culture of sustained operations and maintenance (O&M) excellence.

The culture of outperformance has translated into a high plant availability, lower resource consumption and a superior fixed cost amortisation. Over the years, the Company invested in new-age technologies (data analytics, remotely operated equipment like robots and drones) to enhance the efficacy of its O&M function.

The Company's O&M competence comprises a high plant availability, based on tracking efficiency parameters, compliance, budgeting, planning, maintenance strategy and inventory management. During the year under review, the Company deepened data-driven approaches that comprised root-cause analysis, failure mode effects analysis and others. The Company also incorporated 'spares pooling' to optimise inventory without compromising plant utilisation.

Technological and digital vision

The Company's vision is reflected in the rapid adoption of technology and digital solutions to attain and reinforce cost leadership through focused efforts and data-driven insights, leading to more proactive actions to deliver benchmark performance.

Key pillars

Scanning the environment

- Centre of Excellence approach to identify a global environment for innovation
- Build relationships with global expertise and innovation hubs
- Continuously build knowledge

Identifying big shifts

- Identify big shifts and disruptions complemented by quick innovation
- Commission foundational infrastructure and management practices, evident in Energy Network Operations Centre (ENOC), Asset Performance Management (APM) and Data Lake Adoption

Continuous improvement and governance

- Investment in a dedicated technology and analytics team with significant proprietary capabilities
- Enhanced collaboration coupled with a command-and-control network for initiatives
- Periodic review to improve execution; monitoring the value pipeline to achieve objectives

Sustainability

- Dedicated resource allocation to prioritise action and adoption
- Defining frameworks to ensure scalability and quick integration

A culture of excellence

Experience: The Company leveraged ~46,000 person-years of professional experience

Training: The Company invested in sustained capability building and skill development through an institutionalised approach at APTRI; the Company enriched a culture of knowledge building through the dissemination of best practices and learnings

Safety: The Company deepened its safety culture through Project Chetna led by Du Pont; safety protocols were introduced related to equipment, employee practices and contractor engagement

Reliability: The Company invested in Reliability-Centred Maintenance and Zero Forced Outrage programme that enhanced operational dependance

Automation: The Company invested in automation and mechanisation, strengthening predictability in operational outcomes

Eco-system: The Company invested in OEM and vendor development that reinforced access to spared, consumables and equipment, strengthening operational uptime; the indigenisation of spares reduce supply time and cost

Monitoring: The Company invested in continuous monitoring of operating parameters at the plant and the head office through a centralised nerve centre, strengthening responsiveness

Benchmarking: The Company benchmarked its O&M deliverables with the best global standards – focus on unit cycle efficiency – that were then cascaded down to individual responsibilities reflected in their respective KPIs

Technologies: The Company invested in cutting-edge technologies directed to enhance output and productivity, strengthening competitiveness

Cutting-edge technology: Robotic de-silting

The robotic desilting of the seawater intake pipeline at Udupi reflects the sophisticated use of cutting-edge technology.

The use of a Robotic Remotely Operated Vehicle has proved cost-effective compared to the conventional and expensive utilisation of divers and barges.

The robotic approach facilitates a deeper reach of 1,000m (compared to 400m for a diver), enhancing desilting effectiveness.

The sonar profiling to ascertain desilting quantity makes it possible to replace third party certification.

Besides, the technology-driven intervention is free from seasonal desilting restrictions comprising divers, making intake clog-free round-the-year.

Our technology showcase: Analytics Centre of Excellence

The Company is setting up an Analytics Centre of Excellence to enhance plant performance by leveraging digital transformation and analytics.

The interventions and process improvements of the Analytics Centre of Excellence will lead to higher operational benchmarks and improved targets attainment.

The Centre will deepen capabilities in data-driven decision-making leading to informed and proactive decision making.

The Centre will strengthen a culture of safety, security and productivity.

The Centre is strengthening governance through its Asset Performance Management initiative comprising the following objectives:

* Improve asset reliability, availability, and performance

* Implement reliability centered maintenance and optimise O&M costs

* Implement predictive analytics and early warning systems to reduce forced outage and unplanned downtime

ENOC: A real-time pan-plant monitoring showpiece

The ENOC is Adani Power's single-location, centralised monitoring infrastructure.

ENOC monitors all the Company's assets and business processes, enhancing value through super-oversight and support provider.

ENOC has specialised in the following:

- Facilitates data analytics, cost optimisation, asset longevity and collaborations
- Facilitates data-backed decision-making and predictive analytics leading to process efficiency and maintenance planning

Energy Engineering Group and Energy Contract Management Group

Energy Engineering Group (EEG)

- Multi-disciplinary engineering team from thermal, renewable and transmission businesses
- 100+ personnel from civil, mechanical, electrical, control & instrumentation and technology disciplines
- Concept to commissioning skill sets and experience in world-class projects

Energy Contract Management Group (ECMG)

- Terms with experience in Thermal, Renewable, and Transmission procurement and contract management functions
- Shared resources for common functions
- Dedicated teams for vertical-specific functions

- Utilise economies of scale
- Share best practices and leverage Group Synergies
- Provide value-added and cost-effective solutions
- Improve efficiency with common systems & processes
- Increase pace of execution
- Support the O&M function

Project Management Control Group

Project Management Control Group (PMCG)

- Project management and contract management for power projects
- Planning, scheduling, monitoring, controlling and effective contract management post awards of the contracts
- Synergise efforts of all internal groups, sites and vendors/contractors towards the timely execution of projects

- Deliver projects within budgeted costs and schedule
- Increase cross-functional co-ordination
- Strengthen execution risk monitoring and management

Our O&M approach

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 exercises

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 Desirable based on criticality
- Level setting stringently supervised, ensuring optimum inventory
- Focus on spares development, indigenisation and spares pooling
- Source standardisation for frequently consumed spares and shifting to Annual Rate Contracts

O&M excellence

Reliability

Safety

Efficiency

How we have leveraged cutting-edge technologies to enhance our O&M efficiency

Energy Network Operations Centre (ENOC): The Company invested in a centralised monitoring facility in Ahmedabad that draws minute-by-minute data feeds from the Company's pan-India power generation plants. The centralised surveillance empowers professionals to detect deviations from the established mean in no time and respond with timely decision-making.

Remote monitoring: The Company engages in the real-time monitoring of plant KPIs; the rich data repository enhances knowledge sharing

Reporting: The Company generates automated reports used as a basis for informed decision-making

Coordination: The Company engages in scientific power scheduling with the objective to maximise revenues; the Company has created subject matter experts directed to minimise plant downtime

Analytics: The Company invests in plant performance benchmarking; the integration of alerts and alarms has enhanced responsiveness in the event of plant downtime, strengthening asset utilisation

Technologies: The Company invested in Robotic Marine Inspection, crawler (facilitates automated remote silt inspection and cleaning in pipelines) and drones for the inspection of high-rise structures without manual engagement.

Capacity expansion: The proposed project in Madhya Pradesh

Overview

At Adani Power, we have embarked on an exciting expansion that is benchmarked with the best standards of scale and sophistication in the world.

The Company proposes to develop a pulverised coal-based thermal power plant with two ultra-supercritical units of 660 MW each (2x660 MW) in the Chhindwara district of Madhya Pradesh. The Company identified a Special Purpose Vehicle called Pench Thermal Energy (MP) Limited (PTEMPL) to implement the proposed 1,320 MW power project.

Background

A Committee constituted by the Energy Department, Government of Madhya Pradesh, for the assessment of state power demand and supply, indicated a peak power deficit of 3,505 MW by FY 2029-30. To overcome this peak deficit, the committee recommended an incremental generation capacity of 3,960 MW from FY 2023-24 to FY 2028-29. The M.P. Power Management Company Limited, a Government of Madhya Pradesh entity, initiated competitive bidding for long-term power procurement under the Design, Build, Finance, Own and Operate (DBFOO) model of the Ministry of Power, Government of India in September 2019. Under this tender, the successful bidder would be required to commission a 1,320 MW thermal power plant in Madhya Pradesh for the supply of 1,230 MW power (entire net generation) to MPPMCL as part of a long-term power supply agreement.

The project has been secured through the following arrangements: coal required for the project has been made available by the utility as the Allocated Coal Linkage under the provisions of Para B (iv) of the SHAKTI Policy of the Ministry of Coal, Government of India, out of the coal mines earmarked for Madhya Pradesh.

Following competitive bidding, the Company was adjudged as a successful bidder. As per the tender documents, the Company was required to execute a power supply agreement through its special purpose vehicle. Pench Thermal Energy (MP) Ltd., Adani Power's SPV, entered into a power supply agreement with MPPMCL.

Investment rationale

The project enjoys a favourable investment rationale for the following reasons.

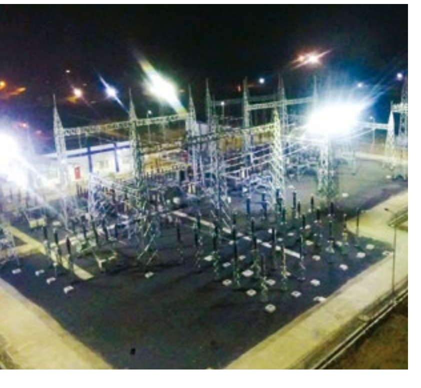
The project will supply power to a populous state with rapid electricity and economic growth.

The net capacity of the project was secured through a long-term power supply agreement with the government entity.

The Regulatory Commission approved the tariff structure under the power supply agreement.

As a part of this agreement, coal is being arranged by the off-taker (MPPMCL), which was secured and allocated from Western Coalfields Ltd. (wholly-owned subsidiary of Coal India Ltd.) under the provision of Para B (iv) of the SHAKTI Policy.

The plant is proximate to coal mines, a long-term logistical advantage.



The landmark Godda project (under implementation)

- Developing a 1,600 MW power project at Godda in Jharkhand
- Intended to supply power to Bangladesh (100 km from the Indo-Bangladesh border)
- Investment in efficient and environment-friendly ultra-supercritical technology
- Bangladesh's Power Systems Master Plan 2016 intends to increase ~24,000 MW power generation capacity by 2033
- Increasing emphasis on increasing the share of coal-fired power plants in the power generation mix
- Supported by a framework agreement between the government of India and the government of Bangladesh on cooperation in generation, transmission and distribution of electricity in 2011.
- Memorandum of Understanding signed on in 2015 between Adani Power Limited and Bangladesh Power Development Board to develop a 1,600 MW ultra supercritical thermal power project in India for cross-border power supply to Bangladesh
- Power purchase agreement signed between Adani Power (Jharkhand) Limited, a wholly owned subsidiary of APL, and the BPDB in 2017 to supply 1,496 MW (net) to Bangladesh for 25 years.
- Investment in ultra-supercritical technology, efficiency and environment impact

The Company is developing a 1,600 MW power project at Godda in Jharkhand

Adani Power. Enhancing value for all our stakeholders

Overview

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 critical business issues.

Investors

We seek to 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 a 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.

Adani Power. Investing in responsible initiatives to protect the environment

Working towards a greener tomorrow

At Adani Power, 'Climate Change Mitigation and Adaptation' is at the top of our environmental priorities. Our environmental performance is managed under our corporate sustainability management plan. Every year, shortly after publishing our Annual Report, we provide 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). Being a signatory to the Task Force on Climate related Disclosures (TCFD), our FY 2019-20 sustainability report presented its governance and strategy around climate change and preparedness in mitigating climate risks.

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
- Resource conservation
- Water conservation
- Air emissions management
- Waste 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 super-critical boilers at our Mundra (Gujarat) plant, saving ~2% of fuel per unit of power generated and leading to lower GHG emissions. To date, we commissioned 14 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 ultrasupercritical technology. For our expansion plans, we remain committed to deploying the best available technologies to address India's energy requirements.

In addition, we 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 the water temperature rises. Besides, our plants have inbuilt design and construction safety standards to withstand any adverse impact under different scenarios of climate change. In 2020, we also responded to the CDP's Climate Change and Water Security questionnaire. To drive low carbon investments, we adopted an internal carbon price (ICP) in the annual capex approval of the identified energy efficiency measures.

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. All hinterland power plants are based on the zero liquid discharge principle. All our operational power plants are certified with internationally recognised standards of Environmental Management System (ISO 14001) and Energy Management System (ISO 50001), which allow control over the environmental aspects of thermal power generation and enable us to continuously improve our performance.

Water conservation and management

Water is one of the main requirements for thermal power plants; we are committed to optimising our water consumption and ensuring conservation. We set an internal target of 2.5 m3/MWh for surface water consumption at our hinterland plants well below the stipulated limit of 3.5 m3/MWh set by the MoEFCC. Although there is no regulatory limit on seawater withdrawal, we set an internal target at our Mundra (9.5 m3/MWh for seawater-based FGD) and Udupi (6 m3/MWh for wet limestone-FGD) power plants as well.

We adopted an inside-out approach to minimise our impact on surroundings. De-silting and cleaning of community ponds were undertaken to improve

2.5 m3/MWh

Internal water consumption target versus the regulatory limit of 3.5 m3/MWh

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

While all our existing operational units were 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 FY 2019-20, 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 MoEF&CC.

Waste management

Fly ash is a solid waste generation in coal-based power production process. As its disposal in landfills 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 helped increase our fly ash utilisation and supply to specialised agencies. This resulted in more than 100% ash utilisation during FY 2020-21.

All the APL's power plants initiated single use plastic (SuP) free certification Process with CII. CII, after completing the assessment, will certify the successful plants based on the CII CESD's Plastics-use Protocol: Verification and Certification (1.0). The assessment is underway and will be completed by July 2021.

Our Tiroda site installed a wastepaper recycling unit in the premises in June 2016 and recycled more than 7,205 Kg of paper.

Energy Efficiency

The Government of India imposed a cess on domestically produced and imported coal as India's Nationally Determined Contribution (NDC) includes fiscal policies in its climate action toolkit. This includes instruments like coal cess, cuts in subsidies, increase in taxes on petrol and diesel; the Company is complying with this regulation. The Bureau of Energy Efficiency (BEE) launched The Perform, Achieve, and Trade (PAT) Scheme. The objective of this scheme is to reduce energy consumption and promote enhanced energy efficiency among specific energy-intensive industries in the country. In the first cycle of this scheme, which started in FY 2014-15, and since the second cycle which lasted from 2016 to 2019, all the nominated APL subsidiaries actively participated and got audited periodically. The better-than-PAT target performance has enabled two of our plants to generate EScerts and revenue as an incentive for the higher energy efficiency performance.

Our social initiatives

Our employees

The Company ensures people career growth, maintaining health & safety standards, and adopting best practices in managing human resources. We define a clear growth path for each employee; talent supersedes all considerations as we provide equal opportunities to all.

The learning, development and retention of our people is important in the creation of a world-class talent pool and transitioning to more modern technologies.

There were 117 new recruits including trainees at APL in FY 2020-21, compared to 387 in the previous year. Of these, 102 left the organisation during the year. The attrition rate declined to 3.35% in FY 2020-21, compared to 4% in FY 2019-20 across all sites.

CORPORATE SOCIAL RESPONSIBILITY

Adani Power. Engaged and responsible corporate citizen

For over two decades, Adani Foundation has contributed to the holistic development of underprivileged communities. The Foundation has been able to reconcile the interests of people, planet and prosperity in the formulation and execution of its programmes. The Foundation's reach benefits 3.67 Million people across 2,410 villages in 18 states, providing quality education, income-generating skills for the youth, generating sustainable alternative livelihood opportunities from agriculture and animal husbandry, promoting a healthy society and infrastructure development.

In March 2020, the outbreak of the COVID-19 pandemic marked the beginning of an unprecedented phase. As India took decisive steps to contain, test and treat COVID-19 in a proactive manner, the Adani Foundation aligned its foot soldiers to the need of the hour. As the situation evolved, the Foundation pivoted everyday processes, built response mechanisms and helped build a resilient and inclusive society.

Adani Power Limited carried CSR interventions in FY 2020-21 through Adani Foundation.

Our interventions

Education

Adani Foundation believes that education is the stepping stone to a life of dignity and quality, especially for the underserved and vulnerable. The philosophy behind its educational initiatives is to make well-rounded education accessible and affordable to young minds. The Adani Foundation runs cost-free and subsidised schools across India for the most marginalised. Many 'smart learning' programs as well as projects to adopt government schools are being implemented in remote areas. It aids anganwadis and balwaadis in creating a fun-filled environment for children. The Foundation provides infrastructural support to educational facilities and transportation support to marginalised college and school children comprising tribals, fisherfolk, and low income groups.

Aamchi Shala Aadarsh Shala – Interschool competition:
An Ideal School Competition in government-run schools was initiated in collaboration with Government Education Department to encourage community participation in ensuring high quality education. The name itself, which means 'My school, Ideal school', helped enhance pride and ownership among stakeholders – schools, community members, parents, and teachers. The programme started in FY 2016-17, initially in 19 Tiroda Zilla Parishad Schools. Subsequently, implementation was taken up in eight blocks of Gondia District with 267 schools and 30,907 students. In FY 2020-21, the District Evaluation Committee completed the school evaluation process of 267 schools from 89 centres, declaring four schools from Tiroda, Sadak-Arjuni, Gondia and Deori Blocks as winners.

Gyanodaya: Gyanodaya is a digital learning mission, launched in July 2018 in the Godda district, Jharkhand, through a collaboration between the Adani Foundation, District Administration of Godda and Eckovation Pvt. Ltd. Within the limited available resources in a school, Gyanodaya's digital learning platform provides an effective model to impact students and teachers. The use of Artificial Intelligence (AI) for personalised feedback based on learning outcomes has set this model apart from other digital learning programs. Visually appealing, easy-to-grasp and retainable concepts covered in digital study materials are vetted regularly.

Amidst the COVID 19 outbreak, the Gyanodaya program addressed educational needs through a Gyanodaya app, Youtube Channel and telecast on DD Jharkhand, which empowered students to continue learning in the new normal. Gyanodaya Rath, an initiative of Godda District Administration, was inaugurated on 1st October, 2020 to continue education by visiting students. It catered to the educational needs related to the preparation for Board exams, ensuring timely feedback and guidance . A total of 2,750 students of Class 9th and 10th standard of 16 schools of eight blocks benefited from this Gyanodaya Rath program. On the overall, the Gyanodaya Program bagged the Indian Chamber of Commerce - ICC Social Impact Award - Promoting Education with the endeavour to brighten the lives of more than 67,000 students of 276 schools of Godda district.

Navodaya Coaching Centre:
Navodaya Coaching Centre (NCC) is a unique experiment in school education that helps children prepare for Jawahar Navodaya Vidyalays (JNV) entrance examination. Its significance lies in the selection of talented rural children for quality education comparable to the best residential schools in India.

NCC has been running since FY 2016-17 with 13 students being selected at JNV-Navegaon Bandh, Gondia. In FY 2020-21, the COVID-19 lockdown resulted in the closure of all schools. The Foundation initiated online Navodaya coaching classes for 25 students at two centres of Gumadhawda and Birsi. Two hours of online classes were conducted daily on Google Meet. Teachers held one-on-one interactive sessions to solve student queries. Practice tests were conducted to monitor students progress.

In Kawai, 76 students from 15 Government schools joined NCC classes to secure JNV admissions. The Foundation provides coaching and other facilities like educational kits and

refreshment. Classes are being conducted online. Telephonic and virtual counselling of parents and students is being conducted with regular weekly tests. Four Navodaya centres are being run in the villages of Raikheda, Gaitara, Tarashiv and Chicholi in Raipur for 48 students. Faculty members conducted door-to-door meetings with parents and coached students through a home-based learning model during the pandemic.

Scholarships to meritorious students: To encourage meritorious students continue their studies, the Foundation conferred scholarships. During the financial year under review, 700 meritorious students, who met the criteria, residing around the Udupi Power Corporation Ltd. plant (within the limits of 12 Gram Panchayats) were conferred Adani Scholarships amounting to ₹20 Lac. Students who scored 80% and above were eligible to secure this scholarship, which was granted for various levels such as SSLC, Diploma, Pre-University Course (intermediate), Graduation, and Post-Graduation, and for courses including (but not limited to) engineering, medical education and nursing.

In five Tiroda block villages, a scholarship of ₹6,000 each was granted to students of Standards 11 and 12, who scored the highest in their SSC exams. In FY 2020-21, 80 students bagged this scholarship, including 40 top ranking students (8 students from each village) for the ongoing academic year and 40 students from the previous academic year. The scholarship support increased motivation, confidence and spirit to perform better. The scholarship helps students purchase books, stationery and access extra coaching.

E-Learning Package Distribution (Gyan Jyoti Support to School): This ongoing programme in 126 government schools of Tiroda Block, Gondia District since FY 2016-17, brings sustainable digital education to less privileged children. E-Learning Kit packages were installed in schools, comprising a computer, projector, speakers, UPS and updated syllabus material. While the schools were closed in FY 2020-21 due to COVID-19, the E-Learning Kit syllabus came handy to complete regular teaching of schools via online mediums. School teachers from various clusters used the updated syllabus and were able to engage students creatively, explaining difficult concepts.

Health

Adani Foundation's focus lies in improving access to quality healthcare services to people living remotely and belonging to the weaker sections. The Foundation runs Mobile Health Care Units (MHCUs) across the nation, hospitals and clinics, organising general and specialised health camps. These healthcare facilities were availed by community members in Kawai (Rajasthan), Tiroda (Maharashtra), Udupi (Karnataka), Raipur (Chhattisgarh) and Godda (Jharkhand) regions of our power plants. Adani Aarogya Card, a tailor-made health insurance policy, was provided to 2,341 families, covering 9,526 community members of Mudarangadi and Yellur region in Udupi. The card holders can avail cashless medical treatment amounting to ₹50,000 per family.

Mobile Healthcare Units (MHCUs): MHCUs are deployed by Adani Foundation in the above-mentioned regions, with the objective of providing basic healthcare facilities to villages in the vicinity. The facilities included diagnostic services, medicines, consultation and referrals by certified doctors . In FY 2020-21, 1,11,483 treatments were provided through nine MHCUs deployed across villages. As a result of this initiative, patients were able to save on consultation fees, medicine and travel, reducing the possibility of losing their livelihoods to ailments. The initiative helped reduce emotional stress among the family members of patients, with needy community members getting quality healthcare facilities of these MHCUs at their doorstep.

1,15,136

Number of treatments that were provided through 9 MHCUs

Health check camps in government schools: Quarterly health check camps in schools were resumed following schools reopening. This programme aims to provide medical attention to children in around 36 government schools covered under the working range of MHCU, screening 1,247 children. Sanitation activity in all government schools was also conducted and awareness sessions held.

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, ophthalmologists and ENT surgeons were provided to community members. Free follow-up services were made available and discounts negotiated for surgery. Mega health camps were organised in four Kawai villages in FY 2020-21. A team of 12 doctors and paramedical staff provided treatment for general ailments and checks for gynaecological, paediatric, skin, ENT and ophthalmic matters. Some 1,717 villagers were diagnosed, given medicines and referred for further treatment. A medical test facility was introduced in FY 2020-21 for patients in four mini-structured camps. Some 15 types of testing facilities (Hb, sugar, pregnancy, urine, ESR, HBsAg etc.) are available for patients. Total 1,221 test reports of all types were generated.

Disability Camp: This was conducted on the occasion of World Disability Day under Divyang Swawlamban Yojana wherein eligible people were distributed wheelchairs (31), tricycles (16), blind sticks (7), elbow crutches (3), hearing aids (25), walking sticks (5), crutches, (4) and walkers (2). In Tiroda, 14 disabled persons from nearby villages were supported with wheelchairs, tricycles, and E-tricycles.

Smart Gruhini Project: A competition was held to motivate women adopt healthy and hygienic lifestyle, which includes cleanliness of their homes, regular hand washing practice, using water filter etc. Families adopted practice of waste segregation and wastewater management, and engaged in kitchen- garden cultivation. In FY 2020-21, 2,000 households participated in the completion, keeping households clean and residents healthy.

SaHAJ: Sanitation and Health Awareness Joint venture: In Kawai, SuPoshan Sanginis engaged with women in reproductive age groups to counsel them on menstruation. A group of women started a sanitary pad making unit, wherein they were trained and the finished products were distributed with the Sanginis' support to guide consumers on use and importance. Initially, the pads were distributed free , while the group will start charging a nominal amount later. A total of 3,111 adolescent girls and 6,897 women in the reproductive age group are likely to benefit.

Sustainable Livelihoods Development

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

Organic System Rice Intensification (SRI): An organic 'System of Rice Intensification (SRI)' increases yield of rice produced using low water, less labor-intensive techniques. It entails the use of younger seedlings, singly spaced, and typically hand-weeded with special tools. At Tiroda, organic SRI paddy cultivation method is being implemented since FY 2013-14. By FY 2019-20, the area under organic SRI reached 20,191 acres with 10,000 farmers. To reach the standard SRI yield of 25-30 quintal/acre, SRI demonstration plots were developed with 37 farmers over 37 acres . Production increased to 24.74 quintal/ acre (11.60 quintals more compared to the traditional method). This saved input costs 77%/acre, fetching an income of ₹62,042/acre with a profit of ₹38,642/acre. The SRI method increased production 88% and net profit 94% compared with the traditional method.

Farmers are also being encouraged to develop kitchen gardens to ensure that their nutrition and dietary needs are met. Some 4,000 seed kits were distributed among the farmers of Tiroda. Families are getting fresh vegetables at no cost, increasing nutritive value, preventing anaemia and malnourishment. Nearly 13,000 fruit-bearing saplings were distributed to 6,400 students of 77 Government and Government-aided schools in and around the Udupi power plant.

Fruit plantation for Wadi model development: In 16 villages of Kawai, over 34 families were brought under the program and an area of around 32 bighas (10 acres) under 'wadis' of mango, orange, and pomegranate plants, which will start fruiting in FY 2022-23. Similarly, 141 families of seven villages in Godda planted 352 saplings of horticulture plants of nutritional value (banana, lemon, drumstick and guava).

Lac cultivation: Adani Foundation encouraged lac (shellac) cultivation to help farmers with an alternative livelihood by distributing 15 packets of lac insects to 200 farmers each, yielding 4-5 kg of lac from one tree, sold at ₹100-200/kg. In FY 2020-21, 200 farmers inoculated the brood lac across 6,000 trees and harvested summer and winter crops. The yield from one tree was about 4-5 kg of lac, which is being sold at good prices. Each farmer earned a net profit of ₹6,000 in a single harvest by selling lac to processing markets in Gondia, Aamgaon and Salekasa.

Production of Vermicompost, Organic Pesticides / Bio-enzymes: Vermicompost is being produced by farmers to promote organic farming techniques such as SRI. This ensures the production of organic fertilisers, supporting income generation. Some 561 farmers were involved in

vermicomposting, with production reaching 13,464 quintals in FY 2020-21. About 220 farmers sold 3,000 quintals of vermicompost and generated supplementary incomes, each farmer earning an average ₹3,818. Similarly, in the Godda area, 111 vermicompost beds were set up by 88 farmers in 14 villages. Some 48 tonnes of vermicompost were produced in the first phase and 174 metric tonnes expected in phases 2 and 3.

Additionally, 763 farmers produced 15,260 litre Dashparni Ark (extract) and sold it at ₹20 per litre; 238 farmers produced 55,600 litres Jivamrut and sold it at ₹10 per litre; 51 farmers produced 408 litre Bhrahmastra and sold it at ₹50 per litre; 92 farmers produced 1,472 litres Agniastra and sold it at ₹75 per litre.

Support to flood-affected farmers: 200 flood-affected farmers were provided support of a Zero Till Drill machine and technical guidance to sow Rabi crops. This included oil seeds like safflower and mustard. Four farmers completed sunflower seeds sowing with the help of a Zero Till Drill Machine across four acres.

Drip Irrigation Programme called Pearl Drops: A drip irrigation program was launched to support 31 farmer widows who lost their spouses to suicide (cumulatively 82 widows till the end of FY 2020-21) in the drought-prone Amravati region. Our support provided relief, allowing them to not only save their crops with minimum investment, but also harvest an optimum yield of cotton and orchid orange. This initiative helped boost women's confidence to cope with their loss and lead a life of self-reliance.

Livestock Development: Adani Foundation initiated a Cattle Breed Improvement Programme (CBIP) in the villages of Kawai in Baran district of Rajasthan and Tiroda region of Gondia district . Taking into consideration the local needs of cattle breeders and the availability of breed-able cattle, four Integrated Livestock Development Centres (ILDCs) were established – two in Kawai and two in Tiroda region.

Animal husbandry-related initiatives: At Tiroda, two Livestock Development Centers (LDC) were functional since 2017 with the support of BAIF under the initiative of Animal Husbandry. The objective of this initiative, which covers 26 villages, is to develop dairy farming through the breed improvement of local cows and buffaloes. It provides services of Artificial Insemination (AI), Sorted Semen Sex (SSS) AI, Pregnancy Diagnosis (PD), cattle health check camps and training. Both LDCs promote sustainable cattle rearing through services and training of cattle owners in fodder management, vaccination and deworming. Artificial inseminations are promoting and conserving indigenous cattle breeds - Sahiwal, Tharparkar, Gir, Murha, Jersey and HF etc.

The newly-started Sorted Sex Semen (SSS) AI gives 90% assured female calves, helping dairy farmers increase productivity. In FY 2020-21, both LDCs provided 2,072 artificial inseminations (including 843 SSS) and 747 calving (including 108 SSS). Cumulatively, 4,304 artificial inseminations were carried out and 1373 calves were born.

Two LDCs in Kawai location are providing similar services. Ten Infertility cum cattle health checkup camps were organised in 10 villages, 408 livestock holders were benefited, 2476 livestock checked in camps and provided deworming, ticks treatment, parasites removal, infertility checks, weakness treatments and general treatment.

53 specialised medical camps (covering 33 villages) for livestock in Godda: This initiative was organised in association with the Animal Husbandry Department in the vicinity of the project. A total of 17,511 cattle and livestock were screened and treated, benefiting 2,996 cattle owners. The services include vaccination, deworming, ticks and parasite removal, demolition, infertility checks, weakness treatments and general treatment to animals. The farmers were advised to engage in routine deworming and vaccination while feeding supplemental minerals-vitamins mixture to improve body nutrients and cattle health.

Milk Collection and Chilling Centre: This facility was started through Tiroda Farmers Producers Company Limited (TFPCL) with the objective to establish an assured market, milk price and value-addition by adopting multiple marketing channels. Three Milk Collection and Chilling Centers (MC&CC) were established at Chikhali, Berdipar and Kawalewada. In FY 2020-21, infrastructure construction was completed.

TFPCL established a branded Anuradha Diary, which operated under the supervision of Adani Foundation. The MC&CCs were started in the respective villages and named TFPCL's Anuradha Dairy Milk Collection and Chilling Centre. All centres were inaugurated in October 2020 while following all COVID-19 protocols.

In Tiroda, Anuradha Diary has become a trustworthy dairy for farmers because of its systematic operations and functioning, maintaining transparency with a proper rate chart, pricing milk as per the fat, SNF and CLR parameters, providing instant receipt for the sold milk and online payments to farmers within ten days.

Capacity building for income generation activities: In Tiroda Block, looking at the need for supporting women's livelihood opportunities, Adani Foundation, in collaboration with the government of Maharashtra's Manav Vikas Mission, have been running several income generation activities for rural women. This includes oyster mushroom cultivation, lac bangles and incense stick (agarbatti) production. These initiatives have involved 253 members across 43 women's self-help groups (SHGs). These home-based enterprises are upgrading the benficiary skills and providing sustainable income source. The income generation activities proved to be a major source of relief in COVID-19 where family members lost their jobs but the SHGs ensured a source of living.

- **Agarbatti production:** The Foundation provided 20 agarbatti machines in 5 villages where 60 SHG women were involved in agarbatti production. The Foundation prepared a strong buy back base to sell the agarbattis. During the pandemic, agarbatti production became the major income source of SHG women and their families. All members produced the agarbattis and sold them in the Gondia market following buyback. In FY 2020-21, 71,061 Kg agarbattis were produced and sold, generating an income of ₹39,84,619.

- **Mushroom cultivation:** In FY 2020-21, 100 women cultivated oyster mushrooms at their homes. Quality mushroom seeds/spawns were prepared at the Adani Foundation Mushroom Spawn Unit, ensuring the best quality of oyster mushrooms Mushrooms were cultivated on 3,712 beds, producing 9,280 kg of oyster mushrooms and fetching a profit of ₹12,43,520.

- **Lac bangle making:** Lac is cultivated on a large scale by farmers in Gondia District. Seeing the potential of using the produce, the Foundation initiated lac bangle making with a women's SHG. Some 45 women were trained, which included tribal women. The Foundation provided them a buyback option through which they sold the bangles to the Dulhandevi Sanstha NGO and earned an income of ₹3,000-4,000 per month. Since two years, the bangles are being sold on a giant e-commerce platform under the Aadhirakshi brand; last year, 300 pairs were sold online.

- **Vegetable van:** In FY 2020-21, Adani Foundation supported a Vegetable Van/Cart for Women's SHG members with the objective to enhance livelihood, promote organic food for better health and ensure the availability and accessibility of fresh organic vegetables for the surrounding community. This initiative will bridge the gap of producers and buyers of organic vegetables. Three SHG women handle the cart, selling fresh seasonal vegetables and fruits from the village kitchen gardens; they earned a profit of ₹200-300 per day.

- **Other income generating activities:** To encourage more women's self-help groups, the Foundation arranged financial linkage training and exposure visits . For example, 15 women of Saheli Shashakt Silai Samooh and 15 trainees were engaged in sewing in our tailoring production center. This group prepared more than 27,000 face masks and 10,000 garments. One women SHG initiated the assembly of LED bulbs for which commercial production unit was started.

Community Infrastructure Development

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

Tiroda

Construction and Repairs of Schools and Aanganwadi: School buildings, classrooms, playgrounds and libraries are the most important aspect of school infrastructure. Spacious refurbished buildings and well-ventilated classrooms are a must in schools for effective teaching and learning. Adani Foundation has been helping reconstruct and repair old school classrooms. During FY 2020-21, classroom construction at Kawalewada School was carried out. A toilet at Z.P. School, Sukali, was constructed.

Construction of Community Hall: With the construction of a Community Hall at Khairbodi village, community members can gather for group activities and public information sessions.

Water conservation though soil bund construction: The Foundation, with the support of community participation, built a soil bund on the water stream of Chikhali village. This will help store water; a larger number of farmers will able to cultivate Rabi crops. Some 22 pumps were installed by farmers, covering around 170 acres and benefiting more than 78 farmers.

Kawai

Bituminous road – NH-90 to Seendhani: This road was constructed to provide safe road transportation. People previously suffered difficulties in commutes, especially during the rainy season. This road will benefit 2,405 villagers.

Open gymnasium: With the intent to develop grazing area as a public place, the Foundation supported the Gram panchayat for the installation of open gymnasium equipment at the grazing land area and developing a park in two sections – one for children and another for adults.

Godda

Renovated and beautified anganwadi centres with BALA painting: Six anganwadi centres in four villages in the plant vicinity were enhanced to promote a creative learning environment for children. The anganwadi, a source of several benefits for child and maternal health, will facilitate nutritional awareness, particularly for children (0-5 years), adolescent girls, pregnant women and lactating mothers. This will be strengthened by SuPoshan Sanginis. In addition, it will help the District Administration and ICDS functionaries in the continuous and proper functioning of anganwadi centres to provide benefits. A laboratory was renovated to improve facilities for students of the Senior Secondary School of Godda and High School, Motia.

Udupi

Installation of reverse osmosis plants: 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 aims to reduce waterborne diseases. Villagers were provided 12 litre water cans for carrying potable drinking water, benefiting 6,400 persons.

4,588

Families benefited from water conservation carried out by Adani Foundation in Tiroda

COVID-19 RELIEF WORK

Adani Foundation moved with speed to counter the battle against the coronavirus pandemic in India. Apart from anchoring immediate and comprehensive relief, the Foundation along with the Adani Group, donated handsomely to the Central and State governments for the PM CARES Fund, Maharashtra CM Relief Fund, Gujarat CM Relief Fund and Andhra Pradesh CM Relief Fund, among others. This monetary aid also included employee contributions and donations made to NGOs engaged in COVID relief work. The Adani Foundation donated 10,000 PPE kits to the Government of India to safeguard healthcare providers. These contributions helped limit the spread of the coronavirus and mitigated its impact in the communities serviced by the Foundation.

A. 24x7 ambulance service: In the pandemic, on the behalf of Government Hospital, Gondia, two MHCUs worked as ambulances to transport patients and suspected patients to the COVID treatment centre and district Hospital. They transported 3,032 corona patients and their family members.

B. Provided food packets to needy: Food support to daily wage labourers and migrants became of paramount importance, especially as many do not hold ration cards. More than 7,635 grocery kits were provided to families in need – each kit containing 5 kg of rice, 1kg wheat flour, half-a-litre cooking oil, 1 kg dal etc. amongst others.

C. PPE kit support: Doctors and the police force, who constitute an important section of frontline workers tackling the pandemic, were provided PPE kits to protect from infections. 15 PPE kits were provided to medical and paramedical teams of Government hospitals.

D. Installed 12,655 litre capacity oxygen storage tank: An oxygen storage tank of 12,655 litre capacity was installed at Gondia Govt. Hospital, which will help reduce oxygen shortage.

E. Supported in village sanitisation: The Foundation initiated COVID-19 relief, benefiting 17 village Gram Panchayats and 18-19 Government offices of Tiroda and Gondia, including hospitals, police stations, RTO, RFO, DFO, Nagar Parishad, Collector offices, Z.P office and the Registrar's office, etc.

F. Mask making and distribution: To increase the availability of pandemic masks, an order was given to SHG members. They sold more than 1,700 masks, ensuring the safety of community members while fetching an income.

G. Udupi: 1,175 needy people and migrant workers and families, staying in the nearby Grama Panchayats of Yellur, Mudarangadi, Bada, Tenka, Belapu, Palimar and Padubidri, were provided relief kits. Each relief kit contained 10 kg of rice, 2 kg of toor dal, 5 kg of wheat flour, 1 Kg of cooking oil, 1 kg of salt, one washing soap, one bath soap and hand sanitiser.

H. Raipur: Some 4,500 kg dal and 2,500 kg rice with vegetable & cooking oil were donated to the Janpad Tilda and Raipur 'smart city'. A total of 27,000 masks were distributed in four Gram Panchayats with District and Block administration and plant workers stitching them at the Foundation's tailoring production center run by self-help groups. Sanitisation was done in 17 surrounding Nagar, Janpad and Gram Panchayats named Tilda, Kharora of Raipur district.

I. Kawai: Adani Foundation, Kawai, conducted sanitisation activities in villages near the plant. In this activity, the Fire & Safety and Chemistry departments of Adani Power Rajasthan Ltd. supported and provided Sodium Hypochloride chemicals and fire extinguishers. A COVID-19 awareness session was organised for all contractual workers, who were provided masks. A monetary contribution of ₹5 Lac was made to the District Collector – Baran, Rajasthan, to aid relief. Further support to District authorities was given by providing daily meals to 1,000 migrant labourers / underprivileged families for eight days through a community kitchen. Other initial activities included the distribution of pamphlets and wall painting for creating awareness in 27 villages.

Corporate Information

Board of Directors

Mr. Gautam S. Adani
Chairman

Mr. Rajesh S. Adani
Director

Mr. Anil Sardana (w.e.f. 11th July, 2020)
Managing Director

Mr. Vneet S. Jaain (up to 10th July, 2020)
Whole-time Director

Mr. Raminder Singh Gujral
Independent Director

Mr. Mukesh Shah
Independent Director

Ms. Gauri Trivedi
Independent Director

Chief Financial Officer

Mr. Shailesh Sawa (w.e.f. 11th July, 2020)
Mr. Suresh Chandra Jain (up to 10th July, 2020)

Company Secretary

Mr. Deepak S Pandya

Auditors

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

Registered Office

"Adani Corporate House"
Shantigram, Near Vaishnodevi Circle,
S. G. Highway, Khodiyar,
Ahmedabad – 382 421.

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.: +91-40-2342 0814
Toll free No.: +1800 309 4001
E-mail : einward.ris@kfintech.com
Website : www.kfintech.com

Directors' Report

Dear Shareholders,

Your Directors present herewith the 25th Annual Report along with the audited financial statements of your Company for the financial year ended 31st March, 2021.

1. FINANCIAL PERFORMANCE:

The audited financial statements of the Company as on 31st March, 2021 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 summarised financial highlights are depicted below:

(₹ in Crores)

Particulars	Consolidated Results		Standalone Results	
	FY 2020-21	FY 2019-20	FY 2020-21	FY 2019-20
Revenue from operations	26,221.48	26,467.72	447.17	1,005.32
Other income	1,928.20	1,374.09	134.37	910.84
Total Revenue	**28,149.68**	**27,841.81**	**581.54**	**1,916.16**
Operating and administrative expenses	17,552.96	20,782.42	408.07	1,043.73
Operating profit before finance costs, depreciation and Tax	**10,596.72**	**7,059.39**	**173.47**	**872.43**
Depreciation and amortization expenses	3,201.65	3,006.50	32.46	34.77
Profit before finance costs, exceptional items, tax and deferred tax (recoverable from) future tariff	**7,395.07**	**4,052.89**	**141.01**	**837.66**
Finance costs	5,106.33	5,314.82	644.02	1,175.23
Exceptional item	-	1,002.99	-	1,002.99
Profit / (Loss) before tax and deferred tax (recoverable from) future tariff	**2,288.74**	**(2,264.92)**	**(503.01)**	**(1,340.56)**
Tax expenses	1,083.87	55.54	(4.27)	-
Deferred tax recoverable from future tariff (net of tax)	(65.11)	(45.69)	-	-
Profit / (Loss) for the year before share of Profit / (Loss) from associate	**1,269.98**	**(2,274.77)**	**(498.74)**	**(1,340.56)**
Net share of Profit / (Loss) from associate	-	-	-	-
Profit / (Loss) for the year	**1,269.98**	**(2,274.77)**	**(498.74)**	**(1,340.56)**
Other Comprehensive Income	(30.40)	10.32	1.14	0.12
Total Comprehensive Income / (Loss) for the year	1,239.58	(2,264.45)	(497.60)	(1,340.44)
Surplus brought forward from previous year	-	-	-	-
Balance available for appropriation	**1,239.58**	**(2,264.45)**	**(497.60)**	**(1,340.44)**
Balance carried to Balance Sheet	**1,239.58**	**(2,264.45)**	**(497.60)**	**(1,340.44)**

2. PERFORMANCE HIGHLIGHTS:

Consolidated:

The key aspects of your Company's consolidated performance during the financial year 2020-21 are as follows:

a) Revenue

The consolidated total revenue of your Company for FY 2020-21 stood at ₹ 28,149.68 Crores as against ₹ 27,841.81 Crores for FY 2019-20 showing an increase of 1.11%.

The consolidated revenue for FY 2020-21 incorporated higher level of recognition of prior period revenue from operations and prior period other income, primarily on account of regulatory orders such as the APTEL order for compensation to APML for non-availability of coal due to cancellation of Lohara coal block.

Your Company has sold 59.3 Billion units of electricity during FY 2020-21 as against 64 Billion units in FY 2019-20 from all the plants with Plant Load Factor (PLF) decreasing from

66.6% in the previous year to 58.9% in FY 2020-21.

b) Operating and administrative expenses

Consolidated Operating and administrative expenses during FY 2020-21 were ₹ 17,552.96 Crores, which have decreased by 15.54% from ₹ 20,782.42 Crores in FY 2019-20. They mainly consist of expenses in nature of fuel cost, purchase of trading goods, employee benefits expense, transmission expense, repairs and maintenance expense etc.

The percentage of Operating and administrative expenses to total revenue has decreased to 62.36% in FY 2020-21 from 74.64% in FY 2019-20.

c) Depreciation and amortization expenses

Consolidated Depreciation and amortization expenses during FY 2020-21 were ₹ 3,201.65 Crores, which have increased by 6.49% from ₹ 3,006.50 Crores in FY 2019-20 largely due to full year consolidation of REL and REGL.

d) Finance costs

Consolidated Finance costs during FY 2020-21 were ₹ 5,106.33 Crores, which have decreased by 3.92% from ₹ 5,314.82 Crores in FY 2019-20, mainly due to interest rate reduction and repayments.

e) Total Comprehensive Income / Loss for the year

Consolidated Total Comprehensive Income for the FY 2020-21 was ₹ 1,239.58 Crores as compared to Total Comprehensive Loss of ₹ 2,264.45 Crores in FY 2019-20.

3. DIVIDEND:

The Board of Directors of your Company, after considering the relevant circumstances holistically 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. COVID-19 PANDEMIC:

Due to outbreak of Covid-19 pandemic globally and in India, the Company's management has made initial assessment of likely adverse impact on business and financial risks on account of Covid-19 and the efforts to combat it. The management does not see any medium to long term risks in the Company's ability to continue as a going concern and meeting its liabilities. The management will continue to monitor performance and take remedial measures as needed to respond to the Covid-19 related risk, if any.

The generation and supply of electricity are essential services. During the lockdown announced by the Central Government to restrict the spread of the COVID-19 pandemic, the Ministry of Power instructed various bodies and agencies of State Governments and urban local administration to ensure that generation of power continues without interruption, and that the movement of fuel, manpower, or machinery is not hampered. As a result of these measures, the Company was able to maintain plant uptime and supply power as per demand. Further, the disruptions caused across the world due to the pandemic created the need for practical and scalable solutions to overcome the challenges of remote working by transforming to new business processes and creating new workflows. The transition to remote working was facilitated by various digital initiatives adopted by the Company.

The demand for power was affected significantly due to the lockdown, as all non-essential industrial and commercial establishments were shut 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, especially during the first half of FY 2020-21. However, power demand revived quickly after the lockdowns were eased and as economic activity started to normalise.

During the lockdown period, power distribution companies also faced cash flow shortages due to their inability to collect dues from customers on account of restrictions on movement. However, the Government undertook proactive measures to ensure that the liquidity of power generating companies does not get affected adversely. Initially in FY 2020-21 the Government announced financial packages with an aim to provide liquidity to DISCOMs by lending against their receivables and thereby to relieve cash flow bottlenecks in the power sector. The Company has taken necessary steps to ensure adequate liquidity during and beyond the lockdown period.

Power demand for FY 2020-21, measured by energy demand as well as peak demand, has again reached the level of the demand seen during FY 2019-20, demonstrating the depth and resilience of the Indian economy. Various policies and protocols put in place by the Government and the private sector, combined with timely enhancement of healthcare infrastructure and the experience gained during the initial phases of the pandemic, will allow the nation to address recurrence of the contagion in a better way, without causing a prolonged disruption to economic activity. Various multilateral financing institutions and global rating agencies have also taken cognizance of the Indian economy's growth prospects, and projected a real GDP growth of 10% for FY 2021-22 and 6.8% for FY 2022-23 despite the estimated contraction of (-) 7.3% to (-) 7.5% in FY 2020-21.

On its part, the Company has taken several initiatives to support employees and their families during the pandemic. The Company has also invested a lot in taking requisite initiatives by setting up medical helplines, first line Covid Care Center at Adani Vidyamandir, Ahmedabad etc., and has also extended counselling and self-help services providing psychological support to all its employees.

5. 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.

6. KEY DEVELOPMENTS:

Adani Power (Mundra) Ltd.:

The Hon'ble APTEL vide its Judgment dated 3rd November, 2020 upheld the decision of CERC in favour of APMuL by dismissing the appeal filed by Distribution Companies of Haryana ["Haryana DISCOMS"] in relation to the claim towards compensation on account of shortage in domestic coal supply for the PPAs signed by APMuL with Haryana DISCOMS.

Haryana DISCOMS have challenged the said Judgment of APTEL in the Hon'ble Supreme Court. The Court has vide its interim order dated 16th February, 2021 rejected the Stay application filed by Haryana DISCOMS against APTEL judgment and directed 50% of Principal amount (₹ 1107.51) Crores to be deposited in the court within a period of three months, which may be withdrawn by APMuL on submission of a Corporate Guarantee, subject to the ultimate result of the appeal.

Highlights of key developments during the year under review with respect to operations and maintenance are summarised below:

- Unit-7 - Created National record of continuous running of 444 days among super critical units.
- Unit-8 continuous running for 329 days (Previous best was 229 days).
- Highest ever monthly station PLF achieved 93.01% in Oct-20 (Previous Best 92.51%).

Adani Power Maharashtra Ltd.

NCDP and SHAKTI cases corresponding to PPAs of 2500 MW capacity: The Appellate Tribunal for Electricity (APTEL) vide its judgments dated 14th September, 2020 and 28th September, 2020 upheld the decisions of MERC that the shortfall in availability of domestic coal under New Coal Distribution Policy ("NCDP") and Scheme of Harnessing and Allocating Koyala (Coal) Transparently in India ("SHAKTI") policy are events of Change in Law under the respective PPAs. APTEL has further allowed that the compensation is payable for the entire quantum of such shortfall and that the Station Heat Rate (SHR) and Gross Calorific Value (GCV) of coal shall be considered at actual values. APTEL remanded the matter to MERC for issuing consequential orders and accordingly MERC vide its orders dated 10th December, 2020, has issued consequential order.

Subsequently Maharashtra State Electricity Distribution Company Ltd. ("MSEDCL") has filed a petition with Hon'ble Supreme Court against the aforesaid orders of APTEL, which is currently pending adjudication.

Lohara Case: In a related development, the APTEL vide its judgment dated 5th October, 2020 upheld the de-allocation of Lohara coal blocks allocated to APML by the Ministry of Coal for 800 MW capacity to be an event of Change in Law and further allowed the compensation for such shortfall considering the Lohara Coal cost as a base and considering operating parameters in terms of the judgment dated 14th September, 2020.

Subsequently the MSEDCL has filed an appeal in Hon'ble Supreme Court against certain matters in the APTEL order, which is currently pending adjudication.

Adani Power Rajasthan Ltd.

The Hon'ble Supreme Court has vide its Judgment dated 31st August 2020 upheld the allowance of compensation, including carrying cost thereon, for the additional cost incurred by APRL due to shortfall in availability of domestic linkage coal under NCDP and SHAKTI policies of the Government of India in respect of the appeal filed by the Distribution Companies of Rajasthan ["Rajasthan DISCOMs"] against the APTEL Order dated 14th September, 2019.

RUVNL had filed a review petition in Supreme Court against the said Judgment. The Hon'ble

Supreme Court vide its order dated 2nd March 2021 has rejected the said review petition.

The Company has also filed a contempt petition with the Hon'ble Supreme Court against Rajasthan Discoms for non-compliance of its order dated 31st August, 2020.

Adani Power (Jharkhand) Ltd.

Adani Power (Jharkhand) Limited ("APJL") is in the process of implementation of 2x800 MW Ultra Super Critical Thermal Power Project (USCTPP) at Godda, Jharkhand. Power generated from this proposed station shall be delivered to our neighbouring country Bangladesh through a dedicated cross border 400 KV Double Circuit Transmission Line connecting to Bangladesh Grid, which is also being built afresh on both sides of the border.

In spite of several hurdles due to COVID-19, APJL has made substantial progress on the project during FY 2020-21 and achieved several milestones.

Cumulative physical progress achieved in the Project till 31st March 2021 is 68.50%.

7. FIXED DEPOSITS:

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

8. SUBSIDIARY COMPANIES AND ITS FINANCIAL PERFORMANCE:

Your Company has total 11 direct subsidiaries as on 31st March, 2021.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 63.42%. The Mundra Power Plant contributed ₹ 10,023 Crores towards the total consolidated revenue and ₹ 1081 Crores towards the consolidated EBIDTA. APMuL had ₹ 2,139 Crore Comprehensive Loss during the year.
- Adani Power Maharashtra Limited [APML]: APML's Tiroda Power Plant has a total installed capacity of 3,300 MW. PLF for the year was 62.44%. The Tiroda Power Plant contributed ₹ 11,110 Crores towards the total consolidated revenue and ₹ 6,721 Crores towards the consolidated EBIDTA. APML had ₹ 3,666 Crore Total Comprehensive Income 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 74.29%. The Kawai Power Plant contributed ₹ 3,592 Crores towards the total consolidated revenue and ₹ 1,535 Crores towards the consolidated EBIDTA. APRL had ₹ 347 Crores Total Comprehensive Income 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 22.36%.The Udupi Power Plant contributed ₹ 1,821 Crores towards the total consolidated revenue and ₹ 877 Crores towards the consolidated EBIDTA. UPCL had ₹ 103 Crores Total Comprehensive Income during the year.
- Raipur Energen Limited [REL]: REL's Power Plant has a total installed capacity of 1370 MW. PLF for the year was 55.09%. The REL's Power Plant contributed ₹ 1,877 Crores towards the total consolidated revenue and ₹ 474 Crores towards the consolidated EBIDTA. REL had ₹ 45 Crores Total 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 54.74%. The REGL's Power Plant contributed ₹ 774 Crores towards the total consolidated revenue and ₹ 102 Crores towards the consolidated EBIDTA. REL had ₹ 165 Crores comprehensive loss during the year.
- Adani Power (Jharkhand) Limited [APJL]: APJL is setting up 1600 MW coal powered thermal power plant based on ultra super critical technology in the State of Jharkhand during the year. APJL has incurred total capital expenditure amounting to ₹ 4,198.02 Crores.

9. 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 has prepared consolidated financial statements of the Company and its subsidiaries, and a separate statement containing the salient features of financial statements of subsidiaries, joint ventures and associates in Form AOC-1, forming part of the Annual Report. The Financial Statements as stated above are also available on the website of the Company and can be accessed at http://www.adanipower.com/investors/financials.

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

10. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

During the year under review, the Board of Directors of the Company at its meeting held on 10th July, 2020, has considered and approved the followings:

1. Change in designation of Mr. Rajesh Adani (DIN: 00006322), from "Managing Director" to "Non-Independent Non-Executive Director" with effect from the close of the office hours on 10th July, 2020;
2. Appointment of Mr. Anil Sardana as an Additional Director of the and thereafter as a Managing Director of the Company w.e.f. 11th July, 2020 without any remuneration for a period of 3 years as per the applicable provisions of the Companies Act, 2013 (the "Act") read with Schedule V to the Act;
3. Cessation of Mr. Vneet S. Jaain as a Whole-time Director of the Company with effect from the close of the office hours on 10th July, 2020, on account of his transition to a new role;
4. Cessation of Mr. Suresh Chandra Jain as Chief Financial Officer of the Company with effect from the close of the office hours on 10th July, 2020, on account of his transition to a new role;
5. Appointment of Mr. Shailesh Sawa as Chief Financial Officer of the Company with effect from 11th July, 2020.

Director retiring by rotation

Pursuant to the requirements of the Companies Act, 2013 and Articles of Association of the Company, Mr. Rajesh S. Adani (DIN: 00006322) retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

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

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

Independent Directors and their Meeting

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

The Independent Directors met on 17th March, 2021, without the attendance of Non-Independent Directors and members of the Management. The Independent Directors reviewed the performance of Non-Independent Directors and the Board as a whole; the performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

11. DIRECTORS' RESPONSIBILITY STATEMENT:

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

a. 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. such accounting policies have been selected and applied consistently and judgement and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2021 and of the loss of the Company for the year ended on that date;

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

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

f. 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.

12. BOARD EVALUATION:

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

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

13. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION:

The 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

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

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

Your Company has 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) function that consists of professionally qualified accountants, engineers and SAP experienced executives which carries out extensive audit throughout the year, across all functional areas across all functional areas, engages subject matter experts on need basis, and submits its reports to 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 and capex expenditure which is reviewed and suitably amended on an annual basis
- The Company uses ERP system (SAP) to record data for its all transactions, which is embedded with requisite budgetary control and delegation of power. This system further integrates the 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 and procedures to manage risks, operation of monitoring control, compliance with relevant policies and procedures, and recommend improvement in processes and procedure.

The Audit Committee of the Board of Directors regularly reviews execution of Audit Plan, the adequacy and effectiveness of internal audit systems, and monitors implementation of internal audit recommendations including those relating to strengthening of company's risk management policies and systems.

15. RISK MANAGEMENT:

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

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

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

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

Following review mechanism 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 site champion to the APL management and leadership.

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

16. BUSINESS RESPONSIBILITY REPORT:

The Business Responsibility Report for the year ended 31st March, 2021 as stipulated under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed which forms part of this Report.

17. RELATED PARTY TRANSACTIONS:

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. None of the transactions with related parties fall under the scope of Section 188(1) of the Companies Act, 2013 (the "Act"). Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Act in the prescribed Form AOC-2 is not applicable to the Company and hence does not form part of this report.

18. 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 26thAnnual 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 2021-22.

Explanation to Auditors' Comment:

The Auditors' Qualification has been appropriately dealt with in Note No. 39 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 31st March, 2022. The Cost Audit Report for the year 2019-20 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, Mr. Chirag Shah, Practicing Company Secretary, had been appointed to undertake the Secretarial Audit of the Company. The Secretarial Audit Report for financial year 2020-21 is annexed, which forms part of this report, as Annexure – A. There were no qualifications, reservation or adverse remarks given by Secretarial Auditor of the Company in the Secretarial Audit Report of the Company.

19. AWARDS, CERTIFICATIONS AND ACCREDITATIONS:

Your Directors are pleased to inform that during the financial year 2020-21, your Company's wholly owned subsidiary Companies have been accredited with various certifications. A summary of the said certifications is given in the table, as below:

Sr. No.	Certification	Given as per/For	Conferred by	Year
Adani Power (Mundra) Limited, Mundra				
1	ISO 9001:2015 (Recertification)	Quality Management System	TuV Nord	August, 2020
2	ISO 14001:2015 (Recertification)	Environment Management System	TuV Nord	August, 2020
3	ISO 45001:2018 (Recertification)	Occupational Health & Safety Management System	TuV Nord	August, 2020
4	ISO 50001:2018 (Recertification)	Energy Management System	TuV Nord	August, 2020
5	Integration of IFC (International Finance Corporation) Performance Standards to IMS	International Finance Corporation	-	August, 2020
6	5S Surveillance Audit	Workplace Management System	Quality Circle Forum of India	January, 2021
7	Two Teams - Par Excellence Category	34th National Convention on Quality Concepts held on 16th Feb. 2021	Quality Circle Forum of India	February, 2021
Adani Power Maharashtra Limited, Tiroda				
1	ISO 9001:2015 (Recertification)	Quality Management System	TuV Nord	January, 2021
2	ISO 14001:2015 (Recertification)	Environment Management System	TuV Nord	January, 2021
3	ISO 45001:2018 (Recertification)	Occupational Health & Safety Management System	TuV Nord	January, 2021
4	ISO 50001:2018 (Recertification)	Energy Management System	TuV Nord	January, 2021
5	Integration of IFC (International Finance Corporation) Performance Standards to IMS	International Finance Corporation	-	March, 2021
6	5S Surveillance Audit	Workplace Management System	Quality Circle Forum of India	January, 2021
7	Two Teams - Par Excellence Two – Excellent Category	34th National Convention on Quality Concepts held on 16th Feb. 2021	Quality Circle Forum of India	February, 2021
8	Safety Appreciation (Prashansa Patra) award from National Safety Council India on Manufacturing Sector – Power Generation category	Effective implementation of safety system	National Safety Council India	September, 2020

Sr. No.	Certification	Given as per/For	Conferred by	Year
Adani Power Rajasthan Limited, Kawai				
1	ISO 9001:2015 (Recertification)	Quality Management System	TuV Nord	January, 2021
2	ISO 14001:2015 (Recertification)	Environment Management System	TuV Nord	January, 2021
3	ISO 45001:2018 (Recertification)	Occupational Health & Safety Management System	TuV Nord	January, 2021
4	ISO 50001:2018 (Recertification)	Energy Management System	TuV Nord	January, 2021
5	Integration of IFC (International Finance Corporation) Performance Standards to IMS	International Finance Corporation	-	March, 2021
6	5S Surveillance Audit	Workplace Management System	Quality Circle Forum of India	January, 2021
7	Two Teams - Par Excellence Two – Excellent Category	34th National Convention on Quality Concepts held on 16th Feb. 2021	Quality Circle Forum of India	February, 2021
8	Safety Appreciation award from Rajasthan Government – Boiler & Factory on Manufacturing Sector – Power Generation category	Effective implementation of safety system	Factories and boilers Inspection Department Government of Rajasthan	March, 2021
Udupi Power Corporation Limited, Udupi				
1	ISO 9001:2015 (Recertification)	Quality Management System	BVI	March, 2021
2	ISO 14001:2015 (Recertification)	Environment Management System	BVI	March, 2021
3	ISO 45001:2018 (Recertification)	Occupational Health & Safety Management System	BVI	March, 2021
4	ISO 50001:2018 (Recertification)	Energy Management System	BVI	March, 2021
5	Integration of IFC (International Finance Corporation) Performance Standards to IMS	International Finance Corporation	-	March, 2021
6	5S Surveillance Audit	Workplace Management System	Quality Circle Forum of India	January, 2021
7	Three – Excellent Category	34th National Convention on Quality Concepts held on 16th Feb. 2021	Quality Circle Forum of India	February, 2021
8	Sword of Honor 2020	Excellent safety standards	British Safety Council (BSC)	December, 2020
Raipur Energen Ltd., Raikheda				
1	ISO 9001:2015 (Certification)	Quality Management System	TuV Nord	March, 2021
2	ISO 14001:2015 (Certification)	Environment Management System	TuV Nord	March, 2021
3	ISO 45001:2018 (Certification)	Occupational Health & Safety Management System	TuV Nord	March, 2021
4	ISO 50001:2018 (Certification)	Energy Management System	TuV Nord	March, 2021

Sr. No.	Certification	Given as per/For	Conferred by	Year
5	Two – Excellent Category One – Distinguished Category	34th National Convention on Quality Concepts held on 16th Feb. 2021	Quality Circle Forum of India	February, 2021
Raigarh Energy Generation Ltd., Raigarh				
1	Two – Excellent Category	34th National Convention on Quality Concepts held on 16th Feb. 2021	Quality Circle Forum of India	February, 2021

20. CORPORATE GOVERNANCE:

Your Company has complied with the requirements of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding Corporate Governance. 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.

21. MANAGEMENT DISCUSSION AND ANALYSIS:

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

22. 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.

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 https://www.adanipower.com/investors/corporate-governance

23. DISCLOSURES:

A. NUMBER OF BOARD MEETINGS:

The Board of Directors met 7 (seven) times during the financial 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. ANNUAL RETURN:

The Annual Return of the Company as on 31st March, 2021 is available on the website of the Company at https://www.adanipower.com/investors/investor-downloads

D. VIGIL MECHANISM / WHISTLE BLOWER POLICY:

The Company has adopted a whistle blower policy and has established the necessary vigil mechanism for employees and Directors to report concerns about unethical behaviour. No person has been denied access to the Chairman of the Audit Committee. The said policy is uploaded on the website of the Company at 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 EXCHANGEEARNINGS AND OUTGO:

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

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 – B.

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 reviewed changes in Sustainability and Corporate Social Responsibility policy; Nomination and Remuneration Policy of Directors, Key Managerial Personnel and Other Employees; Policy for determining Material Subsidiaries; Related Party Transaction Policy; Vigil Mechanism / Whistle Blower Policy; Code of Conduct for Board of Directors and Senior Management of the Company; Material Events Policy; Website Content Archival 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.

24. DELISTING OF EQUITY SHARES:

The Company vide its letter dated 29th May, 2020 has intimated BSE Limited and National Stock Exchange of India Limited (the "Stock Exchanges") that it has received delisting proposal letter from Adani Properties Private Limited ("APPL"), a member of the Promoter and the Promoter group company, wherein APPL has expressed its intention, either by itself or together with other members of the Promoter group, to acquire all the equity shares of the Company held by the public shareholders of the Company, in terms of the applicable provisions of the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations. 2009, as amended (the "SEBI Delisting Regulations") and consequently, voluntarily delist the equity shares of the Company from the Stock Exchanges, in accordance with the SEBI Delisting Regulations.

Subsequently, the board of directors and shareholders of the Company have approved the Delisting proposal on 22nd June, 2020 and 23rd July, 2020, respectively. For voluntary delisting of Company's equity shares, the Company is in process of taking necessary actions in terms of and in compliance with the applicable SEBI Regulations and other applicable laws. Towards this, the Company has already made an application to the Stock Exchanges for their in-principle approval.

25. 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.

Your Directors also feel a deep sense of gratitude for everyone who has, during this terrible pandemic time, sacrificed for the common good over the last several months, especially who have followed Covid-19 protocols and maintained social distancing to provide essential services to various communities so as to keep everything going.

For and on behalf of the Board of Directors

Gautam S. Adani
Chairman
(DIN: 00006273)

Place: Ahmedabad
Date: 6th May, 2021

Annexure - A to the Directors' Report

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2021
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
ADANI POWER LIMITED
Adani Corporate House, Shantigram,
Near Vaishno Devi Circle, S. G. Highway,
Khodiyar, Ahmedabad-382421.

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 31st March, 2021, 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 31st March, 2021 according to the provisions of:

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

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

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

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

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

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

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

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

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

e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not Applicable to the Company during the audit period);**

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; and

h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998:- **Not Applicable to the company during the Audit period.**

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

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

a. The Electricity Act, 2003

b. Explosives Act, 1884

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

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

b. The Listing Agreements entered into by the Company with Stock Exchange(s):-

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

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

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

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

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

We further report that the Company vide its letter dated 29th May, 2020 has intimated BSE Limited and National Stock Exchange of India Limited (the **"Stock Exchanges"**) that it has received delisting proposal letter from Adani Properties Private Limited (**"APPL"**), a member of the Promoter and the Promoter group company, wherein APPL has expressed its intention, either by itself or together with other members of the Promoter group, to acquire all the equity shares of the Company held by the public shareholders of the Company, in terms of the applicable provisions of the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations. 2009, as amended (the **"SEBI Delisting Regulations"**) and consequently, voluntarily delist the equity shares of the Company from the Stock Exchanges, in accordance with the SEBI Delisting Regulations.

Subsequently, the board of directors and shareholders of the Company have approved the Delisting proposal on 22nd June, 2020 and 23rd July, 2020, respectively. As at the reporting date, for voluntary delisting of Company's equity shares, the Company is in process of taking necessary actions in terms of and in compliance with the applicable SEBI Regulations and other applicable laws. Towards this, the Company has already made an application to the Stock Exchanges for their in-principle approval.

We further report that, Universal Trade and Investments Ltd ("UT") was part of the promoter group of the Company. Further, 100% shares of UT have been acquired by Total Renewables SAS, France ("Investor") from Dome Trade and Investments Limited, Mauritius ("Seller") on 15th January, 2021 ("Transaction"). UT was not holding any equity share capital of the Company as on that day. Pursuant to the aforesaid Transaction (i.e. acquisition of 100% shares in UT by the Investor), UT has now become part of the Total Group, and is consequently no longer part of the promoter group of the Company. The Company also made a disclosure of such communication to the Stock Exchanges under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 on 26th January, 2021.

We further report that during the year Company has passed following special resolutions;

1. Approval of offer or invitation to subscribe to Securities for an amount not exceeding ₹ 2,500 Crores.
2. Approval for Shifting of Registered office outside the local limits of the city, but within the same state.
3. Voluntary Delisting of the Equity Shares of the Company from BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE')

CS Chirag Shah
Partner
Chirag Shah and Associates
FCS No.: 5545
C. P. No. 3498
UDIN : F005545C000223785

Place: Ahmedabad
Date: 6th May, 2021

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
Adani Corporate House, Shantigram,
Near Vaishno Devi Circle,
S. G. Highway, Khodiyar,
Ahmedabad-382421

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.

CS Chirag Shah
Partner
Chirag Shah and Associates
FCS No.: 5545
C. P. No. 3498
UDIN : F005545C000223785

Place: Ahmedabad
Date: May 6, 2021

Annexure - B 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 2020-'21 and the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the financial year 2020-'21

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 up to 10.07.2020) DIN: 00006322	Nil	N.A.
	Mr. Anil Sardana (Managing Director w.e.f. 11.07.2020) DIN: 00006867	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	0.84:1	N.A.
	Mr. Mukesh Shah^ (Non-Executive Independent Director) DIN: 00084402	0.95:1	N.A.
	Ms. Gauri Trivedi^ (Non-Executive Independent Director) DIN: 00084402	0.41:1	N.A.
3	**Key Managerial Personnel**		
	Mr. Suresh Chandra Jain (Chief Financial Officer) Upto 10th July, 2020)	N.A.	N.A.
	Mr. Shailesh Sawa (Chief Financial Officer) appointed w.e.f. 11th July, 2020)	N.A.	N.A.
	Mr. Deepak Pandya (Company Secretary)	N.A.	0.00

^Reflects sitting fees

II) The Percentage decrease in the median remuneration of employees in the financial year: 26.00%

III) The number of permanent employees on the rolls of Company: 84 as on 31st March, 2021.

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 2020-21 – Not Applicable

The average annual increase in the salaries of employees other than the managerial personnel for FY 2020-21 was 8.00% 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 - C 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:

- Optimization of Turbine governing valve sequence led to saving around ~14500 Ton of coal.
- Improvement of heat gain in LP heater 1 of Unit #2 led to saving around 762 Ton of coal.
- Optimization of turbine inlet steam pressure (HSP operation) in 330 MW led to saving of ~28000 Ton of Coal.
- Installation of additional economizer in Unit 9, which reduced the flue gas temperature of boiler led to saving around 26000 Ton of coal.
- 6 nos of old Paharpur CT fills replaced with new energy Efficient fills in Unit 8 & 9 leading to saving of around 57.9 Ton of coal.

APML, Tiroda:

- Vacuum pump suction line modification was completed in Unit#5 leading to improvement in condenser vacuum. Saving was calculated to be 8.5 kcal/kwh in Heat Rate.
- improvement in condenser vacuum was observed. Saving was calculated to be 8.5 kcal/kwh in Heat Rate at APML Tiroda.
- Existing CT fills of M/s Paharpur make were replaced with low clogging fills of M/s Aero Solutions. Benefit of 7.6 kcal/kwh is recorded with this initiative.
- Power Savings on balance 6 VFD installation in VGS. 183281 kWh energy savings per year.

APRL, Kawai:

- CCCW Pump-1A & 2A Impeller trimming from 584mm to 568mm resulted in annual energy saving of 0.297MU's for FY'FY 2020-21 in Unit#1 & 2.
- Lighting Power optimization in various areas of Plant: by replacement of Conventional Tube Light, Hi-Mast, HPSV Lamps, CFL with lower rating LED lights resulted in annual energy saving of 0.184MU's for FY 2020-21.

UPCL, Udupi:

- Erection of extra pipeline from CSP to Guard pond help in full pump utilization increasing the flow from 850 cu m/ hr. to 1100 cu m / hr. and reduced the pump running hours resulting in lower Auxiliary Power Consumption (APC).
- 600no's 70W Light fittings replaced with 14W LED in Boiler, ESP, ICHP areas. 147MWh per year energy conservation is achieved.

REL:

- Replacement of conventional lights with LED lights leads to saving of 0.17 mus
- Unit-1 and 2 Helium leak test was done to improve the vacuum and Unit-1 heat rate improved by 0.5 Kcal/kwh and Unit-2 improved by 1.53 kcal/kwh
- Unit-1 HP heater eddy current testing done for heater performance improvement and gained in temperature rise in HP heater-7 consequently leading to 2.44 Kcal/kwh.
- Unit-1 Cooling water pump and auxiliary cooling water pump energy efficient coating was done leading to increase in cooling water flow and reduction in specific power consumption. Heat rate improvement observed.

REGL:

- One Vacuum pump stopped during winters – 0.32 mus saving

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

- APMuL Mundra - Generated 40680 kWh power through solar panels installed inside plant
- APML Tiroda - Continuing admin building loads from 10kW solar panels installations. Total 14986kwh was generated for this FY.
- APRL Kawai – 21 MWh Solar power generated from solar panels installed inside APRL plant (Roof top & streetlight solar panels).
- UPCL Udupi – Nil

- REL Raipur - 10KW solar panels installation work under progress at Technical building.

c) **The capital investment on energy conservation equipment: Nil**

APMuL

1. Debris filter installation in Unit #1 ~ ₹1.26 Crore
2. Installation of Brentwood fills (High efficient) in Cooling tower ~ ₹3.6 Crores
3. Additional ECO Installation in Unit#9 ~ ₹ 17.55 Crore

APML

1. Cost of LED Lights – ₹10.62 Lakh
2. Vacuum pump suction line modification ₹16.86 Lakh
3. Debris filter replacement - ₹80.06 Lakh
4. Replacement of Low Clogging Fills – ₹ 5.50 Crore
5. Cost of VFD for VGS – ₹12.5 Lakh

APRL

1. Cost of VFD for service water pump: ₹2.98 Lakh
2. Cost of VFD for one AHU: ₹0.50 Lakh
3. Cost of 958no's LED replacement of various ratings: ₹10.5 Lakh
4. Cost of CCCW Pump-1A & 2A impeller trimming: ₹4.75 Lakh
5. Cost of CW Pump-1B Coro-coating: ₹6.00Lakh

REL

1. Cost of LED Lights – ₹17.6 Lakh

REGL

1. Cost of LED Lights – ₹7 Lakh

B. Technology Absorption:

(i) The efforts made towards technology absorption:

APMuL:

(i) Installation of additional Economizer in Unit no 9 to reduce the boiler flue gas temperature.

(ii) Procurement & installation of Dehumidifiers for Turbine & Aux. preservations.

(iii) Wireless Vibration Monitoring for rotating equipment.

(iv) Replacement of Conventional lights with LED lights for illumination.

(v) Usage of PAUT for boiler tube inspection

APML:

(i) Existing CT fills of M/s Paharpur make were replaced with low clogging fills of M/s Aero Solutions for improvement in condenser vacuum.

APRL:

(i) VFD installed in Service water pump-1B and in 1 AHU of service building for reduction in APC.

(ii) Wireless sensor acquired for condition monitoring.

(iii) Replacement of Conventional lights with LED lights for illumination.

(iv) New modified CT Fan blade of M/s Hamon with 8no's of blade installed in one cell of cooling tower - 1, giving the designed air flow of 573m3/s.

(v) Advanced CT Fan Drift eliminator of M/s Brentwood installed in 03no's of cells of cooling tower 1.

(vi) Radio Frequency Identification Device (RFID) & Blackline safety device was used for monitoring persons in confined space during Unit-1 AOH.

(vii) Camera Helmet with 12V DC portable light was used during Unit-1 AOH.

(viii) V Plough water wiper installed in BC 10 to remove the water accumulation on belt especially in rainy season which eliminates running of empty belt for 30 minutes thereby saving APC as well as improving housekeeping due to no water spillage.

UPCL:

(i) Preservation of boiler using N^2 instead of standard practice of wet preservation.

(ii) E-DGR implemented and automatic generation daily report for MIS

(iii) Sea water intake south pipe was cleaned by Robotic method. Advantage is avoiding human entry inside the pipe, unapproachable length beyond 200 Mtrs from Manhole for the length of 625 Mtr was cleaned which was not feasible in manual desilting method by divers. This work can be carried out without stopping of sea intake pumps. Overall expenditure reduced by 15-20%.

REL:

(i) Energy efficient coating in Cooling and auxiliary cooling water pump

REGL:

(i) 12 Nos Oil gun nozzle of oil elevation replacement from 90J20 to 90J16.

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

- Improvement in Heat rate
- System reliability improvement
- Reduction in APC
- Reduction in specific oil consumption
- Reduction of overhauling time
- O&M Cost optimization

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

(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	0.30

Annexure - D to the Directors' Report

ANNUAL REPORT ON CSR ACTIVITES TO BE INCLUDED IN THE BOARD'S REPORT FOR FINANCIAL YEAR COMMENCING ON OR AFTER 1ST DAY OF APRIL, 2020

1. Brief outline on CSR Policy of the Company.

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

Though the Company has incurred operational and net loss during the three immediately preceding financial years, the Company carried out/ implemented its CSR activities through its subsidiaries and also through Adani Foundation. The Company has identified Primary Education, Community Health, Sustainable Livelihood Development and Rural Infrastructure Development as the core sectors for CSR activities. The CSR Policy has been uploaded on the website of the Company at http://www.adanipower.com.

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

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year#	Number of meetings of CSR Committee attended during the year#
1.	Mr. Rajesh S. Adani	Chairman, Non-Executive & Non-Independent	2	2
2.	Mr. Anil Sardana*	Member, Executive & Managing Director	1	1
3.	Ms. Gauri Trivedi	Member, Non-Executive & Non-Independent	2	2
4.	Mr. Vneet S. Jaain**	Member, Executive & Whole-time Director	1	1

*Appointed as a Member of the S&CSR Committee w.e.f. 11th July, 2020.
**Ceased as a Member of the S&CSR Committee w.e.f. the close of the office hours on 10th July, 2020.
#Number of Meetings of CSR Committee held during the period from 1st April, 2020 to 6th May, 2020 are shown in the table.

3.	Provide the web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company	http://www.adanipower.com
4.	Provide the details of Impact assessment of CSR projects carried out in Pursuance of Sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report).	Not Applicable
5.	Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the Financial year, if any.	NIL

Sr. No.	Financial Year	Amount available for set-off from preceding Financial years (in ₹)	Amount required to be set off for the Financial year, if any (in ₹)
-	-	Nil	Nil

6.	Average net profit of the Company as per Section 135(5).	N.A.*
7.	(a) Two percent of average net profit of the Company as per Section 135(5).	N.A.
	(b) Surplus arising out of the CSR projects or programmes or activities of the previous Financial years.	N.A.
	(c) Amount required to be set off for the Financial Year, if any.	N.A.
	(d) Total CSR obligation for the Financial year (7a + 7b - 7c).	NIL

*The Company has incurred operational as well as net Loss during the three immediately preceding financial years and hence the compulsory CSR spent during the financial year under review is not applicable.

8. (a) CSR amount spent or unspent for the Financial year:

Total Amount Spent for the Financial Year (₹ in Crores)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of Transfer
Nil*	Nil	-	-	Nil	-

* The Company has incurred operational as well as net Loss during the three immediately preceding financial years and hence the compulsory CSR spent during the financial year under review is not applicable.

(b) Details of CSR amount spent against ongoing projects for the Financial Year: NOT APPLICABLE

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes / No)	Location of the Project		Project duration	Amount allocated for the project (₹ In Crore)	Amount spent in the current financial year (₹ In Crore)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (₹ In Crore)	Mode of Implementation District (Yes/No)	Mode of Implementation Through Implementing Agency.	
				State	Direct						Name	CSR Registration number:
NOT APPLICABLE												

(c) Details of CSR amount spent against other than ongoing projects for the Financial year: NOT APPLICABLE

(1)	(2)	(3)	(4)	(5)		(8)	(10)	(11)	
Sr. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes /No)	Location of the Project		Amount spent in the current financial year (₹ In Crore)	Mode of Implementation District (Yes/No)	Mode of Implementation Through Implementing Agency.	
				State	Direct			Name	CSR Registration number:
NOT APPLICABLE									

(d) Amount spent in Administrative Overheads. : NIL

(e) Amount spent on Impact Assessment, if applicable : NIL

(f) Total amount spent for the Financial year 2020-'21 : NIL

(g) Excess amount for set off, if any

Sr. No.	Particular	Amount (₹ In Crore)
(i)	Two percent of average net profit of the Company as per Section 135(5)	N.A.*
(ii)	Total amount spent for the financial Year	N.A.
(iii)	Excess amount spent for the financial year [(ii)-(i)]	N.A.
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	N.A.
(v)	Amount available for set off in succeeding financial years [(iii) – (iv)]	N.A.

*The Company has incurred operational as well as net Loss during the three immediately preceding financial years and hence the compulsory CSR spent during the financial year under review is not applicable

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135(6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any.			Amount remaining to be spent in succeeding financial years (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
NOT APPLICABLE							

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sr. No	Project ID	Name of the project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (₹ In Crore)	Amount spent on the project in the reporting Financial Year (₹ in Crore)	Cumulative amount spent at the end of reporting Financial Year (₹ in Crore)	Status of the Project- Completed / ongoing
NOT APPLICABLE								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the Financial Year. (asset-wise details)

(a)	Date of creation or acquisition of the capital asset(s)	None
(b)	Amount of CSR spent for creation or acquisition of capital asset.	Nil
(c)	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	Not Applicable
(d)	Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).	Not Applicable

11	**Specify the reason(s), if the Company has failed to spend two per cent of the average net profits as per Section 135(5)**	**Not Applicable**

Mr. Anil Sardana
Managing Director

Mr. Rajesh S. Adani
Chairman – CSR Committee

Management Discussion and Analysis

Global economy

The global economy is recovering steadily from the COVID-19 pandemic, marked by the rollout of vaccination programs across nations, announcement of additional fiscal support in various economies and an improving capability to contain the re-emergence of further virus outbreaks.

Year in review

In 2020, global economic activity was affected by the pandemic, resulting in a contraction of (-) 3.4% after a slow growth 2.4% in 2019. G20 countries experienced an aggregate slowdown of (-) 3.2%, with the Euro area contracting by (-) 6.8%, UK by (-) 9.9%, Japan by (-) 4.8% and the US by (-) 3.5%. Among other countries, China was the only major economy to record a growth of 2.3% in 2020.

Outlook

Global GDP growth is forecast to touch 6% in 2021, supported primarily by improving prospects in the US, China, and India. Drivers of resilience and growth have been different across economies, with the US being led by household spending, while emerging markets and East Asia are catalysed by industrial production, exports and a commodity boom. Europe is benefiting from a resumption in world trade, while its consumer spending remains constrained.

There could be a spurt in inflation as a result of combination of pent-up demand and accumulated household savings with the easing of restrictions as vaccination progresses. Cost pressures and temporary supply disruptions may emerge due to surging demand and strict containment measures. However, the idle and spare global manufacturing capacity could keep inflation in check.

Indian economy

The Indian economy, which had been beset by a gradual growth slowdown in the last few years, experienced a challenge in FY 2020-21 in the form of the COVID-19 pandemic, which led to a strict lockdown enforced by the Government. However, the economy demonstrated resilience and depth by recovering much of the lost ground in the subsequent quarters. However, the challenge posed by the virus only subsided to come back stronger in a devastating second wave in the first quarter of FY 2021-22.

For India, emerging victorious against this invisible enemy and returning to the path of prosperity will call for concerted efforts by Central and State Governments, the healthcare sector, and the people. Various measures announced by the Government to support livelihoods and incentivize investments are expected to emerge as drivers for sustained long-term growth.

Year in review

India was able to contain the impact of COVID-19 on its economy in FY 2020-21 with combined efforts of the people and businesses as well as the Government. Decline in GDP in FY 2020-21 is expected to be in the region of (-) 7.3% to (-) 7.5%, largely due to the lockdown imposed in the first quarter of the year. However, the economy rebounded rapidly after the restrictions eased and posted growth in the fourth quarter simultaneously with the rollout of a nationwide vaccination program.

The Indian Government announced a bold economic stimulus to combat the sharp slowdown caused by the lockdown, its various measures aimed at easing liquidity and credit unavailability faced by the MSME sector to reinvigorate economic activity. Similarly, various measures targeted at incentivizing investments in economic segments and bringing about long-awaited labour reforms helped improve sentiment and attract global investments, strengthening India's self-reliance for critical needs.

During FY 2020-21, while the Agricultural sector is expected to have a growth of 3%, the Industrial sector may have contracted by (-) 7.4% and the Services sector may have been hit the hardest with a decline of (-) 8.4%. As a result, consumption expenditure is expected to decline by (-) 7.1% while Gross Fixed Capital Formation may have contracted by (-) 12.4%. On the other hand, while power generation declined (-) 15.7% in the first quarter, it rebounded during the second half of the year to a cumulative decline of only (-) 0.95% for FY 2020-21.

A decline in global commodity prices helped contain inflation, with Consumer Price Index inflation rising 6.18% and Wholesale Price Index inflation rising 1.2% during the year.

Outlook

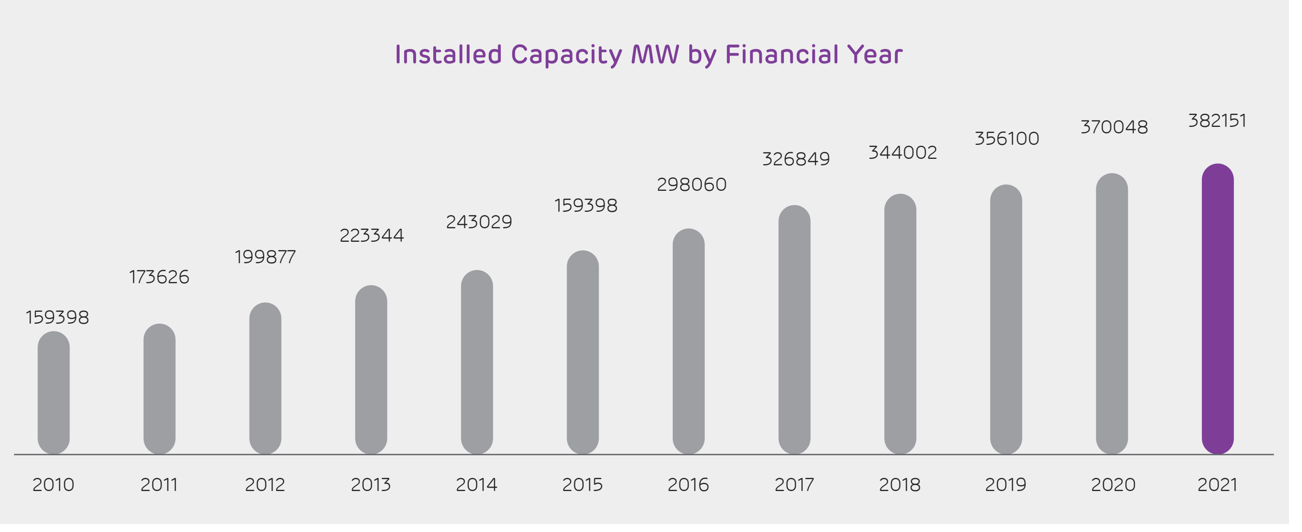
Emergence of the second COVID-19 wave has dampened the outlook for a strong projected rebound in real GDP growth of 10.5% in FY 2021-22, which had been supported by a strong revival achieved in Q4 FY 2020-21 and impact of fiscal stimulus packages under AtmaNirbhar 2.0 and 3.0 schemes, increased capital outlays and the promotion of investments in the Union Budget 2021-22. As a result of the setback caused by the second wave, real GDP growth for FY 2021-22 may finish lower than expected before India returns to robust growth in FY 2022-23 with a projected 6.8% growth over FY 2021-22.

Despite recent developments, India's economic activity has been gathering strength with demand and supply sides staging an appreciable recovery, improved mobility and optimism due to a sustained vaccination rollout programme, growth-enhancing proposals in the Union Budget and reasonably favourable monetary conditions. However, India's growth outlook could also depend on the trajectory of global economic recovery, in view of external trade linkages, hardening crude oil prices and competition in the export markets.

Indian power sector review

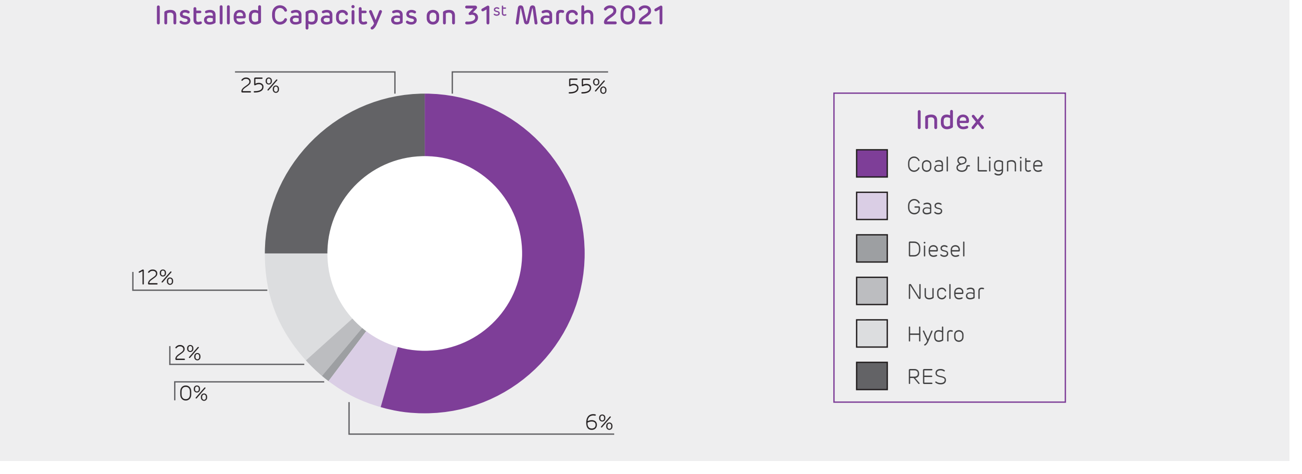
Universal, affordable, and uninterrupted power supply have been the guiding principles of India's electricity policy. As the third largest global power producer with a combined installed capacity of 382 GW, India still has a long way to go to achieve economic progress and electricity consumption comparable to major economies in the region, if not developed nations.

India's installed capacity has grown at compounded annual growth rate (CAGR) of 8.27% since 2010.



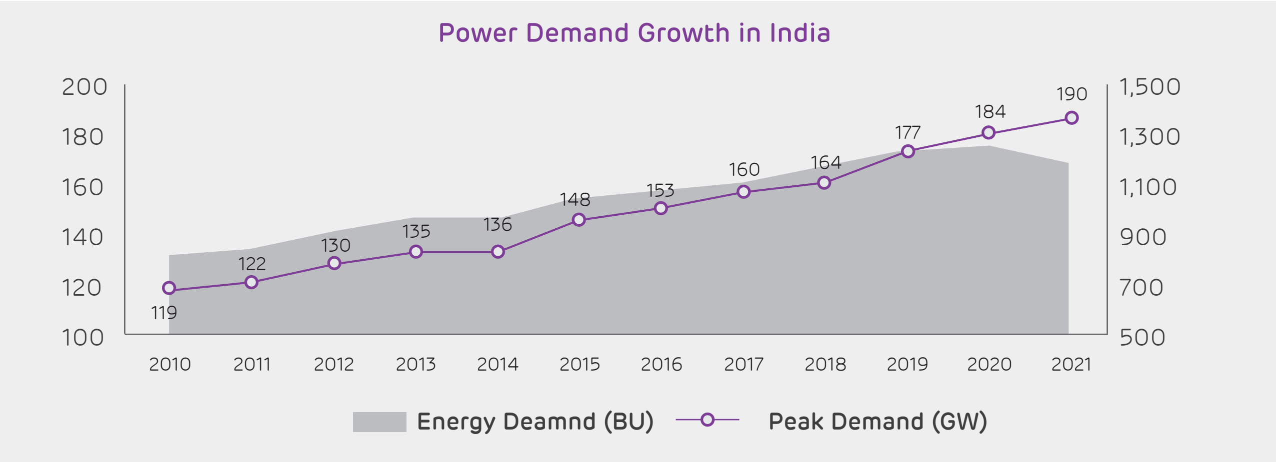
Source: CEA

India's power generating capacity is based on conventional thermal sources like coal and gas in addition to hydro power, with a rapidly growing proportion of renewable energy. Thermal power represents most of the power generated in India. Coal-fired power plants act as base load power generators and enjoy high energy security due to India's large coal reserves, in addition to competitive generation costs. The growth in coal-fired power generation was responsible for making affordable and reliable electricity available across the nation.



Source: CEA

With sustained economic growth and industrialization over the past decade, India's electricity demand grew rapidly, with peak demand growing at a CAGR of 4.5% and energy demand growing at a CAGR of 4.5% till FY 2019-20.



Source: CEA

India's per capita consumption of electricity has been growing at around 5% annually and reached 1208 kWh / person by FY 2019-20, which is low when compared to the global average of around 3316 kWh / person. With improving standards of living, increasing electrical and electronic appliance penetration even across rural areas, and emphasis by the Government to increase the share of the manufacturing sector in GDP growth, per capita consumption and overall power demand are likely to grow significantly.

Energy requirement and peak availability

India's energy deficit decreased from an interim high of 8.7% in FY 2012-13 to 0.4% in FY 2020-21. Peak deficit decreased from an interim high of 10.6% in FY 2011-12 to 0.4% in FY 2020-21.

Reduction in power deficits demonstrates the success of various policy initiatives and investments made in infrastructure augmentation, generation capacity growth, and fuel supply enhancement by the public and private sectors.

Demand for electricity is on the rise as India's economy continues to grow. Various factors contributing to the rising per capita consumption include improvement of electrification across all villages, GDP growth and general economic activity, and growth in consumer electricals and electronic device penetration. Increasing consumption of online services and streaming video is an emerging growth driver for the power sector, as it will require large-scale establishment and expansion of data centers, content delivery networks, and cellular as well as terrestrial network infrastructure.

Indian power sector outlook

Access to cost-effective and reliable power supply are the biggest catalysts for inclusive growth. They are critical for industrial growth, ensuring social growth of citizens and a high human development index. Demand for electricity in India is expected to grow at a sustained pace given the government's massive push towards Make-In-India, increasing industrialization, improving incomes and living standards.

As per the Central Electricity Authority (CEA), peak demand is likely to increase to around 340 GW from the current peak demand of around 190 GW by 2030. The base demand is expected to increase to 2325 BU by 2030. CEA predicts that India's likely installed capacity by FY 2030 could be around 817 GW, more than double the present installed capacity.

In terms of coal-based capacity, CEA estimates capacity addition of over 60 GW till 2030. Further, coal-based power will still be the dominant fuel type in 2030. In terms of the PLF of coal-based plants, CEA studies indicated that high-capacity pit head plants (600 – 800 MW unit size) could enjoy PLFs of over 70% whilst similar load centre plants could have PLFs of around 50%. It is evident that coal-based power could continue to play a significant role in meeting India's electricity demand into the long-term.

Coal demand and supply

Over the years, overall coal consumption increased continuously. In FY 2020-21, it witnessed a decline in domestic coal consumption due to the impact of the COVID-19 lockdown, coming after tepid growth in power demand during FY 2019-20 and higher generation from renewable energy sources.

Coal production in India during FY 2020-21 registered a decline of (-) 2% at 716 MT vis-à-vis 731 MT in FY 2019-20. Coal India Ltd. (CIL) and Singareni Collieries Company Limited (SCCL) produced 647 MT of coal in FY 2020-21 as against 666 MT in FY 2019-20. However, coal offtake from producers reduced from 676 MT in FY 2019-20 to 622 MT in FY 2020-21

Coal imports increased through the last few years from 204 MT in FY 2015-16 to 249 MT in FY 2019-20. However, coal imports in FY 2020-21 were lower, with only 196 MT being imported till February 2021.

International coal prices declined during the COVID-19 pandemic in 2020, with the Australian coal index registering a low of USD 50.14/T in August 2020 and Indonesian HBA coal price reference registered a low of USD 49.42/T in September 2020. However, prices recovered to USD 94.92/T for the Australian coal index and USD 84.49/T for the HBA index in March 2021.

This sharp increase in global coal prices was the result of a coal shortage coupled with strong demand in China and seaborne coal supply disruptions. However, supply side response and easing of maritime freight rates are expected to ease the pressure and move global prices towards a long term USD 70/T (real prices) trajectory. Price are expected to move gradually towards the cost support level, with supply improving and imports demand from China easing.

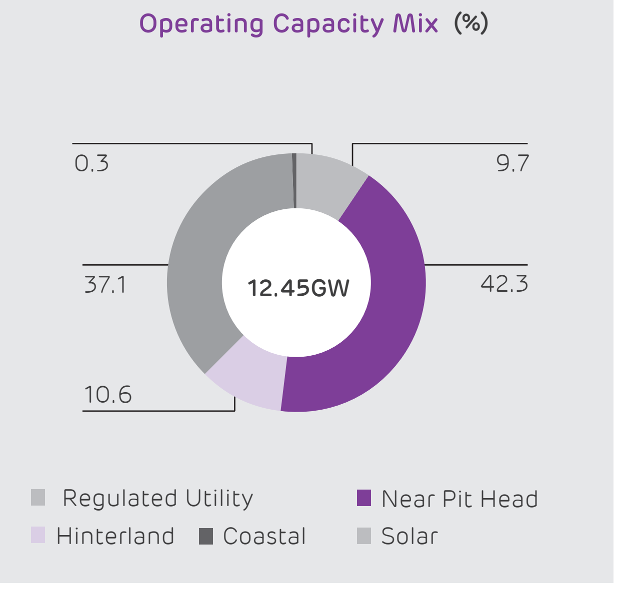
Adani Power Limited (APL): Delivering sustainable value

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 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 developing a 1,600 MW greenfield, ultra-supercritical power project in Jharkhand for supplying power to Bangladesh, a country witnessing base load demand growth and growing 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.

In addition to the above, Pench Thermal Energy (MP) Ltd. (PTEMPL), a wholly owned subsidiary of APL, signed a 25-year Power Supply Agreement (PSA) with the Madhya Pradesh Power Management Company Ltd., to be supplied from an ultra-supercritical power plant to be established in Madhya Pradesh. The Madhya Pradesh Electricity Regulatory Commission also adopted the tariff under the PSA, under which power supply is to commence from December, 2026.

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 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 the management of multiple touch-points and interfaces with various agencies, handling of the equivalent of 12,000 railway rakes a 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 Dispatch 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 the recovery of capacity costs
- Fuel cost pass-through in a majority of imported coal-based PPAs, providing a stability to cash flows and profitability support
- 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 a 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 exposing the Company to disruptions in fuel availability
- Non-availability of an escalation in tariffs for coal price increases in some domestic coal-based PPAs and partially escalatable tariffs in other cases
- Dependence on complex and time-consuming regulatory processes for claiming compensation for events of change in law, exposing the Company to cash flow mismatches in the interim
- 26% of capacity is untied and subject to short-term market risks 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)
- High levels of industrial tariffs borne by large industrial power consumers dependent on State DISCOMs, affecting their competitiveness and profitability
- 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 merchant power and long-term tie-ups.
- Improved domestic fuel availability will help plants with competitive tariffs and long-term fuel supply arrangements to achieve higher PLFs as demand grows

Threats

- Increasing preference globally and in India for renewable power, especially solar power, could constrain 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

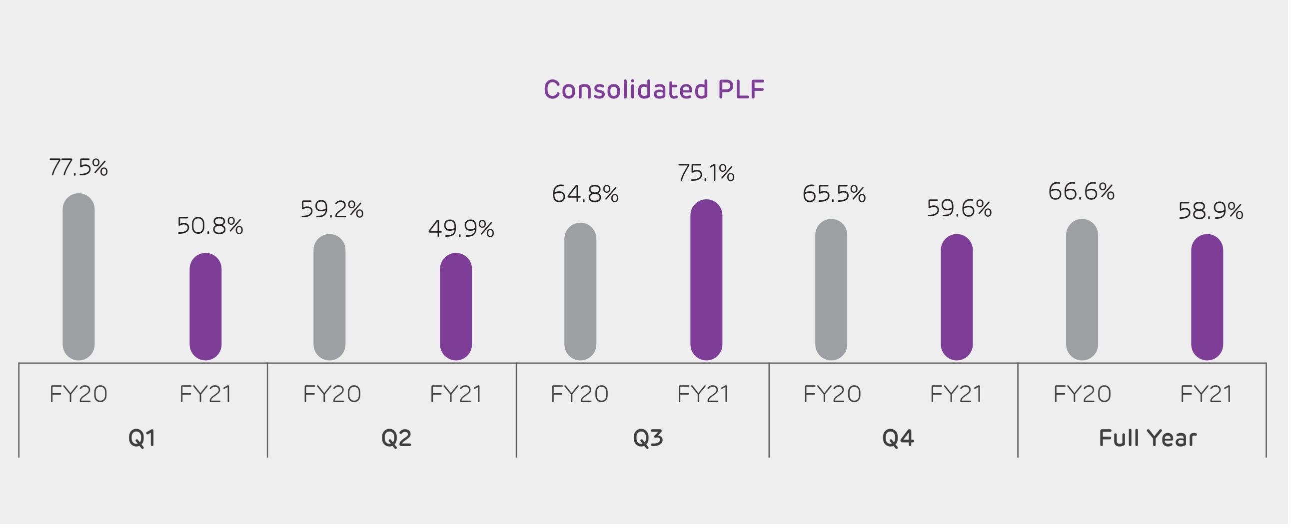
Operating performance

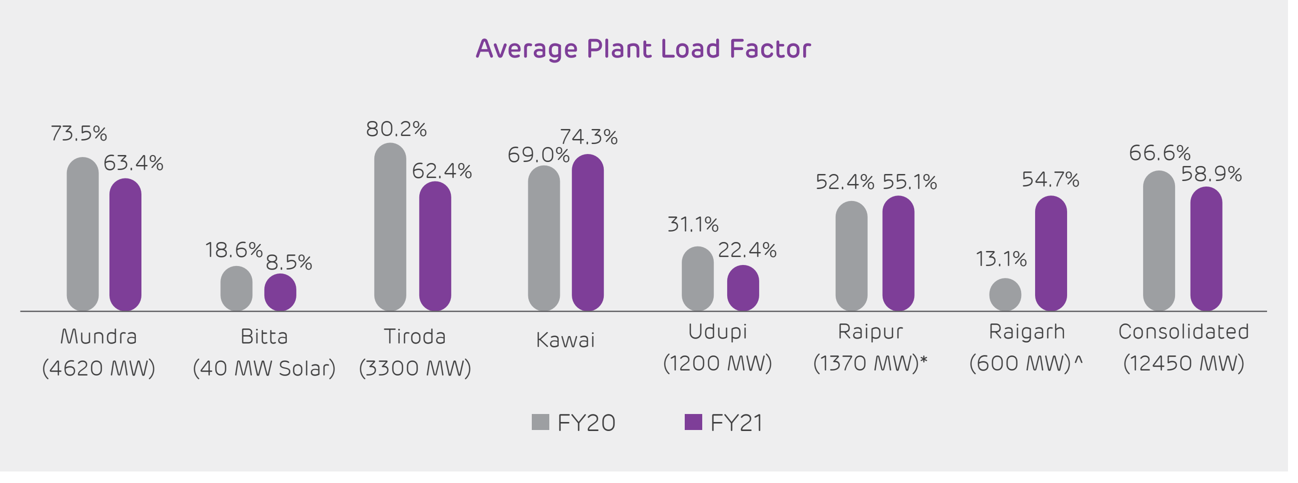
The Company's operating performance during FY 2020-21 was affected due to the COVID-19 lockdown announced in March 2020. The prolonged lockdown, which started with a shutdown of all non-essential manufacturing and commercial activities, resulted in a sharp drop in demand from Commercial and Industrial (C&I) segments. As a result, power offtake was affected across most States, both under long-term PPAs and in the short-term and merchant market segment, especially during the first half of FY 2020-21. The gradual easing of the lockdown resulted in a normalization of demand across India in the second half of FY 2020-21.

The PLFs of Mundra, Tiroda and Udupi plants were impacted due to a decline in power demand. However, the Kawai plant improved its PLF due to higher grid demand and the improved availability of domestic coal. The recently acquired plants at Raipur and Raigarh reported improved PLFs in FY 2020-21 due to a focus in ensuring high plant and fuel availability, which allowed them to tap a greater number of opportunities in the merchant and short-term markets. On the other hand, weakness in the merchant and short-term tariffs due to improved supplies limited opportunities for Mundra to utilise open capacities to a greater extent.

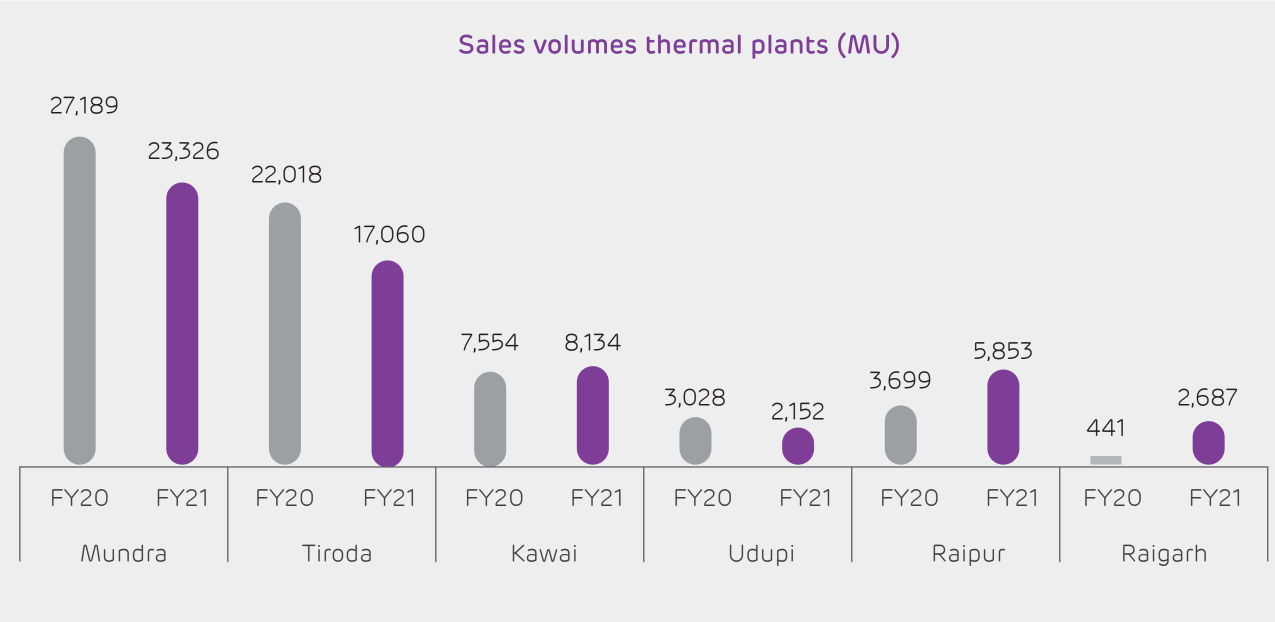
The average Plant Load Factor (PLF) during FY 2020-21 was 58.9%, down from 66.6% in FY 2019-20. Units sold in FY 2020-21 were 59.3 Billion Units (BUs) compared to 64 BUs in FY 2019-20. The decline in power sales is attributable to lower PPA sales from Mundra, Tiroda, and Udupi.

PLF and power sales trend by plants in FY 2020-21 over FY 2019-20





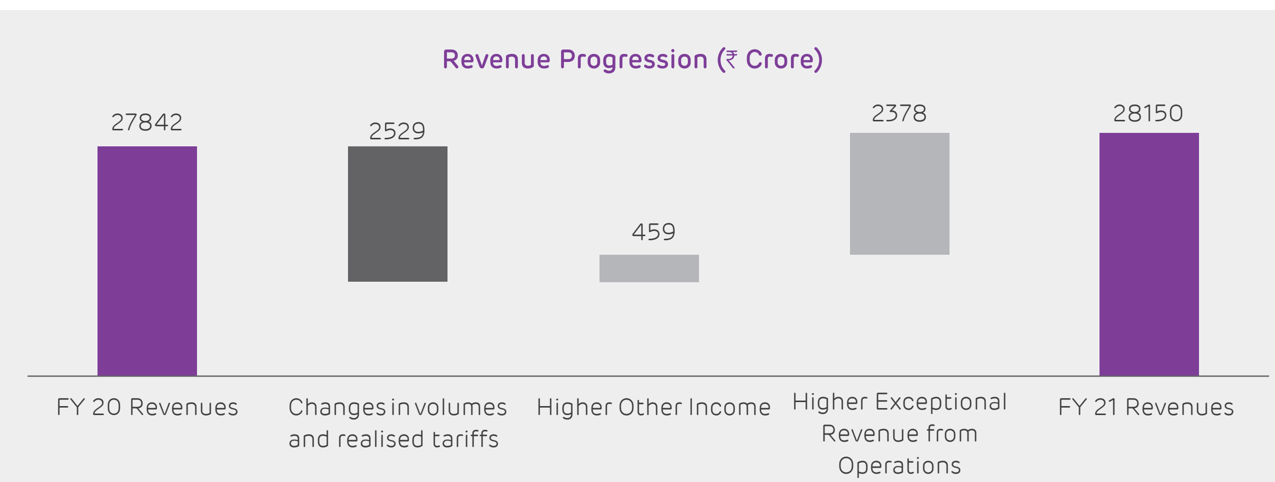
* Effective PLF for Operational period (19th August to 20th March) ^ Effective PLF for Operational period (19th December to 20th March)



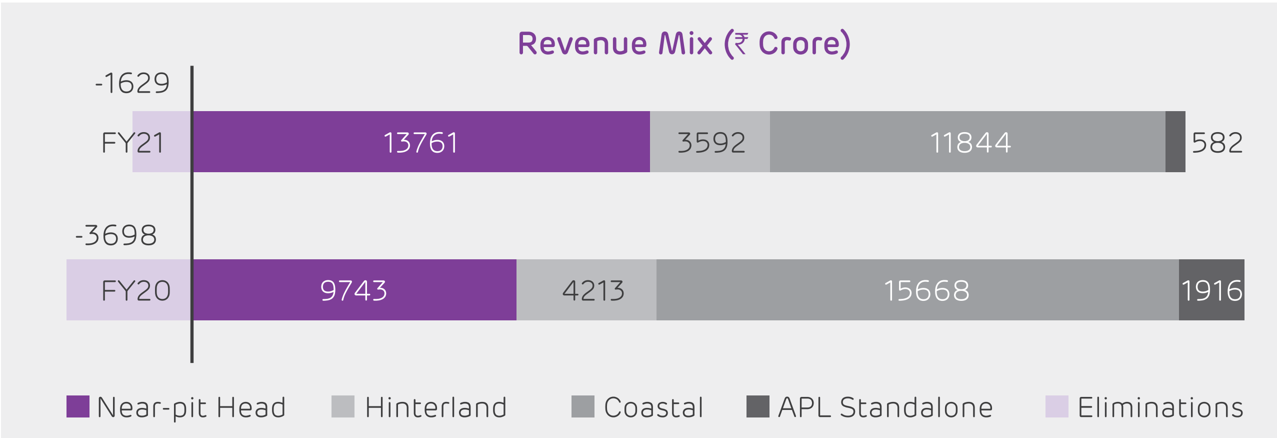
1 Financial performance

Consolidated Total Income for FY 2020-21 stood at ₹ 28,150 Crore, which was marginally higher compared to ₹ 27,842 Crore in FY 2019-20. The consolidated revenue for FY 2020-21 incorporated higher level of recognition of prior period revenue from operations and prior period Other Income, primarily on account of regulatory orders such as the APTEL order for compensation to APML for non-availability of coal due to cancellation of Lohara coal block.

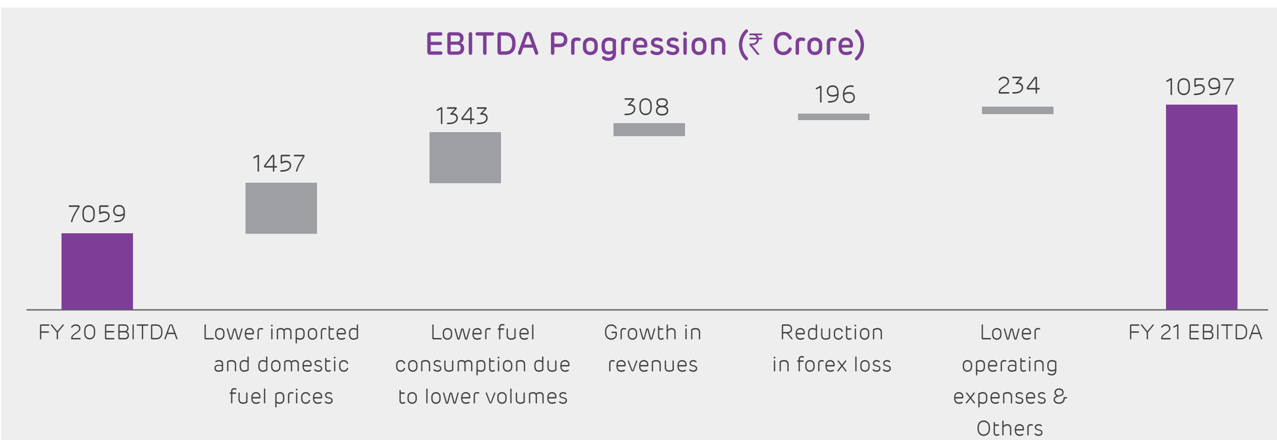
Recurring revenue from power generation and supply declined in Mundra, Tiroda and Udupi due to lower sales volume under PPAs on account of a lower demand following the COVID-19 lockdown. This decline in recurring revenues was offset partially by a growth in revenues on the back of higher volumes in Kawai, Raipur and Raigarh.



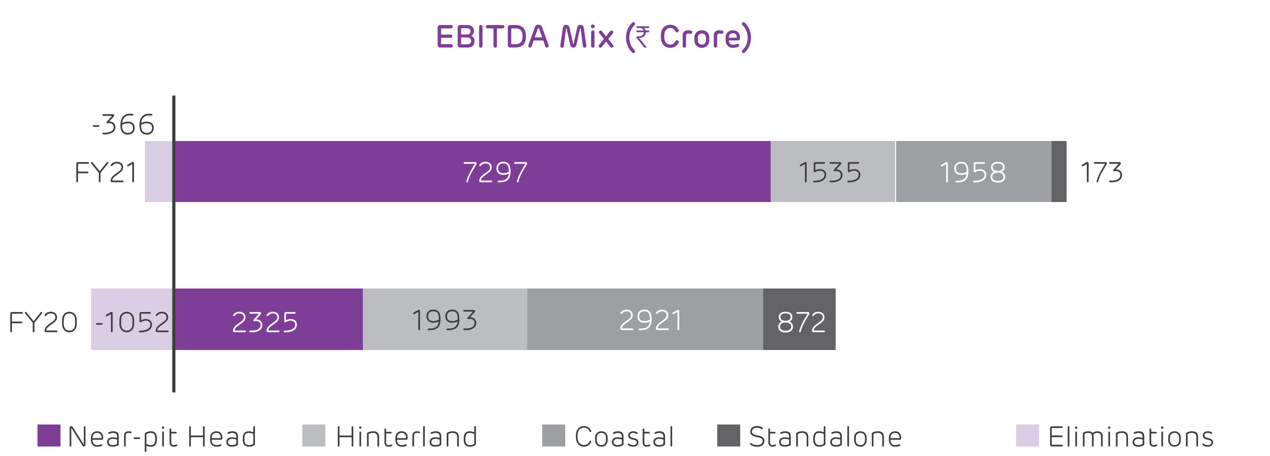
During FY 2020-21, the Near-Pithead segment registered revenue growth due to full year operations of the Raipur and Raigarh plants, which resulted in higher merchant and short-term sales, whereas Tiroda contributed growth in the form of revenue recognition pertaining to prior periods. In the Hinterland segment, while Kawai registered higher recurring revenues due to higher volumes in FY 2020-21, its total revenue declined due to a lower recognition of prior period revenue compared to FY 2019-20. Coastal segment revenues were affected by lower grid demand.



Consolidated EBITDA for FY 2020-21 was higher by 50% at ₹ 10,597 Crore compared to ₹ 7,059 Crore for FY 2019-20 due to improved merchant contribution for Raipur and Raigarh, lower imported coal prices, higher prior period income recognition and favourable currency movements.



The largest contribution to consolidated EBITDA growth was from Near-pithead plants, due to improved merchant margins in Raipur and Raigarh as well as higher recognition of prior period revenue in case of Tiroda. Contribution from the Hinterland and Coastal segments declined primarily due to lower one-time revenues in Kawai, and lower merchant contribution in Mundra.



Profit before Tax and exceptional items for FY 2020-21 was ₹ 2,289 Crore, as compared to loss of ₹ (-) 1,262 Crore in FY 2019-20. Total Comprehensive Income for FY 2020-21 was ₹ 1,240 Crore, as compared to Total Comprehensive Loss of ₹ (-) 2,264 Crore for FY 2019-20.

Total borrowings as of 31st March, 2021 were ₹ 52,411 Crore vis-à-vis ₹ 55,199 Crore as on 31st March, 2020. The reduction in borrowings was mainly attributable to repayment of secured loans, offset by additional unsecured debt drawn by the Company and some of its subsidiaries, and further drawdown of project debt for under-construction 1,600 MW Godda power project.

Total equity at the consolidated level, including Unsecured Perpetual Securities [UPS] stood at ₹ 13,113 Crore as on 31st March, 2021 vis-à-vis ₹ 6,480 Crore as on 31st March, 2020. During the year, the Company and its subsidiaries issued net additional UPS of ₹ 4,000 Crore.

Key Ratios

APL Consolidated Ratios	FY 2020-21	FY 2019-20
Debtor Turnover (Days)	149	113
Senior Debt ISCR (x)	2.00	0.96
Current Ratio (x)	0.90	0.80
External Debt to Net Worth (x)	3.53	7.78
External Debt to EBITDA (x)	4.37	7.14
EBITDA Margin (%)	38%	25%
PAT Margin (%)	5%	-8%
Return on Net Worth (%)	10%	-35%

Return on Net Worth improved from (-) 35% in FY 2019-20 to 10% in FY 2020-21 due to improvement in profitability of the Company, from a Loss After Tax of ₹ (-) 2,275 Crore in FY 2019-20 to Profit After Tax of ₹ 1,270 Crore for FY 2020-21. Total equity increased from ₹ 6,480 Crore as of 31st March 2020 to ₹ 13,113 Crore as of 31st March 2021, primarily on account of issuance of Unsecured Perpetual Securities of ₹ 4,000 Crore and recognition of deemed equity contribution of ₹ 1,773 Crore, as well as increase in retained earnings.

Regulatory developments

Adani Power (Mundra) Ltd.: The Hon'ble Apellate Tribunal of Electricity ["APTEL"] vide its Judgment dated 3rd November, 2020 upheld the decision of Hon'ble Central Electricity Regulatory Commission ["CERC"] in favour of APMuL by dismissing the appeal filed by Distribution Companies of Haryana ["Haryana DISCOMS"] in relation to the claim towards compensation on account of shortage in domestic coal supply for the PPAs signed by APMuL with Haryana DISCOMS.

Haryana DISCOMS have challenged the said Judgment of APTEL in the Hon'ble Supreme Court. The Court has vide its interim order dated 16st February, 2021 rejected the Stay application filed by Haryana DISCOMS over APTEL judgment and directed 50% of Principal amount (₹ 1,107.51) Crores to be deposited in the court within a period of three months, which may be withdrawn by APMuL on submission of a Corporate Guarantee given by APMuL, subject to the ultimate result of the appeal.

Adani Power Maharashtra Ltd.: NCDP and SHAKTI cases corresponding to PPAs of 2500 MW capacity: The Appellate Tribunal for Electricity (APTEL) vide its judgments dated 14th September, 2020 and 28th September, 2020 upheld the decisions of MERC that the shortfall in availability of domestic coal under New Coal Distribution Policy ("NCDP") and Scheme of Harnessing and Allocating Koyala (Coal)

Transparently in India ("SHAKTI") policy are events of Change in Law under the respective PPAs. APTEL has further allowed that the compensation is payable for the entire quantum of such shortfall and that the Station Heat Rate (SHR) and Gross Calorific Value (GCV) of coal shall be considered at actual values. APTEL remanded the matter to MERC for issuing consequential orders and accordingly MERC vide its orders dated 10th December, 2020, has issued consequential order.

Subsequently Maharashtra State Electricity Distribution Company Ltd. ("MSEDCL") has filed a petition with Hon'ble Supreme Court against the aforesaid orders of APTEL, which is currently pending adjudication.

Lohara Case:

In a related development, the APTEL vide its judgment dated 5th October, 2020 upheld the de-allocation of Lohara coal blocks allocated to APML by the Ministry of Coal for 800 MW capacity to be an event of Change in Law and further allowed the compensation for such shortfall considering the Lohara Coal cost as a base and considering operating parameters in terms of the judgment dated 14th September, 2020.

Subsequently the MSEDCL has filed an appeal in Hon'ble Supreme Court against certain matters in the APTEL order, which is currently pending adjudication.

Adani Power Rajasthan Ltd.: The Hon'ble Supreme Court has vide its Judgment dated 31st August 2020 upheld the allowance of compensation, including carrying cost thereon, for the additional cost incurred by APRL due to shortfall in availability of domestic linkage coal under NCDP and SHAKTI policies of the Government of India in respect of the appeal filed by the Distribution Companies of Rajasthan ["Rajasthan DISCOMs"] against the APTEL Order dated 14th September, 2019.

RUVNL had filed a review petition in Supreme Court against the said Judgment. The Hon'ble Supreme Court vide its order dated 2nd March 2021 has rejected the said review petition.

The Company has also filed a contempt petition with the Hon'ble Supreme Court against Rajasthan Discoms for non-compliance of its order dated 31st August, 2020.

People practices

At APL, people are our biggest asset. We endeavour to upgrade their knowledge and skills, enhancing their productivity. The average employee age at APL is 37, a mix of experience, enthusiasm and positive energy. We emphasise employee wellbeing and safety; we implemented safety initiatives like Chetna, which sensitised our employees in safe working and living.

APL is building a conducive workplace around the pillars of capability building, digitalisation, employee engagement and governance. It implemented Oracle Fusion technology for employee life cycle management. Performance appraisal and learning modules helped standardise systems with real-time and accurate data. Competence assessment and development were prioritized in all major service and core functions. Focused action plans were reinforced for enhanced engagement based on the outcomes of a Gallup employee engagement survey.

APL groomed talent, preparing them for higher responsibilities (as opposed to lateral hiring). The Company undertook initiatives to groom successors for all critical positions among young managers and high-potential professionals.

APL rolled out learning initiatives under Transition Leadership Programs like North Star and Takshashila in association with leading management institutes.

Internal control system

The Company has strong internal control procedures in place that are commensurate with its size and operations. The Board of Directors, responsible for the internal control system, sets the guidelines and verifies its adequacy, effectiveness and application. The Company's internal control system is designed to ensure management efficiency, measurability and verifiability, reliability of accounting and management information, compliance with all applicable laws and regulations, and the protection of the Company's assets. This is to timely identify and manage the Company's risks (operational, compliance-related, economic and financial).

Cautionary statement

This statement made in this section describes the Company's objectives, projections, expectation and estimations which may be 'forward looking statements' within the meaning of applicable securities laws and regulations.

Our risk mitigation matrix

Scenario	Risks	Particulars
Regulatory	• Compensation for change in law • Change in environmental norms	• Well set and tested regulatory principles for domestic coal shortfall compensation • Change in law compensation for duties and taxes beingrecovered regularly • Supercritical 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 • Domestic fuel availability	• Pass through clauses in PPAs (Mundra 1,200 MW and Udupi 1,080 MW) • Tie-up of long-term FSAs under SHAKTI policy • Regulatory approval for alternate coal usage compensation
Availability	• Low plant availability due to downtime • Low commercial availability due to fuel shortage	• 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 • 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 Risk mitigation matrix

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 are percolated down throughout the organization. We believe that retaining and enhancing stakeholder trust is essential for sustained corporate growth. We have engrained into our culture and into each associate the values of honesty and fairness. For us, adherence to Corporate Governance stems not only from the letter of law but also from our inherent belief in doing business the right way.

Tenets of our Corporate Governance Philosophy –

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

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

2. Board of Directors

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

Composition of the Board

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

The Board of Directors of your Company comprises 6 (Six) Directors out of which 5 (Five) Directors (83%) including the Chairman of the Company are Non-Executive Directors. The Company has a Managing Director, who is the sole Executive Director. Out of the 5 (Five) Non-Executive Directors, there are 3 (Three) Independent Directors.

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

None of the Directors on the Company's Board is a Member of more than 10 (ten) Committees, and Chairman of more than 5 (five) Committees (Committees being, Audit Committee and Stakeholders' Relationship Committee) across all the companies in which he/she is a Director. All the Directors have made necessary disclosures regarding Committee positions held by them in other companies and do not hold the office of Director in more than 10 (ten) public companies as on 31st March, 2021.

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

The composition of the Board of Directors and the number of Directorships and Committee positions held by them as on 31st March, 2021 are as under:

Name and Designation (DIN) of Director	Category of Directorship	Directorship in other Companies[1]	Details of Membership and Chairmanship in the Committees of other Companies[2]	
			Chairman	Member
Mr. Gautam S. Adani (Chairman) (DIN 00006273)	Promoter & Non-Executive Director	5	-	-
Mr. Rajesh S. Adani (Director)[3] (DIN 00006322)	Promoter & Non-Executive Director	5	-	4
Mr. Anil Sardana (Managing Director) (DIN 00006867)[4]	Executive Director	4	-	1
Mr. Raminder Singh Gujral (Director) (DIN: 07175393)	Independent & Non -Executive Director	5	2	-
Mr. Mukesh Shah (Director) (DIN:00084402)	Independent & Non – Executive Director	4	-	1
Ms. Gauri Trivedi Director (DIN: 06502788)	Independent & Non -Executive Director	5	-	3

Notes:

1. Excluding Private Limited Companies, which are not the subsidiaries of Public Limited Companies, Foreign Companies, Section 8 Companies and Alternate Directorships.
2. Represents Membership / Chairmanship of two Committees viz. Audit Committee and Stakeholders' Relationship Committee as per Regulation 26 of the SEBI Listing Regulations.
3. Change in designation from "Managing Director" to "Non-Independent Non-Executive Director" with effect from the close of the office hours on 10th July, 2020
4. Appointed w.e.f. 11th July, 2020
5. During the year under review, Mr. Vneet S. Jaain, Whole-time Director of the Company has resigned with effect from the close of the office hours on 10th July, 2020
6. As on 31st March, 2021, none of the Directors of the Company were related to each other except Mr. Rajesh S. Adani, Non-Executive Director being brother of Mr. Gautam S. Adani, Chairman.

Details of name of other listed entities where Directors of the Company are Directors and the category of Directorship as on 31st March, 2021 are as under:

Name of Director(s)	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 Limited	Promoter & Executive
	Adani Transmission Limited	Promoter & Executive
	Adani Total Gas Limited	Promoter & Non-Executive
	Adani Enterprises Limited	Promoter & Executive
	Adani Green Energy Limited	Promoter & Non-Executive
Mr. Rajesh S. Adani (DIN: 00006322)	Adani Ports and Special Economic Zone Limited	Promoter & Non-Executive
	Adani Transmission Limited	Promoter & Executive
	Adani Enterprises Limited	Promoter & Executive
	Adani Green Energy Limited	Promoter & Non-Executive
Mr. Anil Sardana (DIN 00006867)	Adani Transmission Limited	Executive Director

Name of Director(s)	Name of other Listed entities in which the concerned Director is a Director	Category of Directorship
Mr. Raminder Singh Gujral (DIN: 07175393)	Reliance Industries Limited	Non-Executive & Independent Director
	Adani Green Energy 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
	The Sandesh Limited	Non-Executive - Independent Director
	Adani Total Gas Limited	Non-Executive - Independent Director

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 is 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, the Board met 7 (Seven) times on 27th April, 2020, 03rd June, 2020, 22nd June, 2020, 10th July, 2020, 06th August, 2020, 05th November, 2020 and 04th February, 2021. 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 / Agenda Items that are not permitted to be transacted through video conferencing.

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

Name of Directors (s)	Details of the Board Meetings held and attended by the Directors of the Company		Attendance at last AGM held on 25th June, 2020
	Held during the tenure	Attended	
Mr. Gautam S. Adani	7	7	Yes
Mr. Rajesh S. Adani	7	7	Yes
Mr. Vneet S Jaain[1]	4	4	Yes
Mr. Anil Sardana[2]	3	3	N.A.
Mr. Raminder Singh Gujral	7	7	Yes
Mr. Mukesh Shah	7	7	Yes
Ms. Gauri Trivedi	7	6	Yes

1. Resigned with effect from the close of the office hours on 10th July, 2020
2. Appointed w.e.f. 11th July, 2020

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 reviewed various Policies like Corporate Social Responsibility policy; Nomination and Remuneration Policy of Directors, Key Managerial Personnel and Other Employees; Policy for determining Material Subsidiaries; Related Party Transaction Policy; Vigil Mechanism / Whistle Blower Policy; Code of Conduct for Board of Directors and Senior Management of the Company; Material Events Policy; Website Content Archival Policy; 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; and also other statutory policies. All these policies are uploaded on website of the Company at https://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:

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 mind-set 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.

Name of Director	Areas of Skills/ Expertise						
	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. Anil Sardana Managing 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 plants business units. Key aspects that are covered in these sessions include:

- Industry / market trends
- The plant's / business unit's performance
- Growth Strategy

Confirmation as regards independence of Independent Directors

In the opinion of the Board, all three existing Independent Directors fulfil the conditions specified in the SEBI Listing Regulations and the Companies Act, 2013, and are independent of the Management.

Disclosures regarding appointment/re-appointment of Directors:

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

Brief résumé(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.

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 a 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 to 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 that 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 26th December, 2005 and subsequently reconstituted from time to time to comply with statutory requirements.

During the year under review, Audit Committee Meetings were held 10 (Ten) times i.e. on 27th April, 2020, 10th July, 2020, 05th August, 2020, 06th August, 2020, 04th November, 2020, 05th November, 2020, 03rd February, 2021, 04th February, 2021, 17th March, 2021 and 27th March, 2021. 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 & Non-Executive Director	2	2
Mr. Raminder Singh Gujral, Member	Independent & Non-Executive Director	10	10
Mr. Mukesh Shah, Chairman	Independent & Non-Executive Director	10	10
Mr. Anil Sardana, Member**	Executive Director	8	8

*ceases to be a member of audit committee with effect from the close of the business hours on 10th July, 2020

**Appointed as a member of Audit Committee w.e.f. 11th July, 2020

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

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

The Chairman of the Committee was present at the last Annual General Meeting held on 25th June, 2020.

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

B. Nomination & Remuneration Committee:

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

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

During the year under review, Nomination & Remuneration Committee met 3 (Three) times i.e. on 27th April, 2020, 10th July, 2020 and 04th November, 2020

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	3	3
Mr. Raminder Singh Gujral, Chairman	Independent & Non-Executive	3	3
Mr. Mukesh Shah, Member	Independent & Non-Executive	3	3

The Quorum of the Committee is of two members.

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

ii) Broad terms of Reference

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

Non-Executive Independent Directors of the Company are paid remuneration by way of commission and sitting fees. In terms of Shareholders' approval obtained at the Annual General Meeting held on 21st August, 2010 the commission can be paid at a rate not exceeding 1% per annum of net profit of the Company. However, due to inadequate profit and accumulated losses, the Company has not paid the commission to any Independent Directors during the year. Non-Executive Directors are paid ₹ 50,000/- as sitting fees for attending meeting of Board of Directors and Audit Committee and ₹ 25,000/- for attending meeting of Corporate Social Responsibility Committee, Stakeholders' Relationship Committee, Nomination and 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 Board in consultation with the Nomination and Remuneration Committee decides the remuneration structure for Executive Directors etc. on the recommendation of the Nomination and Remuneration Committee, the Remuneration payable is approved by the Board of Directors and by the members in the General Meeting in terms of provisions applicable from time to time.

iv) Details of Remuneration:

a. Non-Executive Directors:

The details of sitting fees and commission paid/payable to Non-Executive Directors during the financial year FY 2020-21 are as under:

(₹ In Lakh)

Name	Commission	Sitting Fees	Total
Mr. Raminder Singh Gujral	N.A.	9.5	9.5
Mr. Mukesh Shah	N.A.	10.75	10.75
Ms. Gauri Trivedi	N.A.	4.5	4.5

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

b. Executive Directors:

No remuneration is paid to Managing Director / Whole Time Director / Executive Director during the financial year 2020-21.

c. Details of shares of the Company held by Directors as on 31st March, 2021, is as under:

Name	No. of shares
Mr. Gautam S. Adani	1
Mr. Rajesh S. Adani	1
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 12th December, 2007 and subsequently reconstituted from time to time to comply with the statutory requirements.

During the year under review, Stakeholders' Relationship Committee met 4 (Four) times i.e. on 27th April, 2020, 06th August, 2020, 05th November, 2020 and 04th February, 2021.

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	4

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

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

ii) Brief terms of reference:

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

a) To look into various aspects of interest of shareholders, debenture holders and other 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.

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

c) Reviewing of adherence to 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	2	2
Non-receipt of annual report	0	0
Non-receipt / credit of shares	1	1
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 15th May, 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 Mr. Rajesh S. Adani, Chairman, Mr. Anil Sardana, Member and Ms. Gauri Trivedi, Member.

During the year under review, S & CSR Committee Meeting was held on 27th April, 2020.

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 & Non-Executive Director	1	1
Mr. Vneet S. Jaain, Member*	Executive & Non- Independent Director	1	1
Ms. Gauri Trivedi, Member	Independent & Non- Executive Director	1	1
Mr. Anil Sardana, Member**	Executive Director	0	0

* Ceases to be a member of S & CSR with effect from the close of the business hours on 10th July, 2020

** Appointed as a member of S & CSR w.e.f. 11th July, 2020

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 cover 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 Managing Director 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 Managing Director 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 https://www.adanipower.com/investors/corporate-governance

E. Risk management Committee:

Meeting, Attendance, Constitution and Composition of the Risk Management Committee:

The company has constituted a Risk Management Committee and subsequently reconstituted it 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 5th August, 2020.

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 & Non -Executive Director	1	1
Mr. Anil Sardana*	Non-Independent & Executive Director	1	1
Mr. Shailesh Sawa**	Chief Financial Officer	1	1
Mr. Mukesh Shah, Member	Independent & Non-Executive Director	1	1
Mr. Vneet S. Jaain, Member#	Non-Independent & Executive Director	0	0
Mr. Suresh Jain, Member##	Chief Financial Officer	0	0

* Appointed as a member of Risk Management Committee w.e.f. 11th July, 2020

** Appointed as a member of Risk Management Committee w.e.f. 11th July, 2020

Ceases to be a member of Risk Management Committee with effect from the close of the business hours on 10th July, 2020

Ceases to be a member of Risk Management Committee with effect from the close of the business hours on 10th July, 2020

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

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

The powers, role and terms of reference of Risk Management Committee cover 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 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, evaluated qualitatively and quantitatively, analysed and appropriately managed;
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 the 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 unlisted material subsidiary as per criteria given under "Explanation to Regulation 24(1) of the SEBI Listing Regulations". 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 and Adani Power (Mundra) Limited. The Company is not required to nominate an Independent Director on the Board of any other Subsidiary Company. 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 being placed periodically 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 https://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 https://www.adanipower.com/investors/corporate-governance. 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
2019-20	25.06.2020	Through Video Conferencing / Other Audio Visual Means	11:30 a.m.	2
2018-19	08.08.2019	J.B. Auditorium, Ahmedabad Management Association, AMA Complex, ATIRA, Dr. Vikram Sarabhai Marg, Ahmedabad- 380	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

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

The special resolution for Voluntary Delisting of the Equity Shares of the Company from BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE").

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

Resolution required: (Ordinary/ Special)	SPECIAL - Voluntary Delisting of the Equity Shares of the Company from BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE")
Whether promoter/ promoter group are interested in the agenda / resolution?	Yes

Category	Mode of Voting	No. of shares held (1)	No. of votes polled (2)	% of Votes Polled on outstanding shares (3)=[(2)/(1)]* 100	No. of Votes – in favour (4)	No. of Votes – against (5)	% of Votes in favour on votes polled (6)=[(4)/(2)]*100	% of Votes against on votes polled (7)=[(5)/(2)]*100
Promoter and Promoter Group	E-Voting	2891612567	2891612567	100.00	2891612567	0	100.00	0.00
	Poll		0	0.00	00	0	0.00	0.00
	Postal Ballot (if applicable)		0	0.00	00	0	0.00	0.00
Public-Institutions	E-Voting	564626274	472650575	83.71	453166790	19483785	95.88	4.12
	Poll		0	0.00	00	0	0.00	0.00
	Postal Ballot (if applicable)		0	0.00	00	0	0.00	0.00
Public- Non Institutions	E-Voting	400700100	225466543	56.27	222094235	3372308	98.50	1.50
	Poll		0	0.00	00	0	0.00	0.00
	Postal Ballot (if applicable)		0	0.00	00	0	0.00	0.00
	Total	3856938941	3589729685	93.07	3566873592	22856093	99.36	0.64

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 the 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 https://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 Indian 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 31st March, 2021 in compliance with Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. 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.

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 https://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 https://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 the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. As required under Regulation 36(3) of the SEBI Listing Regulations, particulars of Directors seeking appointment / re-appointment at the forthcoming AGM are given herein and in the Annexure to the Notice of the 25th AGM to be held on 13th July, 2021.

o) 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.

p) 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 Crores)

M/s. S R B C & Co. LLP	FY 2020-21
Payment to Statutory Auditors	
Audit Fees*	2.12
Other Services*	0.98
Reimbursement of Expenses	0.06
Total	**3.16**

*Inclusive of GST

q. 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.

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' in English and 'Financial Express' in Gujarati and are displayed on the website of the Company www.adanipower.com.

b. News Releases, Presentation etc.:

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

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

c. website:

The Company's website www.adanipower.com contains a separate dedicated section namely "Investors" 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. Date, time and venue of the 25th Annual General Meeting:

Day and Date	Time	Venue / Mode*
Tuesday, 13th July, 2021	12:00 Noon	Through Video Conferencing (VC) / Other Audio Visual Means (OAVM)

*Pursuant to MCA / SEBI Circulars. For details please refer to the Notice to the AGM.

c. Registered Office:

"Adani Corporate House" Shantigram, Nr. Vaishnodevi Circle, S G Highway, Khodiyar, Ahmedabad – 382 421, Gujarat, India.

d. Financial Year:

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

Particulars	Tentative Schedule
Quarterly Results	
Quarter ending on 30th June, 2021	Mid August, 2021
Quarter ending on 30th September, 2021	Mid November, 2021
Quarter ending on 31st December, 2021	Mid February, 2022
Annual Result of 2021-22	End May, 2022

e. Book closure date:

The Register of Members and Share Transfer Books of the Company will be closed from Tuesday, 6th July, 2021 to Tuesday, 13th July, 2021 (both days inclusive) for the purpose of 25th 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 https://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 24th April, 2009, the Company has opened a separate demat account in order to credit the unclaimed shares which could not be allotted to the rightful shareholder due to insufficient / incorrect information or any other reason.The voting rights in respect of the said shares will be frozen till the time rightful owner claims such shares. The details of Unclaimed Shares as on 31st March, 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. 1st April, 2019	159	24647
2	Number of shareholders who approached issuer for transfer of shares from suspense account during the year	1	65
3	Number of shareholders to whom shares were transferred from the suspense account during the year	1	65
4	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year, i.e. 31st March, 2020	158	24582

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

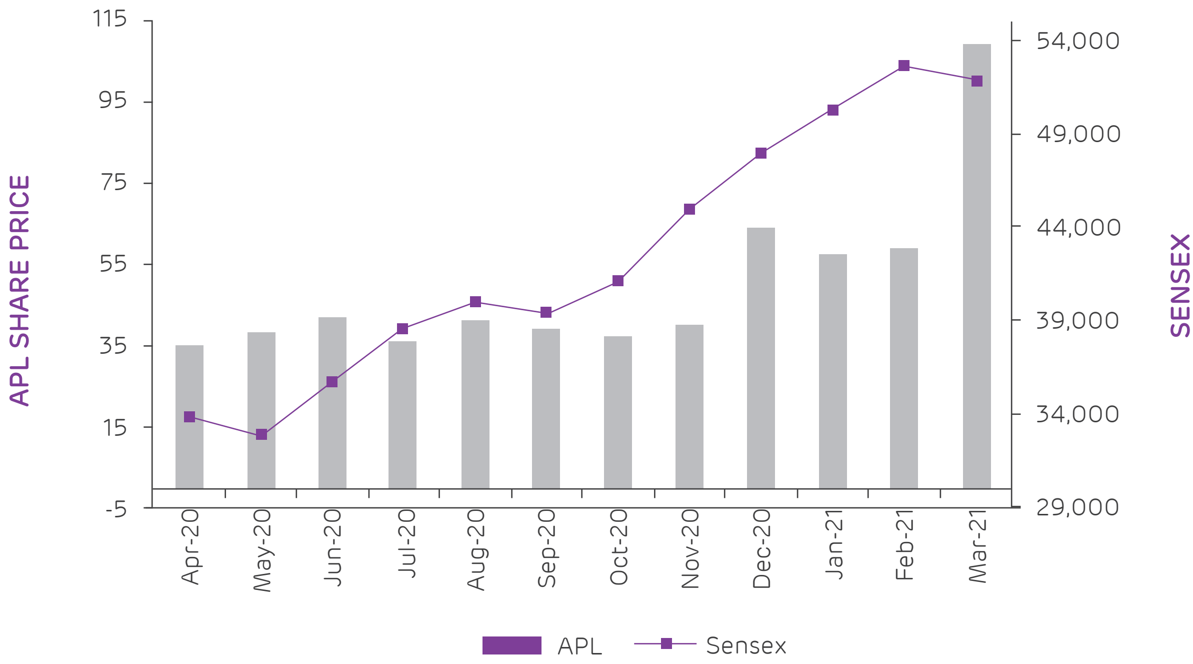
Annual listing fees for the financial year 2020-21 have been paid by the Company to BSE and NSE.

i. Market Price Data

Month	BSE			NSE			Total Volume of BSE & NSE (No. of Shares)
	High (₹)	Low (₹)	Volume (No. of Shares)	High (₹)	Low (₹)	Volume (No. of Shares)	
April, 2020	35.5	26	12580348	35.5	25.8	212103602	224683950
May, 2020	38.25	29.05	19400362	38.25	29.05	415204595	434604957
June, 2020	42.2	35.6	23596584	41.9	35.55	385391498	408988082
July, 2020	36.5	34.35	6015070	36.5	34.35	70752803	76767873
August, 2020	41.55	35.05	9882249	41.6	35.1	147845403	157727652
September, 2020	39.7	36	8056663	39.45	36.05	63812239	71868902
October, 2020	37.4	34.5	2177120	37.35	34.5	20627950	22805070
November, 2020	40	35	13050617	40	35.6	106429879	119480496
December, 2020	64	38.6	75397536	63.95	38.65	626339725	701737261
January, 2021	57.4	48.4	98968109	57.4	48.5	146881459	245849568
February, 2021	59.15	51.05	18983997	59.1	51	221017746	240001743
March, 2021	109	55.45	75267261	108.7	55.4	656619754	731887015

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:**

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

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

m. Shareholding as on 31st March, 2021:

(a) Distribution of Shareholding as on 31st March, 2021:

No. of shares	No. of shares	% to shares	Total no. of accounts	% to total accounts
1 – 5000	57748859	1.50	492762	88.69
5001 – 10000	26670888	0.69	32830	5.91
10001 – 20000	23562215	0.61	15491	2.79
20001 – 30000	12914421	0.33	5003	0.90
30001 – 40000	8507233	0.22	2356	0.42
40001 – 50000	9438853	0.24	1982	0.36
50001 – 100000	21976336	0.57	2981	0.54
100001 & above	3696120136	95.83	2185	0.39
TOTAL	**3,856,938,941**	**100.00**	**555590**	**100.00**

(b) Shareholding Pattern as on 31st March, 2021:

Category	No. of shares held		Total No. of Shares	% of Holding
	Physical	Electronic		
Promoter and Promoter Group	-	2891612567	2891612567	74.97
Mutual Funds	-	16114	16114	0
Banks/FI/Central Govt./State Govt./ Trusts & Insurance Companies	-	60129537	60129537	1.56
Foreign Institutional Investors/ Portfolio Investor	-	443028369	443028369	11.49
NRI	-	3910851	3910851	0.1
NRI Non-Repatriation	-	2468002	2468002	0.06
Foreign Nationals	-	1108596	1108596	0.03
Foreign Bodies / Companies	-	213236910	213236910	5.53
Other Corporate Bodies	7438	10469223	10476661	0.27
Directors / Relatives of Director	-	5395	5395	0
Clearing Member	-	24224855	24224855	0.63
Indian Public / HUF	485230	206235854	206721084	5.36
Total	**492668**	**3856446273**	**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 31st March, 2021.

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

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

o. Debenture Trustees (for privately placed debentures):

As on 31st March, 2021, 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 risk within the framework laid down by the Board. 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	Long Term Rating: CARE BBB- Stable, Short Term Rating: CARE A3

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 2020-21 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. 39 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, Anil Sardana, Managing Director of Adani Power Limited hereby declare that as of 31st March, 2021, 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: 6th May, 2021

Anil Sardana
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, 2021 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.

CS Chirag Shah
Partner
Chirag Shah and Associates
FCS No.: 5545
C. P. No. 3498
UDIN : F005545C000223807

Place: Ahmedabad
Date: May 6, 2021

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

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 Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad-382421. (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, 2021 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 Shantilal Adani	00006273	26/12/2005
2.	Mr. Rajesh Shantilal Adani	00006322	12/06/2007
3.	Mr. Anil Sardana	00006867	11/07/2020
4.	Mr. Mukesh Mahendrabhai Shah	00084402	31/03/2018
5.	Ms. Gauri Surendra Trivedi	06502788	24/10/2018
6.	Mr. Raminder Singh Gujral	07175393	11/08/2015

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 : F005545C000223796

Place: Ahmedabad
Date: May 6, 2021

Certificate Of Chief Executive Officer / Managing Director And Chief Financial Officer

To,
The Board of Directors
Adani Power Limited

We, Anil Sardana, Managing Director; and Shailesh Sawa, 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 31st March, 2021 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 31st March, 2021 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, that:

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	**Anil Sardana**	**Shailesh Sawa**
Date: May 6, 2021	Managing Director	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:** Adani Corporate House, "Shantigram", Near Vaishnodevi Circle, S. G. Highway, Khodiyar, Ahmedabad – 382 421, Gujarat, India
4. **Website:** www.adanipower.com
5. **Email id:** investor.apl@adani.com
6. **Financial Year reported:** 1st April, 2020 to 31st March, 2021
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; (ii) Thermal Power Plant at Mundra, Gujarat; (iii) Thermal Power Plant at Tiroda, Maharashtra; (iv) Thermal Power Plant at Kawai, Rajasthan; (v) Thermal Power Plant at Udupi, Karnataka (vi) Thermal Power Plant at Raikheda, Chhattisgarh; and (vii) Thermal Power Plant at 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 Crores
2. **Total turnover (INR):** ₹ 581.54 Crores
3. **Total comprehensive loss for the year:** ₹ (497.60) Crores
4. **Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax:**

   No subsidiary of APL, except Udupi Power Corporation Limited ("UPCL"), was under legal obligation to spend for CSR activities in terms of the applicable CSR laws and Rules under the Companies Act, 2013. Legal obligation to spend for CSR activities by UPCL during the financial year 2020-21 was ₹ 76,21,142/-, against which UPCL has directly spent ₹ 93,93,245/- for various CSR activities in compliance with applicable CSR rules for mandatory spending.

   APL has continued various programs under CSR by the funding and support:

   1. From APL subsidiaries
   2. From Adani Foundation

   During the financial year 2020-21, through the support of Adani Foundation, ₹ 10.56 Crore has been spent for continuation of all existing CSR programme and APL along with its subsidiaries have voluntarily spent total ₹ 2.77 Crores on various 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 10 wholly owned subsidiary companies and 1 subsidiary company as on 31st March, 2021.

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

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

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

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

SECTION D: BR INFORMATION

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

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

DIN : 00006867

Name : Mr. Anil Sardana

Designation : Managing Director

b) Details of the BR head:

Sr. No.	Particulars	Details
1	DIN (if applicable)	00006867
2	Name	Mr. Anil Sardana
3	Designation	Managing Director
4	Telephone Number	079-25557136
5	E-mail ID	Dharmendra.patel@adani.com

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

Sr. No.	Questions	Business Ethics	Product Life Responsibility	Employee Well-being	Stakeholder Engagement	Human Rights	Environment	Policy Advocacy	Inclusive Growth	Customer Value
		P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy / Policies for....	Y	Y*	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy been formulatedin consultation with the Relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy conform to any national/ internationalstandards? 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	-	-	-

Sr. No.	Questions	Business Ethics	Product Life Responsibility	Employee Well-being	Stakeholder Engagement	Human Rights	Environment	Policy Advocacy	Inclusive Growth	Customer Value
		P1	P2	P3	P4	P5	P6	P7	P8	P9
5.	Does the company have aspecified 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 policyto be viewed online?	http://www.adanipower.com								
8.	Does the company have in house structure to implementthe policy / policies ?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9.	Does the Company have a grievance redressal mechanismrelated to the policy / policies toaddress stakeholders'grievances related to thepolicy / policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10.	Has the company carried out independent audit/evaluation of the working of this policy byan 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 Managing Director periodically assesses the BR performance of the Company.

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

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 including suppliers / joint venture / contractors / NGOs and others.

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 the modern world, electricity is the preferred way to deliver energy to all corners of the nation and to all segments of its society and economy. Access to reliable electric power is now considered as one of the basic necessities 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 following ISO 45001:20018 Occupational Health & Safety Standard as per international norms. Company has also incorporated 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 from all operations are monitored and controlled as per design. The adoption of super-critical technology for thermal power generation has led to a decrease in the specific coal consumption, ash generation and water requirement, per unit power generation.

      All the company's operating power plants have an energy efficiency target under the Perform Achieve Trade (PAT) mechanism of Bureau of Energy Efficiency (BEE) under the Ministry of Power, Government of India. Our better-than-PAT target performance has enabled two of our plants to generate energy saving certificates (EScerts) which are tradable instruments, as an incentive for higher energy efficiency performance.

      At Adani Power Limited's Mundra thermal power plant, effluents are reused in the Flue Gas Desulphurization process and outlet is again treated before deep-sea 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 as per ISO 14001:2015 standard and there is a programme for continual improvement through reduction in resource consumption and waste generation.

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

      Not significant as the product is electricity.

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

   To promote sustainable sourcing, Company has built the sustainability concern into its processes for vendor development and procurement management. Starting from the vender on boarding process, applicant vendors are evaluated based on comprehensive criteria that include vendor's capability and performance on environmental, occupational health and safety, labour practices and quality management. After on boarding of the vendor, there is a system of periodic evaluation of vendor on comprehensive criteria that include 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.

In FY 2020-21, APL has established specific requirements to be adhered to by its suppliers in the form of Supplier Code of Conduct (SCoC), which shall form an integral part of contract conditions. Health and safety, Human Rights, Environment, Community, Business Ethics and Governance and Intellectual Property are the guiding principles of the SCoC.

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. One of the focus areas of the company is to regularly indigenise the materials required for the operation and maintenance where any major equipment like boilers and turbines are imported at the time of the project. This serves two benefits viz. 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. On consolidated basis, APL is utilizing 100% fly ash. Hazardous waste like used and waste oils are disposed through authorized recyclers. Also the Company publishes its Sustainability Report every year and discloses 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 84 employees as on 31st March, 2021.

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

   The Company hired zero employees on contractual basis as on 31st March, 2021.

3. Please indicate the number of permanent women employees:

   The Company has zero women employee as on 31st March, 2021.

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

   The Company has zero permanent employee with disabilities as on 31st March, 2021.

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 labour, forced labour, involuntary labour, 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, which are rolled out as per the annual training calendar and individual employee training needs extend to all permanent and contractual employees. Training needs are addressed through classroom, on-the-job and online programs. All contractual employees are given mandatory safety training upon 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 and 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 Gyanodaya', 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.

   Our association with Adani Foundation has enabled us to continue the CSR programs and activities on the ground year on year, even if there is any low in the business in any particular year in the company. Adani Foundation has enabled the communities and created impact through its programs that include: 'Adani Vidya Mandirs' which is a unique high quality, merit-based education for underprivileged children, and 'Gyanodaya' which is an e-learning program to support Government schools for improving quality of education through technology and improving access, 'Saksham' which is a Skill Development for underprivileged women in technical skills, 'SuPoshan' a program to fight malnutrition and anaemia, 'Udaan' to inspire young minds to dream big, 'Sanghini' as community change agents in rural hamlets, 'S+5S' a program to inculcate the culture and behaviour of safety and cleanliness from the tender age of children in schools.

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 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 plants. Company was pioneer in installation of first super critical unit in India and Units number 5 & 6 of the Mundra Thermal Power Plant were 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. The Company's under-construction Godda power plant is based on ultra-supercritical technology, which is more efficient.

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.

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?

   No subsidiary of APL, except Udupi Power Corporation Limited ("UPCL"), was under legal obligation to spend for CSR activities in terms of the applicable CSR laws and Rules under the Companies Act, 2013. Legal obligation to spend for CSR activities by UPCL during the financial year 2020-21 was ₹ 76,21,142/-, against which UPCL has directly spent ₹ 93,93,245/- for various CSR activities in compliance with applicable CSR rules for mandatory spending.

APL has continued CSR various program by the funding and support:

1. From APL subsidiaries
2. From Adani Foundation

During the financial year 2020-21, through the support of Adani Foundation, ₹ 10.56 Crore has been spent for continuation of all existing CSR programme and APL along with its subsidiaries have voluntarily spent total ₹ 2.77 Crores on various CSR activities.

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.

Financial Statements

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, 2021, 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 standalone 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 matters 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, 2021, 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 39 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 and financial support from the Company. We have not been able to corroborate the Management's contention of realising the carrying value of its investments related to APMuL aggregating to ₹ 5,675.13 Crores. Accordingly, we are unable to comment on the appropriateness of the carrying value of such investments and loans and advances and their consequential impact on the financial results and the financial position of the Company as at and for the year ended March 31, 2021. Our audit report for the previous year ended March 31, 2020 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 41 of the standalone financial statements, as regards the management's evaluation of COVID-19 impact on the operations and financial metrics 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, 2021. 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) *(Also refer Note 42 to the standalone financial statements)*	
As at March 31, 2021, 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 subsidiary Adani Power (Mundra) Limited) amounted to ₹ 14,088.85 Crores and ₹ 3,181.72 Crores, which comprises 70.76% of the total assets of the Company. 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'. 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 judgement. This is a Key Audit Matter as the amount of investments and loans to subsidiaries is material to the standalone financial statements of the Company and the determination of recoverable value for impairment assessment involves significant management judgement.	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. - 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. - 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. - 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. - We assessed the sensitivity analysis made by the management and evaluated whether any reasonably foreseeable change in assumptions could lead to material impact on carrying value of investments. - 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 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.

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. 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.

The Board of Directors 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, 2021 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 financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(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, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 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, 2021;

(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 38 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 21 and 26 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 : 21056102AAAABC7888

Place : Bengaluru
Date : May 6, 2021

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, 2021

(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, 2021.

(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 four 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 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 Company is engaged in the business of providing infrastructural facilities and accordingly the provisions of Section 186, to the extent applicable have been complied with by the Company.

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

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the 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	22.83#	Financial Year 2009-10, 2010-11, 2011-12 and 2013-14	Income Tax Appellate Tribunal (ITAT)

Net of ₹ 26.50 Crores adjusted against refunds (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 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 : 21056102AAAABC7888

Place : Bengaluru
Date : May 6, 2021

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, 2021, 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 and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

An audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls 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, material weakness has been identified in the Company's internal financial controls over financial reporting as at March 31, 2021 as regards evaluation of uncertainty for realising the carrying value of its investments / loans related to Adani Power (Mundra) Limited, a wholly owned subsidiary, aggregating to ₹ 5,675.13 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 of March 31, 2021, 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.

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 Adani Power Limited, which comprise the Balance Sheet as at March 31, 2021, and the related Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information, and our report dated May 6, 2021, 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 : 21056102AAAABC7888

Place : Bengaluru
Date : May 6, 2021

Balance Sheet

as at 31st March, 2021

All amounts are in ₹ Crores, unless otherwise stated

Particulars	Notes	As at 31st March, 2021	As at 31st March, 2020
ASSETS			
Non-current Assets			
(a) Property, Plant and Equipment	4.1	540.93	569.26
(b) Capital Work-In-Progress	4.1	0.67	0.13
(c) Intangible Assets	4.2	0.06	0.82
(d) Financial Assets			
(i) Investments	5	19,358.65	18,216.25
(ii) Loans	6	3,583.20	3,230.92
(iii) Other Financial Assets	7	-	1.00
(e) Other Non-current Assets	8	24.29	33.95
Total Non-current Assets		**23,507.80**	**22,052.33**
Current Assets			
(a) Inventories	9	2.54	4.06
(b) Financial Assets			
(i) Trade Receivables	10	9.65	366.81
(ii) Cash and Cash Equivalents	11	3.84	7.30
(iii) Bank Balances other than (ii) above	12	82.77	93.72
(iv) Loans	13	3.96	0.22
(v) Other Financial Assets	14	8.07	2.40
(c) Other Current Assets	15	1.34	3.45
Total Current Assets		**112.17**	**477.96**
Assets classified as held for sale	16	788.46	-
Total Assets		**24,408.43**	**22,530.29**
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	17	3,856.94	3,856.94
(b) Unsecured Perpetual Securities	18	9,015.00	8,615.00
(c) Other Equity	19	4,213.41	3,318.44
Total Equity		**17,085.35**	**15,790.38**
LIABILITIES			
Non-current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	20	930.56	3,112.85
(ii) Other Financial Liabilities	21	226.58	205.83
(b) Provisions	22	1.53	2.14
(c) Deferred Tax Liabilities (Net)	23	-	-
Total Non-current Liabilities		**1,158.67**	**3,320.82**
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	24	5,293.17	2,589.02
(ii) Trade Payables	25		
Total outstanding dues of micro enterprises and small enterprises		0.11	0.11
Total outstanding dues of creditors other than micro enterprises and small enterprises		13.15	712.21
(iii) Other Financial Liabilities	26	115.81	107.46
(b) Other Current Liabilities	27	740.94	9.01
(c) Provisions	28	1.23	1.28
Total Current Liabilities		**6,164.41**	**3,419.09**
Total Liabilities		**7,323.08**	**6,739.91**
Total Equity and Liabilities		**24,408.43**	**22,530.29**

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: 6th May, 2021

For and on behalf of the Board of Directors

GAUTAM S. ADANI
CHAIRMAN
DIN: 00006273

ANIL SARDANA
MANAGING DIRECTOR
DIN: 00006867

SHAILESH SAWA
CHIEF FINANCIAL OFFICER

DEEPAK S PANDYA
COMPANY SECRETARY

Place: AHMEDABAD
Date: 6th May, 2021

Statement of Profit and Loss

for the year ended 31st March, 2021
All amounts are in ₹ Crores, unless otherwise stated

Particulars	Notes	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Income			
Revenue from Operations	29	447.17	1,005.32
Other Income	30	134.37	910.84
Total Income		**581.54**	**1,916.16**
Expenses			
Fuel Cost		0.86	1.12
Purchases of Stock-in-trade	31	351.45	908.10
Employee Benefits Expense	32	32.88	41.61
Finance Costs	33	644.02	1,175.23
Depreciation and Amortisation Expense	4.1, 4.2	32.46	34.77
Other Expenses	34	22.88	92.90
Total Expenses		**1,084.55**	**2,253.73**
(Loss) before exceptional items and tax		**(503.01)**	**(337.57)**
Less: Exceptional Items	35	-	1,002.99
(Loss) before tax		**(503.01)**	**(1,340.56)**
Tax Expense:			
Current Tax	36	-	-
Excess provisions for earlier years written back		(4.27)	-
Deferred Tax	23	-	-
Total Tax Expense		**(4.27)**	**-**
(Loss) for the year		**(498.74)**	**(1,340.56)**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurement (loss) / gain on defined benefit plans	50	(2.62)	0.12
Net gain on sale of Investment classified at FVTOCI		3.76	-
Income Tax impact		-	-
Other comprehensive income that will not be reclassified to profit or loss		**1.14**	**0.12**
Total Comprehensive (Loss) after tax for the year		**(497.60)**	**(1,340.44)**
Earnings / (Loss) Per Equity Share (EPS) Basic and Diluted (Face Value ₹ 10 Per Share) (₹)	37	(3.75)	(5.77)

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: 6th May, 2021

For and on behalf of the Board of Directors

GAUTAM S. ADANI
CHAIRMAN
DIN: 00006273

ANIL SARDANA
MANAGING DIRECTOR
DIN: 00006867

SHAILESH SAWA
CHIEF FINANCIAL OFFICER

DEEPAK S PANDYA
COMPANY SECRETARY

Place: AHMEDABAD
Date: 6th May, 2021

Statement of Changes in Equity

for the year ended 31st March, 2021

All amounts are in ₹ Crores, unless otherwise stated

Particulars	Equity Share Capital		Unsecured Perpetual Securities	Other Equity						
				Deemed Equity Contribution	Reserves and Surplus				Equity instruments through Other Comprehensive Income	Total other Equity
					Capital Reserve	Securities Premium	General Reserve	Retained Earnings		
	No of shares	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount
Balance as at 1st April, 2019	**3,85,69,38,941**	**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 for the year:										
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 18)										
Issued during the year	-	-	615.00	-	-	-	-	-	-	-
Distribution to holders of Unsecured Perpetual Securities	-	-	-	-	-	-	-	(612.01)	-	(612.01)
Balance as at 31st March, 2020	**3,85,69,38,941**	**3,856.94**	**8,615.00**	**-**	**465.80**	**4,136.27**	**9.04**	**(1,292.67)**	**-**	**3,318.44**
Balance as at 1st April, 2020	**3,85,69,38,941**	**3,856.94**	**8,615.00**	**-**	**465.80**	**4,136.27**	**9.04**	**(1,292.67)**	**-**	**3,318.44**
(Loss) for the year	-	-	-	-	-	-	-	(498.74)	-	(498.74)
Other Comprehensive Income for the year:										
Remeasurement (loss) of defined benefit plans, net of tax	-	-	-	-	-	-	-	(2.62)	-	(2.62)
Net gain on sale of Investment classified at FVTOCI, net of tax (Refer note 55(a))	-	-	-	-	-	-	-	-	3.76	3.76
Total comprehensive (Loss) for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(501.36)**	**3.76**	**(497.60)**
Deemed Equity Contribution (Refer note 55)	-	-	-	1,772.93	-	-	-	-	-	1,772.93
Transfer to Retained Earnings on Sale of Compulsory Convertible Preference Shares (CCPS)	-	-	-	-	-	-	-	3.76	(3.76)	-
Unsecured Perpetual Securities (Refer note 18)										
Issued during the year	-	-	400.00	-	-	-	-	-	-	-
Distribution to holders of Unsecured Perpetual Securities	-	-	-	-	-	-	-	(380.36)	-	(380.36)
Balance as at 31st March, 2021	**3,85,69,38,941**	**3,856.94**	**9,015.00**	**1,772.93**	**465.80**	**4,136.27**	**9.04**	**(2,170.63)**	**-**	**4,213.41**

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: 6th May, 2021

For and on behalf of the Board of Directors

GAUTAM S. ADANI
CHAIRMAN
DIN: 00006273

ANIL SARDANA
MANAGING DIRECTOR
DIN: 00006867

SHAILESH SAWA
CHIEF FINANCIAL OFFICER

DEEPAK S PANDYA
COMPANY SECRETARY

Place: AHMEDABAD
Date: 6th May, 2021

Statement of Cash Flows

for the year ended 31st March, 2021
All amounts are in ₹ Crores, unless otherwise stated

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
(A) Cash flow from operating activities		
(Loss) before tax	**(503.01)**	**(1,340.56)**
Adjustment to reconcile the (loss) before tax to net cash flows:		
Depreciation and Amortisation Expense	32.46	34.77
Unrealised Foreign Exchange Fluctuation (gain) / loss (Net)	(35.77)	27.34
Income from Mutual Funds	-	(2.93)
Gain on Property, Plant and Equipment Sold / Retired (Net)	(0.14)	-
Bad Debt Written Off / Provision for doubtful advances	-	0.15
Amortisation of Financial Guarantee Obligation	(47.19)	(31.58)
Write off of acquisition cost	-	0.76
Finance Costs	644.02	1,175.23
Interest Income	(79.46)	(876.29)
Exceptional Items	-	1,002.99
Operating Profit / (loss) before working capital changes	**10.91**	**(10.12)**
Changes in working capital:		
Decrease in Inventories	1.52	0.03
Decrease / (Increase) in Trade Receivables	357.16	(354.69)
(Increase) / Decrease in Other Financial Assets	(5.42)	6.72
Decrease in Other Assets	0.87	0.95
(Decrease) / Increase in Trade Payables	(663.29)	542.88
(Decrease) in Other Financial Liabilities	-	(98.44)
(Decrease) / Increase in Other Liabilities and Provisions	(2.59)	8.56
	(311.75)	**106.01**
Cash (used in) / generated from operations	**(300.84)**	**95.89**
Less: Income tax refund / (paid) (Net)	12.67	(1.23)
Net cash (used in) / flows from operating activities (A)	**(288.17)**	**94.66**
(B) Cash flow from investing activities		
Capital expenditure on Property, Plant and Equipment, including capital advances and capital work-in-progress and intangible assets	(7.34)	(1.03)
Proceeds from Sale of Property, Plant and Equipment	0.25	0.07
Payment towards acquisition of subsidiaries	-	(1.00)
Payment towards investment in Compulsory Convertible Preference Shares	(412.00)	-
Proceeds from sale of investment in Compulsory Convertible Preference Shares	1,415.23	-
Advance received towards sale of Compulsory Convertible Preference Shares	733.86	-

Statement of Cash Flows

for the year ended 31st March, 2021
All amounts are in ₹ Crores, unless otherwise stated

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Payment towards investment in subsidiaries	(959.43)	(435.16)
Proceeds from Current Investments (Net)	-	2.93
Payment towards Loans given to related parties	(7,108.24)	(13,563.60)
Proceeds from Loans repaid by related parties	6,646.74	20,136.30
Payment towards Loans given to others	-	(85.14)
Bank / Margin money deposits withdrawn (Net)	10.95	61.63
Interest received	70.08	700.68
Net cash flows from investing activities (B)	**390.10**	**6,815.68**
(C) Cash flow from financing activities		
Proceeds from Non-current borrowings	4,570.24	8,065.08
Repayment of Non-current borrowings	(7,171.41)	(13,344.07)
Proceeds from / (repayments of) Current borrowings (Net)	2,838.72	(1,001.45)
Proceeds from issue of Unsecured Perpetual Securities	400.00	615.00
Distribution to holders of Unsecured Perpetual Securities	(380.36)	(612.01)
Finance Costs Paid	(362.58)	(630.04)
Net cash flows (used in) financing activities (C)	**(105.39)**	**(6,907.49)**
Net (decrease) / increase in cash and cash equivalents (A)+(B)+(C)	(3.46)	2.85
Cash and cash equivalents at the beginning of the year	7.30	4.45
Cash and cash equivalents at the end of the year	**3.84**	**7.30**
Notes to Cash flow Statement:		
Cash and cash equivalents as per above comprise of the following:		
Cash and cash equivalents (Refer note 11)	3.84	7.30
Balances as per Statement of Cash Flow	**3.84**	**7.30**

Non cash items:

i) Accrued Interest of ₹ 290.09 Crores (Previous year - ₹ 539.08 Crores) and ₹ 0.40 Crores (Previous year - ₹ 467.11 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) Loan given of ₹ Nil (Previous year - ₹ 175.00 Crores) was converted into investment in equity share capital of a subsidiary.

Statement of Cash Flows

for the year ended 31st March, 2021
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, 2020	Net cash flows	Changes in fair values/ Accruals	Others	As at 31st March, 2021
Non-current borrowings	3,167.55	(2,601.17)	-	424.66	991.04
Current borrowings	2,589.02	2,838.72	-	(134.57)	5,293.17
Interest accrued	9.40	(360.65)	642.09	(290.09)	0.75
Total	**5,765.97**	**(123.10)**	**642.09**	**-**	**6,284.96**

Particulars	As at 1st April, 2019	Net cash flows	Changes in fair values/ Accruals	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**

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: 6th May, 2021

For and on behalf of the Board of Directors

GAUTAM S. ADANI
CHAIRMAN
DIN: 00006273

ANIL SARDANA
MANAGING DIRECTOR
DIN: 00006867

SHAILESH SAWA
CHIEF FINANCIAL OFFICER

DEEPAK S PANDYA
COMPANY SECRETARY

Place: AHMEDABAD
Date: 6th May, 2021

Notes to the Standalone Financial Statements

for the year ended 31st March, 2021

1 Corporate information

The standalone financial statements comprise financial statements of Adani Power Limited (the "Company" or "APL") for the year ended 31st March, 2021. The Company is a public company domiciled in India and is incorporated under the provisions of the Companies Act, applicable in India. Its shares are listed on two recognised stock exchanges in India. The registered office of the Company is located at "Adani Corporate House", Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad-382421, 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, together with its subsidiaries 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, 2021, 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 6th May, 2021.

2 Significant accounting policies

2.1 Basis of preparation

The standalone 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.

The financial statements are presented in ₹ which is also company's functional currency and all values are rounded to the nearest Crore, except when otherwise indicated.

2.2 Summary of significant accounting policies

a Property, plant and equipment

Property, plant and equipment are stated at original cost grossed up with the amount of tax / duty benefits availed, less accumulated depreciation and accumulated impairment losses, if any. Properties in the course of construction are carried at cost, less any recognised impairment losses. All costs, including borrowing costs incurred up to the date the asset is ready for its intended use, is capitalised along with respective asset. Capital work in progress is stated at cost, net of accumulated impairment loss, if any.

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.

Items of stores and spares that meet the definition of property, plant and equipment are capitalised at cost and depreciated over their useful life.

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

Notes to the Standalone Financial Statements
for the year ended 31st March, 2021

the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit and loss.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred. Subsequent costs are depreciated over the residual life of the respective assets. 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. 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. An intangible asset is derecognised on disposal, or when no future economic benefits are expected from its use or disposal.

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 and Liabilities 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 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

Notes to the Standalone Financial Statements

for the year ended 31st March, 2021

effective interest method ("EIR") (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.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

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).

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 measured at amortised cost using the effective interest method or at FVTPL.

Notes to the Standalone Financial Statements

for the year ended 31st March, 2021

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. 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 43.

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 the statement of 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

Notes to the Standalone Financial Statements
for the year ended 31st March, 2021

measured at FVTPL. These embedded derivatives are measured at fair value with changes in fair value recognised in profit and loss.

Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

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, 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:

- 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 Company 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

Notes to the Standalone Financial Statements

for the year ended 31st March, 2021

- 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.

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.

Notes to the Standalone Financial Statements
for the year ended 31st March, 2021

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.

iii) Interest income is recognised on time proportion basis at the effective interest rate ("EIR") applicable.

iv) Dividend income from investments is recognised when the company's right to receive payment is established.

v) Late payment charges and interest on delayed payment for power supply are recognised based

Notes to the Standalone Financial Statements
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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 recognised in the statement of profit and loss in the period in which they occur. Remeasurement, comprising of actuarial gains and losses, the effect of changes to the asset ceiling excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are recognised immediately in the balance sheet with 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 Company as lessor

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.

Rental income from operating leases is generally recognised on a straight-line basis over the

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term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

The Company as lessee

The Company recognised right-of-use assets and lease liabilities for all 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.

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.

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 Minimum 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 and based on the expected outcome of assessments / appeals. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantially enacted, at the reporting date. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

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 recognised 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 recognised 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 recognised outside the statement of profit and loss is recognised 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

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for the year ended 31st March, 2021

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 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 Unsecured 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 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 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.

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.

Notes to the Standalone Financial Statements

for the year ended 31st March, 2021

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.

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.

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 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 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, where 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

Notes to the Standalone Financial Statements
for the year ended 31st March, 2021

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 47.

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 50.

Iv) **Impairment**

Determining whether property, plant and equipment are impaired requires an estimation of the value in use of the relevant cash generating units. The value in use calculation is based on a Discounted Cash Flow model over the estimated useful life of the Power Plants. Further, the cash flow projections are based on estimates and assumptions relating to tariff, operational performance of the Plants, life extension plans, market prices of coal and other fuels, exchange variations, inflation, terminal value etc. which are considered reasonable by the Management. (Refer note 40).

v) **Investments made / Intercorporate deposits (''ICDs'') given to subsidiaries**

In case of investments made and Intercorporate Deposits ("ICD") given by the company in its subsidiaries, the Management assesses whether there is any indication of impairment in the value of investments and ICDs. The carrying amount is compared with the present value of future net cash flow of the subsidiaries. (Refer note 39 and 42).

vi) **Taxes**

Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies, including estimates of temporary differences reversing on account of available benefits under the Income Tax Act, 1961. Deferred tax assets is recognised to the extent of the corresponding deferred tax liability. (Also refer note 23).

Notes to the Standalone Financial Statements

for the year ended 31st March, 2021

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 (Lease hold land) (Refer note (ii) below)	Plant and Equipment	Furniture and Fixtures	Computer Hardware	Office Equipments	Vehicles	Total	
I. Cost										
Balance as at 1st April, 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
Additions	-	0.33	-	2.98	0.04	0.01	0.13	-	3.49	4.02
Disposals / transfers	-	-	-	-	-	0.01	-	1.10	1.11	3.48
Balance as at 31st March, 2021	37.30	15.18	1.24	658.56	6.61	15.48	13.34	5.45	753.16	0.67
II. Accumulated depreciation and amortisation										
Balance as at 1st April, 2019	-	4.65	-	113.78	3.68	12.46	9.71	4.02	148.30	
Depreciation charge for the year	-	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	
Depreciation charge for the year	-	0.47	0.05	28.60	0.62	0.48	0.97	0.51	31.70	
Disposals / transfers	-	-		-	-	-	-	0.99	0.99	
Balance as at 31st March, 2021	-	5.47	0.10	170.85	5.05	13.77	12.68	4.31	212.23	

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 (Lease hold land) (Refer note (ii) below)	Plant and Equipment	Furniture and Fixtures	Computer Hardware	Office Equipments	Vehicles	Total	
Carrying amount:										
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
As at 31st March, 2021	37.30	9.71	1.14	487.71	1.56	1.71	0.66	1.14	540.93	0.67

i) For charges created on the aforesaid assets, refer note 20.

Notes to the Standalone Financial Statements

for the year ended 31st March, 2021
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ii) The Company has lease contracts for land used in its operations with lease terms of 30 years. The Company is restricted from assigning and subleasing the leased assets.

iii) Cost of the Property, Plant and Equipment includes carrying value recognised as deemed cost as of 1st April, 2015, measured as per previous GAAP and cost of subsequent additions.

4.2 Intangible Assets

Particulars	Computer software	Total
I. Cost		
Balance as at 1st April, 2019	**11.28**	**11.28**
Additions	-	-
Disposals	-	-
Balance as at 31st March, 2020	**11.28**	**11.28**
Additions	-	-
Disposals	-	-
Balance as at 31st March, 2021	**11.28**	**11.28**
II. Accumulated amortisation and impairment		
Balance as at 1st April, 2019	**9.12**	**9.12**
Amortisation for the year	1.34	1.34
Disposals	-	-
Balance as at 31st March, 2020	**10.46**	**10.46**
Amortisation for the year	0.76	0.76
Disposals	-	-
Balance as at 31st March, 2021	**11.22**	**11.22**

Carrying amount of Intangible Assets

Particulars	Computer software	Total
Carrying amount:		
As at 31st March, 2020	**0.82**	**0.82**
As at 31st March, 2021	**0.06**	**0.06**

i) For charges created on the aforesaid assets, refer note 20.

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.

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5 Non-current Investments

	As at 31st March, 2021	As at 31st March, 2020
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	2,205.02
Adani Power Resources Limited 25,494 Shares (Previous year - 25,494 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 39)	219.80	219.80
Adani Power (Jharkhand) Limited 243,65,00,000 Shares (Previous year - 167,52,15,501 Shares) (Refer note (vi), (xi) and (xiii) below)	2,599.37	1,770.72
Pench Thermal Energy (MP) Limited (Formerly known as Adani Pench Power Limited) 50,000 Shares (Previous year - 50,000 Shares)	0.02	0.02
Adani Power Dahej Limited ("APDL") 50,000 Shares (Previous year - 50,000 Shares)	0.01	0.01
Kutchh Power Generation Limited ("KPGL") 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), (viii) and (xiii) below) 10,00,000 Shares (Previous year - 10,00,000 shares)	353.34	237.74
Raipur Energen Limited (Formerly known as GMR Chhattisgarh Energy Limited) (Refer Note (v), (ix) and (xiii) below) 571,27,61,726 Shares (Previous year - 571,27,61,726 shares)	53.19	53.19
b) Investment in Unsecured Perpetual Securities (unquoted)		
(Refer note (x) 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) 2,81,53,939 (Previous year - 2,81,53,939) 0% Compulsory Convertible Debentures of ₹ 100 each	109.33	109.33
Adani Power Dahej Limited (Refer note (xii))		

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for the year ended 31st March, 2021
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5 Non-current Investments (Contd.)

	As at 31st March, 2021	As at 31st March, 2020
9,62,43,245 (Previous year - 7,64,28,245) 0% Compulsory Convertible Debentures of ₹ 100 each	398.75	200.60
Kutchh Power Generation Limited 1,19,38,380 (Previous year - 1,19,38,380) 0% Compulsory Convertible Debentures of ₹ 100 each	13.86	13.86
Investment in government securities (unquoted) (Valued at cost)		
* 1 National savings certificate (lying with government authority) ₹ 42,699 (Previous year - ₹ 42,699)	*	*
Total	**19,358.65**	**18,216.25**

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

Notes:

i) Of the above shares 1,83,89,12,932 Equity shares (Previous year - 1,83,89,12,932 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.

iv) Of the above shares 5,10,000 Equity shares (Previous year - 5,10,000 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 2,91,35,08,481 Equity shares (Previous year - 2,91,35,08,481 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 2,38,24,99,994 Equity shares (Previous year - 1,67,52,15,495 Equity shares) have been pledged by the Company as additional security for secured term loans availed by Adani Power (Jharkhand) Limited. Additionally 5,40,00,000 Equity shares have been pledged by Company on 29th April, 2021.

vii) The entire investment held in Adani Power (Mundra) Limited ("APMuL") are pledged in favour of lenders of APMuL.

viii) During the previous 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 infusion / purchase of 100% equity. Accordingly, REGL become wholly owned subsidiary of the Company with effect from 20th July, 2019.

ix) 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 previous 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.

x) Terms of Conversion of Unsecured Perpetual Securities ("Securities"): These Securities are perpetual in nature with no maturity or redemption

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for the year ended 31st March, 2021
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5 Non-current Investments (Contd.)

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.

xi) During the year, the Company has invested ₹ 761.28 Crores (Previous year ₹ 435.17 Crores) into equity share capital of its wholly owned subsidiary, Adani Power (Jharkhand) Limited for capital expansion. and has converted loan of ₹ Nil (Previous year - ₹ 175.00 Crores) given to Adani Power (Jharkhand) Limited, into investment in its equity share capital.

xii) During the year, the Company has invested in Compulsorily Convertible Debentures ("CCDs") of Adani Power Dahej Limited, wholly owned subsidiary of the Company, for a consideration of ₹ 198.15 Crores. These CCDs shall be mandatorily converted into equity share capital at par in the ratio of 10 Equity shares for each CCPS after the expiry of 10 years from the date of issuance.

xiii) Fair value of Financial guarantee obligation and ICD accounted as deemed investment.

Particulars	As at 31st March, 2021	As at 31st March, 2020
In terms of fair valuation of ICD		
Raigarh Energy Generation Limited	337.36	221.76
In terms of fair valuation of guarantee		
Raigarh Energy Generation Limited	14.98	14.98
Raipur Energen Limited	53.19	53.19
Adani Power (Mundra) Limited	113.75	113.75
Adani Power (Jharkhand) Limited	162.87	95.51

6 Non-current Loans
(considered good)

	As at 31st March, 2021	As at 31st March, 2020
Secured Loans		
Loans to related parties (Refer note (ii) below and note 58)	53.87	57.72
Unsecured Loans		
Loans to related parties (Refer note 58)	3,529.33	3,173.20
Total	**3,583.20**	**3,230.92**

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 REGL.

7 Other Non-current Financial Assets

	As at 31st March, 2021	As at 31st March, 2020
Security Deposits	-	1.00
Total	**-**	**1.00**

Note:

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

Notes to the Standalone Financial Statements

for the year ended 31st March, 2021
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8 Other Non-current Assets

	As at 31st March, 2021	As at 31st March, 2020
Capital advances	5.52	5.40
Advance tax including tax deducted at source (net of provisions)	5.39	13.79
Gratuity fund (Net) (Refer note 50)	13.38	14.75
Advances to Employees	*	0.01
Total	**24.29**	**33.95**

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

9 Inventories

	As at 31st March, 2021	As at 31st March, 2020
(At lower of cost and net realisable value)		
Fuel	-	0.01
Stores & spares (Includes Goods in transit of ₹ 0.13 Crores (Previous year ₹ Nil)	2.54	4.05
Total	**2.54**	**4.06**

Notes:

i) For charge created on inventories, refer note 20.

10 Trade Receivables

	As at 31st March, 2021	As at 31st March, 2020
Secured, considered good	-	-
Unsecured, considered good (Refer note 58)	9.65	366.81
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	-	-
Total	**9.65**	**366.81**

Notes:

i) For charge created on Trade Receivables, refer note 20.

ii) Credit concentration

As at 31st March, 2021 , out of the total trade receivables, 99.90% (Previous year - 2.62%) pertains to dues from State Distribution Company under Long Term Power Purchase Agreement ("PPA"), Nil (Previous year - 39.43%) pertains to dues of traded goods and Nil (Previous year - 57.95%) 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.

Notes to the Standalone Financial Statements

for the year ended 31st March, 2021
All amounts are in ₹ Crores, unless otherwise stated

11 Cash and Cash equivalents

	As at 31st March, 2021	As at 31st March, 2020
Balances with banks		
In current accounts	3.84	7.30
Total	**3.84**	**7.30**

Note:

i) For charge created on Cash and Cash equivalents , refer note 20.

12 Bank balances (Other than Cash and Cash equivalents)

	As at 31st March, 2021	As at 31st March, 2020
Balances held as Margin Money (With original maturity for more than three months)	82.77	93.72
Total	**82.77**	**93.72**

Notes:

i) For charges created on Bank balances (Other than cash and cash equivalents), refer note 20.

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, 2021	As at 31st March, 2020
Loans to related parties (Refer note 58)	3.85	-
Loans to employees	0.11	0.22
Total	**3.96**	**0.22**

Note:

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

14 Other Current Financial Assets

	As at 31st March, 2021	As at 31st March, 2020
Interest receivable	1.36	2.22
Security deposits	0.13	0.17
Other receivables (Refer note 58)	6.58	0.01
Total	**8.07**	**2.40**

Notes:

i) The fair value of Other Current Financial Assets is not materially different from the carrying value presented.

Notes to the Standalone Financial Statements

for the year ended 31st March, 2021
All amounts are in ₹ Crores, unless otherwise stated

15 Other Current Assets

	As at 31st March, 2021	As at 31st March, 2020
Advances for goods and services	1.09	3.19
Balances with Government authorities	0.09	0.01
Prepaid expenses	0.16	0.25
Advance to Employees	*	-
Total	**1.34**	**3.45**

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

16 Assets classified as held for sale

	As at 31st March, 2021	As at 31st March, 2020
Investment in CCPS (Valued at fair value)(Refer note 55(b))	788.46	-
Total	**788.46**	**-**

17 Share Capital

	As at 31st March, 2021	As at 31st March, 2020
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, 2021		As at 31st March, 2020	
	No. of Shares	Amount	No. of Shares	Amount
At the beginning of the year	3,85,69,38,941	3,856.94	3,85,69,38,941	3,856.94
Issued during the year	-	-	-	-
Outstanding at the end of the year	**3,85,69,38,941**	**3,856.94**	**3,85,69,38,941**	**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.

Notes to the Standalone Financial Statements

for the year ended 31st March, 2021

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17 Share Capital (Contd.)

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

	As at 31st March, 2021		As at 31st March, 2020	
	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%
OPAL Investment Private Limited	21,32,36,910	5.53%	21,32,36,910	5.53%
Worldwide Emerging Market Holding Limited	19,28,46,900	5.00%	19,28,46,900	5.00%
Flourishing Trade And Investment Ltd	44,21,86,652	11.46%	-	-
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%
	2,89,61,16,655	**75.08%**	2,74,50,54,454	71.16%

18 Unsecured Perpetual Securities

	As at 31st March, 2021	As at 31st March, 2020
At the beginning of the year	8,615.00	8,000.00
Add: Issued during the year	400.00	615.00
Outstanding at the end of the year	**9,015.00**	**8,615.00**

Notes:

During the year, the Company has issued additional Unsecured Perpetual Securities ("Securities") of ₹ 400.00 Crores (Previous year ₹ 615.00 Crores) to Adani (Infra) India Limited. These securities are perpetual in nature with no maturity or redemption and are callable only at the option of the Company. The distribution on these Securities are cumulative at the rate of 11% p.a. 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.

19 Other Equity

	As at 31st March, 2021	As at 31st March, 2020
Capital Reserve	465.80	465.80
Securities Premium	4,136.27	4,136.27
General Reserve	9.04	9.04
Deemed Equity Contribution (Refer note 55)	1,772.93	-
Equity instruments through OCI	-	-
Retained earnings	(2,170.63)	(1,292.67)
Total	**4,213.41**	**3,318.44**

Notes to the Standalone Financial Statements

for the year ended 31st March, 2021
All amounts are in ₹ Crores, unless otherwise stated

19 Other Equity (Contd.)

	As at 31st March, 2021	As at 31st March, 2020
a. Deemed Equity Contribution		
Opening Balance	-	-
Add: Arising during the year (Refer note 55)	1,772.93	-
Closing Balance	**1,772.93**	**-**
b. Equity instruments through OCI		
Opening Balance	-	-
Add: Net gain on sale of Investment classified at FVTOCI, net of tax (Refer note 55(a))	3.76	-
Less: Transfer to Retained Earnings on Sale of Shares CCPS	3.76	-
Closing Balance	**-**	**-**
c. Retained earnings		
Opening Balance	(1,292.67)	659.78
Add: (Loss) for the year	(498.74)	(1,340.56)
Add: Remeasurement gain / (loss) of defined benefit plans, net of tax	(2.62)	0.12
Less: Transfer to Retained Earnings on Sale of CCPS	3.76	-
Add: Distribution to holders of unsecured perpetual securities	(380.36)	(612.01)
Closing Balance	**(2,170.63)**	**(1,292.67)**

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) Equity instruments through Other Comprehensive Income: The Company has elected to recognise changes in the fair value of certain investments in equity instruments in other comprehensive income. These changes in equity instruments are accumulated through Other Comprehensive Income within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

v) Retained earnings represents the amount that can be distributed by the Company as dividends considering the requirements of the Companies Act, 2013. During the year, 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 31st March, 2021
All amounts are in ₹ Crores, unless otherwise stated

20 Non-current Borrowings

	As at 31st March, 2021		As at 31st March, 2020	
	Non-Current	Current	Non-Current	Current
Secured borrowings - at amortised cost				
Term Loans				
From Banks	63.81	60.48	136.51	54.70
	63.81	**60.48**	**136.51**	**54.70**
Unsecured borrowings - at amortised cost				
Term Loans				
From Related Parties (Refer note 58)	856.11	-	1,152.77	-
From Others	10.64	-	1,823.57	-
	866.75	**-**	**2,976.34**	**-**
Total	**930.56**	**60.48**	**3,112.85**	**54.70**
Amount disclosed under the head other current financial liabilities (Refer note 26)	-	(60.48)	-	(54.70)
	930.56	**-**	**3,112.85**	**-**

Notes:

1. **The security details for the borrowing balances:**

   Rupee Term Loans from Banks aggregating to ₹ 124.29 Crores (Previous year - ₹ 191.21 Crores) are secured by first mortgage and charge on all present immovable and movable assets (including leasehold land) and to be secured on future assets of the Company's 40MW solar power project situated near to Bhuj in Kutch district of Gujarat on pari-passu basis.

2. **Repayment schedule for the Secured borrowing balances:**

   a. The secured term loans from banks aggregating to ₹ 124.29 Crores (Previous year - ₹ 191.21 Crores) are repayable over a period of next 2 years in quarterly instalments for various loans from FY 2021-22 to FY 2022-23.

3. **Repayment schedule for the Unsecured borrowing balances:**

   a. Unsecured loans from related parties of ₹ 856.11 Crores (Previous year - ₹ 1,152.77 Crores) are repayable on mutually agreed dates after a period of 36 months falling due in FY 2023-24.

   b. Unsecured loans from others of ₹ 10.64 Crores (Previous year - ₹ 1,823.57 Crores) are repayable on mutually agreed dates within period of 24 months to 33 months from FY 2022-23 to FY 2023-24.

21 Other non-current Financial Liabilities

	As at 31st March, 2021	As at 31st March, 2020
Financial guarantee obligation liability	226.58	205.83
Total	**226.58**	**205.83**

Notes:

i) The fair value of Other Financial Liabilities is not materially different from the carrying value presented.
ii) Financial guarantees are issued by the Company in respect of borrowings by certain subsidiaries.

22 Non-current Provisions

	As at 31st March, 2021	As at 31st March, 2020
Provision for Employee benefits		
Provision for Leave Encashment	1.53	2.14
Total	**1.53**	**2.14**

Notes to the Standalone Financial Statements

for the year ended 31st March, 2021
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23 Deferred Tax Liabilities (Net)

(a) Deferred Tax Liabilities (Net)

		As at 31st March, 2021	As at 31st March, 2020
Deferred Tax Liabilities			
Property, Plant and Equipment		62.90	175.63
Gross Deferred Tax Liabilities	Total (A)	**62.90**	**175.63**
Deferred Tax Assets			
Provision for Employee benefits		0.70	1.20
On unabsorbed depreciation / carried forward losses		62.20	174.43
Gross Deferred Tax Assets	Total (B)	**62.90**	**175.63**
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, 2021

		Opening Balance as at 1st April, 2020	Recognised in statement of profit and Loss	Recognised in other comprehensive income	Closing balance as at 31st March, 2021
Tax effect of items constituting Deferred Tax Liabilities:					
Property, Plant and Equipment		175.63	(112.73)	-	62.90
	Total - (a)	**175.63**	**(112.73)**	-	**62.90**
Tax effect of items constituting Deferred Tax Assets:					
Unabsorbed depreciation (Refer note 36(i))		174.43	(112.23)	-	62.20
Provision for Employee benefits		1.20	(0.50)	-	0.70
	Total - (b)	**175.63**	**(112.73)**	-	**62.90**
Net Deferred Tax Liabilities	Total - (a-b)	-	-	-	-

(c) Movement in deferred tax liabilities (net) for the year ended 31st March, 2020

		Opening Balance as at 1st April, 2019	Recognised in statement of 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)	-	-	-	-

Notes to the Standalone Financial Statements

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All amounts are in ₹ Crores, unless otherwise stated

23 Deferred Tax Liabilities (Net) (Contd.)

23.1 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, 2021	As at 31st March, 2020
Unused tax losses (Revenue in nature) (Refer note (i) below)	6,775.22	6,971.14
Unabsorbed depreciation	7,228.74	7,566.76
	14,003.96	**14,537.90**

i) Out of above unused tax business losses of ₹ 5,390.77 Crores will expire in AY 2025-26, ₹ 336.98 Crores will expire in AY 2027-28 and ₹ 1,047.47 Crores will expire in AY 2028-29. Unabsorbed depreciation of ₹ 7,228.74 Crores do not have expiry.

ii) No Deferred Tax Asset has been recognised on the above unutilised tax losses and deferred tax asset recognised to the extent of deferred tax liabilities on Unabsorbed depreciation as there is no reasonable certainty that sufficient taxable profit will be available in the future years against which unutilised tax losses can be utilised by the Company.

24 Current Borrowings

	As at 31st March, 2021	As at 31st March, 2020
Unsecured Borrowings - at amortised cost		
Loans From Related Parties (Refer note 58)	4,793.17	2,493.48
Loans From Others	500.00	95.54
Total	**5,293.17**	**2,589.02**

25 Trade Payables

	As at 31st March, 2021	As at 31st March, 2020
Acceptances	-	34.22
Other than acceptances		
Total outstanding dues of micro enterprises and small enterprises	0.11	0.11
Total outstanding dues of creditors other than micro enterprises and small enterprises	13.15	677.99
Total	**13.26**	**712.32**

Notes:

i) Trade payables mainly include amount payable towards 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 31st March, 2021

All amounts are in ₹ Crores, unless otherwise stated

25 Trade Payables (Contd.)

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, 2021	As at 31st March, 2020
Principal amount remaining unpaid to any supplier as at the year end.	0.11	0.11
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.	-	-

26 Other Current Financial Liabilities

	As at 31st March, 2021	As at 31st March, 2020
Current maturities of Non-current borrowings (Refer note 20)	60.48	54.70
Interest accrued (Refer note (ii) below and (i) of statement of cashflows)	0.75	9.40
Payable on purchase of Property, Plant and Equipments (including retention money)	0.15	3.35
Financial guarantee obligation liability	39.43	40.01
Other financial liabilities	15.00	-
Total	**115.81**	**107.46**

Notes:

i) The fair value of Other Financial Liabilities is not materially different from the carrying value presented.

ii) Includes ₹ Nil (previous year ₹ 1.81 Crores) on account of moratorium of interest as per Reserve Bank of India circular dated 27th March, 2020.

27 Other Current Liabilities

	As at 31st March, 2021	As at 31st March, 2020
Statutory liabilities	6.94	8.29
Advance from Customers	0.08	0.33
Advance against sale of CCPS (Refer note 55(b))	733.86	-
Others	0.06	0.39
Total	**740.94**	**9.01**

Notes to the Standalone Financial Statements

for the year ended 31st March, 2021
All amounts are in ₹ Crores, unless otherwise stated

28 Current Providers

	As at 31st March, 2021	As at 31st March, 2020
Provision for Employee benefits		
Provision for Leave Encashment	1.23	1.28
Total	**1.23**	**1.28**

29 Revenue from Operations

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Revenue from power supply	96.29	96.26
Revenue from traded goods	350.88	908.89
Other Operating Revenue	-	0.17
Total revenue from contracts with customers	**447.17**	**1,005.32**

Contract balances:

The following table provides information about receivables, contract assets and contract liabilities from the contracts with customers.

Particulars	As at 31st March, 2021	As at 31st March, 2020
Trade Receivables including receivable from trading goods	9.65	366.81
Contract liabilities relate to the advance received from customers	0.08	0.33

Set out below is the amount of revenue recognised from:	As at 31st March, 2021	As at 31st March, 2020
Amount included in contract liabilities at the beginning of the year	0.33	0.01

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, 2021	For the year ended 31st March, 2020
Revenue as per contracted price (including trading sales)	448.29	1,006.53
Adjustments		
Discount on prompt payment	(1.12)	(1.21)
Revenue from contract with customers	**447.17**	**1,005.32**

30 Other Income

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Interest Income (net of reversal) (Refer note (i) below and 56 and 58)	79.46	876.29
Income from mutual funds	-	2.93
Profit on Sale/Retirement of Assets (Net)	0.14	-
Sale of Scrap	-	0.04
Foreign Exchange Fluctuation Gain (net)	5.40	-
Financial Guarantee Commission (amortised)	47.19	31.58
Miscellaneous Income	2.18	-
Total	**134.37**	**910.84**

Notes to the Standalone Financial Statements

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30 Other Income (Contd.)

Note:

i) Interest income of ₹ 79.46 Crores (Previous year - ₹ 876.29 Crores) comprises of interest on fixed deposits with banks ₹ 4.49 Crores (Previous year - ₹ 5.77 Crores), interest on loans and advances ₹ 69.08 Crores (Previous year - ₹ 870.32 Crores) and Interest on tax refunds of ₹ 5.89 Crores (Previous year - ₹ 0.20 Crores).

ii) Miscellaneous income includes ₹ 1.02 Crores (Previous year - ₹ Nil) towards receipt of insurance claim.

31 Purchase of Stock-in-trade

Purchase of Stock-in-trade includes purchase of trading goods of ₹ 351.45 Crores (Previous year ₹ 908.10 Crores).

32 Employee Benefits Expenses

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Salaries, Wages and Allowances	31.43	38.63
Contribution to Provident and Other Funds	0.89	1.64
Staff Welfare Expenses	0.56	1.34
Total	**32.88**	**41.61**

33 Finance costs

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
(a) Interest Expenses on:		
Loans	642.09	1,173.18
Trade Credits and others	-	0.06
	642.09	**1,173.24**
(b) Other borrowing costs:		
(Gain) on Derivatives Contracts	-	(2.28)
Bank Charges and Other Borrowing Costs	1.93	3.57
	1.93	**1.29**
(c) Net loss on foreign currency transactions and translation (to the extent considered as finance cost)	-	0.70
	-	**0.70**
Total	**644.02**	**1,175.23**

34 Other Expenses

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Consumption of Stores and Spares	-	1.12
Repairs and Maintenance	5.32	2.72
Expenses related to short term leases	1.11	0.80
Rates and Taxes	0.05	-
Legal and Professional Expenses	11.53	53.38
Directors' Sitting Fees	0.29	0.15
Payment to Auditors (Refer Note 48)	0.82	0.79
Insurance Expenses	0.64	0.28
Bad Debts Written Off	-	0.15
Foreign Exchange Fluctuation Loss (Net)	-	26.46

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34 Other Expenses (Contd.)

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Donations	0.66	-
Corporate Social Responsibility Expenses (Refer note 51)	0.15	0.08
Miscellaneous Expenses	2.31	6.97
Total	**22.88**	**92.90**

35 Exceptional Items

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Write off of Advance (Refer note below)	-	1,002.99
Total	-	**1,002.99**

Notes:

Exceptional items aggregating to ₹ 1,002.99 Crores represents adjustment of outstanding sale proceeds of 49% stake in Korba West Power Company Limited ("KWPCL") amounting to ₹ 263.69 Crores, balance purchase consideration of ₹ 511.31 Crores and other loans / interest receivable of ₹ 227.99 Crores. The Company had written off these balances during the previous year ended 31st March, 2020, subsequent to the resolution plan submitted by the Company and approved by the National Company Law Tribunal ("NCLT") vide its Order dated 24th June, 2019.

36 Income Tax

The major components of income tax expense for the year ended 31st March, 2021 and 31st March, 2020 are:

Income Tax Expense:	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Profit and Loss section		
Current Tax:		
Current Income Tax Charge	-	-
Adjustments in respect of prior years	(4.27)	-
Total (A)	(4.27)	-
Deferred Tax		
In respect of current year origination and reversal of temporary differences	-	-
Total (B)	-	-
Total (A)+(B)	(4.27)	-
OCI section		
Deferred tax related to items recognised in OCI during in the year: (c)	-	-
Total (A)+(B)+(C)	-	-

The income tax expense for the year can be reconciled to the accounting profit as follows:

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
(Loss) before tax as per Statement of Profit and loss	**(503.01)**	**(1,340.56)**
Income tax using the Company's domestic tax rate @ 25.168% (Previous year rate @ 34.944%)	**(126.60)**	**(468.45)**
Tax Effect of:		
i) Deferred Tax asset not created on temporary differences / unabsorbed depreciation or carried forward losses	234.74	365.74
ii) Non-deductible expenses / Non taxable Income	(12.41)	316.57

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36 Income Tax (Contd.)

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
iii) Tax Impact on Distribution to holders of Unsecured Perpetual Securities	(95.73)	(213.86)
iv) Income-taxes related to prior years	(4.27)	-
Total Income tax recognised in Statement of Profit and Loss	**(4.27)**	**-**

Note:

(i) On 11th December, 2019, vide the Taxation Laws (Amendment) Act, 2019, 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. The Company has recognised the tax provision in the books as per Section 115BAA under new tax regime.

37 Earnings per share

		For the year ended 31st March, 2021	For the year ended 31st March, 2020
Basic and Diluted EPS			
(Loss) for the year	Amount (₹ in Crores)	(498.74)	(1,340.56)
Less: Distribution on Unsecured Perpetual Securities (including paid ₹ 380.36 Crores (previous year ₹ 612.01 Crores))	Amount (₹ in Crores)	947.77	884.25
(Loss) attributable to equity shareholders after distribution on Unsecured Perpetual Securities	Amount (₹ in Crores)	(1,446.51)	(2,224.81)
Weighted average number of equity shares outstanding during the year	No.	385,69,38,941	385,69,38,941
Nominal Value of equity share	₹	10	10
Basic and Diluted EPS	₹	(3.75)	(5.77)

38 Contingent liabilities and Commitments

	As at 31st March, 2021	As at 31st March, 2020
1. Claims against the Company not acknowledged as debts in respect of:		
a. Income Tax demands (under appeal)	49.33	52.54
Total	**49.33**	**52.54**

i) Matters relating to Income Tax from AY 2010-11 to 2012-13 and AY 2014-15 are being contested at various levels of Tax authorities.

ii) The Company has assessed that it is only possible, but not probable, that outflow of economic resources will be required.

Commitments:

i) There are no outstanding capital commitments as at 31st March, 2021 and 31st March, 2020.

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.

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39 As at 31st March, 2021, the Company is carrying investment of ₹ 219.80 Crores, Unsecured Perpetual Securities of ₹ 5,050.00 Crores and outstanding loans (including accrued interest) of ₹ 405.33 Crores relating to its wholly owned subsidiary, Adani Power (Mundra) Limited ("APMuL") having power generation plants of 4620 MW. APMuL has reported net loss of ₹ 2,138.83 Crores for the year ended 31st March, 2021 (net loss of ₹ 1,426.11 Crores for the year ended 31st March, 2020), and has accumulated losses of ₹ 14,353.96 Crores as at 31st March, 2021, whereby net worth of APMuL has been completely eroded. Further as at 31st March, 2021, its current liabilities exceed current assets by ₹ 2,316.06 Crores which include net payables of ₹ 1,400.23 Crores to related parties.

Notwithstanding the above, as at reporting date, of the total available capacity of 4620 MW in APMuL, it has Power Purchase Agreement ("PPA") / Supplementary Power Purchase Agreement ("SPPA") (under Bid 1) with Gujarat Urja Vikas Nigam Limited ("GUVNL") of 1200 MW, for which APMuL is allowed compensation for imported coal in terms of SPPA dated 5th December, 2018. APMuL also has PPA of 1424 MW with Uttar Haryana Bijli Vitran Nigam Limited and Dakshin Haryana Bijli Vitran Nigam Limited ("Haryana Discoms") for which Central Electricity Regulatory Commission ("CERC") has allowed change in law claims towards shortage of coal under New Coal Distribution Policy ("NCDP") for the power supplied and residual capacity is utilised to sell the power on merchant basis after termination of 1234 MW of PPA/ SPPA (Bid 2) with GUVNL vide Hon'ble Supreme Court of India ("SC") order dated 2nd July, 2019 with retrospective effect from January, 2010. APMuL continues to supply power to GUVNL and Haryana Discoms, pending resolution of certain matters under dispute and the management is reasonably confident of realizing all the receivables. The management expects that APMuL will sustain its operational performance from sale of power to GUVNL, Haryana Discoms and on merchant basis along with expected significant compensation tariff on cancellation of Bid 2 PPA/ SPPA with GUVNL as detailed below based on the SC order.

APMuL's power purchase agreement of 1000 MW and SPPA of 234 MW (under Bid 2) with GUVNL got terminated vide order dated 2nd July, 2019 of the Hon'ble Supreme Court of India ("SC") in the matter of civil appeal dated 8th November, 2011 with retrospective effect from respective date of PPAs . The 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. The proceedings in the matter, are in progress and the compensation claim is not yet decided by the CERC. 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 PPAs pursuant to the SC Order dated 2nd July, 2019. APMuL has not recognised any compensatory tariff in the books as at reporting date, pending settlement of the matter with GUVNL.

The management has also made long term assessment of recoverable amount of APMuL's power generation assets that 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 / loans (including accrued interest) aggregating to ₹ 5,675.13 Crores as at 31st March, 2021.

40 The Company has determined the recoverable amounts of the Power Plants over its useful life under Ind AS 36, Impairment of Assets based on the estimates relating to tariff, operational performance of the Plants, life extension plans, 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, 2021. However, if these estimates and assumptions were to change in future, there could be corresponding impact on the recoverable amounts of the Plants.

41 Due to ongoing impact of COVID-19 globally and in India, the Company has assessed likely adverse impact on economic environment in general and financial risks on account of COVID-19. The Company and its subsidiaries (the "Group") are in the business of generation of electricity which is an essential service as emphasised by the Ministry of Power, Government of India. The demand for power is continuously increasing with increase in economic activities in the Country, although demand may get impacted in short term due to lock downs in

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various parts of the country. On long term basis, the Group does not anticipate any major challenge in operating the Group's power plants at various locations and meeting its financial obligations. Basis above, the management has estimated its future cash flows for the Group which indicates no major impact in the operational and financial performance of the Group. The management will continuously monitor the performance of the Group and take appropriate remedial measures as needed to respond to the Covid related risks, if any.

42 As at 31st March, 2021, the Company is carrying equity investment of ₹ 4,205.92 Crores, Unsecured Perpetual Securities of ₹ 750.00 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 ₹ 353.34 Crores and outstanding loans of ₹ 2,047.77 Crores relating to its wholly owned subsidiary REGL and equity investment of ₹ 53.19 Crores and outstanding loans of ₹ 1,129.62 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 losses for shortage of domestic coal. The SC in its order has upheld the APTEL's order wherein directions were issued to Rajasthan Discoms to verify the claim documents submitted by APRL and make additional payments in terms of the judgement and order. The review petition filed by Rajasthan Discoms in the matter with the Hon'ble Supreme Court was rejected on 2nd March, 2021. Considering that, Rajasthan Discoms are yet to verify the claim documents submitted by APRL for the quantification of the final amount of tariff compensation, APRL has not recognised any additional tariff compensation revenue, pending ascertainment of tariff compensation amount by Rajasthan Discoms, post verification of the claim and supporting documents submitted by APRL. As at reporting date, APRL has filed contempt petition with the Hon'ble Supreme Court against Rajasthan Discoms for non-compliance with the Hon'ble Supreme Court order dated 31st August, 2020. As per the assessment by the Management, It is expected that equivalent amounts as recognised by APRL up to 31st March, 2021 will be ultimately recovered. 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 were acquired during the previous year owns and operates 1370 MW and 600 MW coal based power plants respectively. These Companies sell the power generated mainly on Short term PPA and merchant basis and management expects that these companies would be able to generate adequate cash flows from future operations to meet its financial commitment.

43 The Company has not taken any derivatives to hedge its foreign currency exposures.

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

	As at 31st March, 2021		As at 31st March, 2020	
	Amount	Foreign Currency (in Million)	Amount	Foreign Currency (in Million)
1. Other Receivable	(3.36)	USD (0.46)	-	-
2. Import Creditors and Acceptances	-	-	527.58	USD 69.73
3. Loans under letters of credit	-	-	0.06	EURO 0.01
	(3.36)		**527.64**	

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44 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.

(i) 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, foreign currency risk and commodity price 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.

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.

The year end balances are not necessarily representative of the average debt outstanding during the year. 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 ₹ 124.29 Crores as on 31st March, 2021 (Previous year - ₹ 191.21 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, 2021	For the year ended 31st March, 2020
Impact on Profit or Loss for the year	0.62	0.96

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 ₹ 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.

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44 Financial Risk Management Objective and Policies: (Contd.)

Every one percentage point depreciation / appreciation in the exchange rate between the Indian rupee and U.S.dollar on the exposure of $ 0.46 Million as on 31st March, 2021 and $ 69.73 Million as on 31st March, 2020, would have affected the Company's profit or loss for the year as follows:

	Impact of change in USD to ₹ rate	
	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Impact on Profit or Loss for the year	0.03	5.28

c) Commodity price risk

The Company is affected by the price volatility of commodities being traded. As it requires the on-going purchase / sale of traded goods, the Company monitors its purchases and sales closely to optimise the price.

(ii) 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 majority of receivables from State Electricity Boards which are Government undertakings, hence they are secured from credit losses in the future.

The Company has issued financial guarantees to banks on behalf of and in respect of loan facilities availed by its subsidiaries. In accordance with the policy of the Company, the Company has recognised these financial guarantees as liability at fair value (Refer note 21 and 26). The value of financial guarantee contracts given by the Company as at 31st March, 2021 is ₹ 9,174.17 Crores (Previous year ₹ 8,567.32 Crores).

(iii) 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.

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, 2021	Carrying amount	Less than 1 year	1 to 5 years	More than 5 years	Total
Borrowings (Refer note 20 & 24)	6,284.21	5,780.84	1,093.38	-	6,874.22
Trade Payables	13.26	13.26	-	-	13.26
Other Financial Liabilities	281.91	55.33	120.19	106.39	281.91

As at 31st March, 2020	Carrying amount	Less than 1 year	1 to 5 years	More than 5 years	Total
Borrowings (Refer note 20 & 24)	5,756.57	2,856.58	4,130.50	-	6,987.08
Trade Payables	712.32	712.32	-	-	712.32
Other Financial Liabilities	258.59	52.76	125.87	79.96	258.59

The table has been drawn up based on the undiscounted contractual maturities of the financial liabilities including interest that will be paid on those liabilities upto the maturity of the instruments.

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45 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 debt. 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:

Particulars	As at 31st March, 2021	As at 31st March, 2020
Debt (Refer note (i) below)	991.04	3,167.55
Total Capital (Refer note (ii) below)	17,085.35	15,790.38
Debt Equity Ratio (in times)	**0.06**	**0.20**

(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.

46 Fair Value Measurement:

a) The carrying value of financial instruments by categories as of 31st March, 2021 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	-	-	3.84	3.84
Bank balances other than cash and cash equivalents	-	-	82.77	82.77
Trade Receivables	-	-	9.65	9.65
Loans	-	-	3,587.16	3,587.16
Investments	788.46	-	-	788.46
Other Financial assets	-	-	8.07	8.07
Total	**788.46**	**-**	**3,691.49**	**4,479.95**
Financial Liabilities				
Borrowings	-	-	6,284.21	6,284.21
Trade Payables	-	-	13.26	13.26
Other Financial Liabilities	-	-	281.91	281.91
Total	**-**	**-**	**6,579.38**	**6,579.38**

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46 Fair Value Measurement: (Contd.)

b) 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**

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.

Upon the application of Ind AS 109 'Financial Instruments', the Company has chosen to designate Investment in CCPS as at FVTOCI.

Investments in subsidiaries are accounted at historical cost. Since these are scoped out of Ind AS 109 for the purposes of measurement, the same have not been disclosed in the tables above.

47 Level wise disclosure of fair value for financial instruments requiring fair value measurement/ disclosure:

Particulars	As at 31st March, 2021			
	Level 1	Level 2	Level 3	Total
Assets				
Investments	-	-	788.46	788.46
Total	**-**	**-**	**788.46**	**788.46**
Liabilities	-	-	-	-
Total	**-**	**-**	**-**	**-**

The fair value for Level 3 instruments is valued using inputs based on information about market participants assumptions and other data that are available.

A one percent point change in the unobservable input used in fair value of Level 3 asset do not have significant impact in its value.

There have been no transfers across the levels during the year.

There are no financial instruments as at 31st March, 2020 that are reportable under Level 1 to 3.

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48 Payment to auditors (including GST)

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Audit fees (including Audit fees for limited reviews)	0.76	0.68
Fees for certificates and other services	0.04	0.08
Out of pocket expenses	0.02	0.03
Total	**0.82**	**0.79**

49 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 required under Ind AS 108 "Operating Segments", is given in Consolidated Financial Statements.

50 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, 2021	As at 31st March, 2020
i. Reconciliation of Opening and Closing Balances of defined benefit obligation		
Present Value of Defined Benefit Obligations at the beginning of the year	4.23	4.48
Current Service Cost	0.42	0.61
Interest Expense / Cost	0.24	0.29
Liability Transferred in from other companies	0.04	-
Liability Transferred out to other companies	(0.69)	(0.74)
Benefits paid	(1.09)	(0.29)
Re-measurement (or Actuarial) (gain) / loss arising from:		
change in demographic assumptions	(0.12)	0.01
change in financial assumptions	0.28	(0.18)
experience variance (i.e. Actual experience vs assumptions)	0.47	0.05
Present Value of Defined Benefit Obligations at the end of the year	**3.78**	**4.23**
ii. Reconciliation of Opening and Closing Balances of the Fair value of Plan assets		
Fair Value of Plan assets at the beginning of the year	18.98	17.91
Investment Income	1.26	1.36
Benefits paid	(1.09)	(0.29)
Actuarial (loss) on plan assets	(1.99)	-
Fair Value of Plan assets at the end of the Year	**17.16**	**18.98**

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Particulars	As at 31st March, 2021	As at 31st March, 2020
iii. Reconciliation of the Present value of defined benefit obligation and Fair value of plan assets		
Present Value of Defined Benefit Obligations at the end of the year	3.78	4.23
Fair Value of Plan assets at the end of the year	17.16	18.98
Net Asset recognised in balance sheet as at the end of the year	**13.38**	**14.75**
iv. Composition of Plan Assets		
100% of Plan Assets are administered by Life Insurance Corporation of India		
v. Gratuity cost / (gain) for the year		
Current service cost	0.42	0.61
Interest Income (net)	(1.02)	(1.07)
Net Gratuity (gain) recognised in the statement of Profit and Loss	**(0.60)**	**(0.46)**
vi. Other Comprehensive Income		
Actuarial (gains) / losses		
Change in demographic assumptions	(0.12)	0.01
Change in financial assumptions	0.28	(0.18)
Experience variance (i.e. Actual experience vs assumptions)	0.47	0.05
Return on plan assets, excluding amount recognised in net interest expense	1.99	-
Components of defined benefit costs recognised in other comprehensive income	**2.62**	**(0.12)**
vii. Actuarial Assumptions		
	As at 31st March, 2021	**As at 31st March, 2020**
Discount Rate (per annum)	6.70%	6.70%
Expected annual Increase in Salary Cost	8.00%	7.00%
Attrition / Withdrawal rate (per annum)	9.60%	4.62%
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 31st March, 2021
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, 2021	As at 31st March, 2020
Defined Benefit Obligation (Base)	3.78	4.23

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%)	4.02	3.58	4.57	3.94
Salary Growth Rate (- / + 1%)	3.58	4.01	3.94	4.57
Attrition Rate (- / + 50%)	3.90	3.71	4.27	4.20
Mortality Rate (- / + 10%)	3.79	3.79	4.24	4.24

ix. **Asset Liability Matching Strategies**

The Company has funded benefit plan and 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) - 6 years.

Expected cash flows over the next (valued on undiscounted basis):	Amount
1 year	1.09
2 to 5 years	1.42
6 to 10 years	1.34
More than 10 years	2.16

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.

Notes to the Standalone Financial Statements

for the year ended 31st March, 2021
All amounts are in ₹ Crores, unless otherwise stated

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, 2021	For the year ended 31st March, 2020
Employer's Contribution to Provident Fund	1.48	2.11
Employer's Contribution to Superannuation Fund	0.04	0.05
	1.52	**2.16**

51 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, 2021	For the year ended 31st March, 2020
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	0.15	0.08
Total amount contributed during the year	**0.15**	**0.08**

52 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, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020
Adani Power Maharashtra Limited (Subsidiary)	-	627.39	1,957.47	1,768.66
Adani Power (Jharkhand) Limited (Subsidiary)	-	-	-	175.33
Adani Power (Mundra) Limited (Subsidiary)	405.33	-	724.14	7,931.98
Pench Thermal Energy (MP) Limited (Subsidiary)	4.34	1.63	4.34	1.63
Kutchh Power Generation Limited (Subsidiary)	-	-	-	0.01
Raipur Energen Limited (Subsidiary)	1,129.62	626.16	1,222.87	626.16
Raigarh Energy Generation Limited (Subsidiary) (Refer note (i) below)	2,371.52	2,193.73	2,377.09	2,193.73
	3,910.81	**3,448.91**	**6,285.91**	**12,697.50**

Note:

(i) The above outstanding amount and maximum amount outstanding during the year are gross of deemed equity contribution of interest free loans. The outstanding amount of such deemed equity contribution of interest free loans is ₹ 323.76 Crores (Previous year ₹ 217.99 Crores).

Notes to the Standalone Financial Statements

for the year ended 31st March, 2021
All amounts are in ₹ Crores, unless otherwise stated

53 The Company has reported losses of ₹ 498.74 Crores and ₹ 1,340.56 Crores for the year ended 31st March, 2021 and 31st March, 2020, 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 and pending matters relating to billable compensatory tariff / change in law claims on discoms for various additional cost components incurred during the earlier years. Further, as at 31st March, 2021, its current liabilities exceed current assets by ₹ 6,052.24 Crores, which includes net payable of ₹ 5,523.53 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 various favourable orders from regulatory authorities, that over the foreseeable future the Company and its subsidiaries would be able to establish profitable operations and will meet its financial obligations in next twelve months based on continued support expected from various stakeholders including unconditional financial support from promoter group companies and availability of financing from lenders as may be required to sustain its operations on a going concern basis.

54 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September, 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

55 During the year ended 31st March, 2021, the Company received deemed contribution from promoter group as detailed hereunder:

(a) During the financial year 2019-20, Adani Properties Private Limited ("APPL"), a promoter group entity, through a special purpose vehicle entity ("SPV"), had acquired economic and financial interest in another company owning certain land ("underlying assets"), which were under title disputes / litigation and also subject to significant third party claims, under Insolvency and Bankruptcy Code process. Subsequent to the acquisition, APPL infused further funds into the SPV to resolve the disputed claims on land encumbrances etc. The total investment by APPL and other parties aggregated to ₹ 400.00 Crores via subscription towards CCPS.

On 18th January, 2021, APPL and other parties sold the entire tranche of CCPS to the Company with economic interest in the underlying assets, at actual cost incurred by them. The Company later undertook a detailed exercise to assess the fair value of the CCPS based on value of the underlying assets and possible end use thereof. The difference between cost and fair value of ₹ 994.47 Crores, has been accounted as deemed equity contribution from the promoter group, recorded under Other Equity.

Subsequently, on 30th March, 2021, the company sold the aforesaid CCPS to a promoter group company for agreed consideration of ₹ 1,415.23 Crores, the proceeds whereof have been realised fully before 31st March, 2021.

The net gains on such sale of CCPS computed on arm's length basis amounting to ₹ 3.76 Crores has been accounted as fair value gains under other comprehensive income.

(b) During the quarter ended 31st March, 2021, the Company subscribed to 1,00,00,000 Nos. CCPS of Shankheshwar Buildwell Private Limited (SBPL), a wholly owned subsidiary of APPL, at book value of ₹ 10 each aggregating to ₹ 10.00 Crores, to acquire interest in certain underlying land assets.

The Company has recognised deemed equity contribution from the promoter group of ₹ 778.46 Crores, being the difference between the purchase consideration of CCPS and fair value of the Company's economic and financial interest in SBPL (underlying land assets held by SBPL) which has been recorded in Other Equity.

On 30th March 2021, the company has entered into agreement with a promoter group company for sale of the CCPS, at mutually agreed value of ₹ 815.40 Crores. As per the terms of the agreement, the company has received advance of ₹ 733.86 Crores, and the said CCPS has been classified as assets held for sale as at 31st March, 2021, pending fulfilment of the conditions precedent by the Company.

Notes to the Standalone Financial Statements

for the year ended 31st March, 2021

All amounts are in ₹ Crores, unless otherwise stated

56 REGL and REL were acquired w.e.f. 20th July, 2019 and 2nd August, 2019 respectively by the Company. In order to support the operations, REGL and REL have sought interest waiver on unsecured interest bearing inter corporate deposits for current financial year from the Company for ₹ 189.97 Crores and ₹ 96.25 Crores respectively. The Company has accepted the request for interest waiver which has been reflected as a reversal under other income.

57 The Company vide its letter dated 29th May, 2020 has intimated BSE Limited and National Stock Exchange of India Limited (the "Stock Exchanges") that it has received delisting proposal letter from APPL, a member of the Promoter and the Promoter group company, wherein APPL has expressed its intention, either by itself or together with other members of the Promoter group, to acquire all the equity shares of the Company held by the public shareholders of the Company, in terms of the applicable provisions of the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009, as amended (the "SEBI Delisting Regulations") and consequently, voluntarily delist the equity shares of the Company from the Stock Exchanges, in accordance with the SEBI Delisting Regulations.

Subsequently, the board of directors and shareholders of the Company have approved the Delisting proposal on 22nd June, 2020 and 23rd July, 2020, respectively. As at the reporting date, for voluntary delisting of Company's equity shares, the Company is in process of taking necessary actions in terms of and in compliance with the applicable SEBI Regulations and other applicable laws. Towards this, the Company has already made an application to the Stock Exchanges for their in-principle approval.

58 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
	Pench Thermal Energy (MP) Limited (Formerly known as Adani Pench Power Limited)
	Kutchh Power Generation Limited
	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 Agri Logistics (MP) Limited
	Adani Bunkering Private Limited
	Adani Enterprises Limited
	Adani Finserve Private Limited
	Adani Foundation
	Adani Global FZE, Dubai.
	Adani Global PTE Limited
	Adani Green Energy (Tamilnadu) Limited
	Adani Green Energy (UP) Limited

Notes to the Standalone Financial Statements

for the year ended 31st March, 2021
All amounts are in ₹ Crores, unless otherwise stated

58 Related party transactions (Contd.)

Description of relationship	Name of Related Parties
	Adani Green Energy Limited
	Adani Hazira Port Private Limited
	Adani Hospitals Mundra Private Limited
	Adani Infra India Limited
	Adani Infrastructure And Developers Private Limited
	Adani Infrastructure Management Services Limited
	Adani Kandla Bulk Terminal Private Limited
	Adani Logistics Limited
	Adani Ports & SEZ Limited
	Adani Properties Private Limited
	Adani Rail Infra Private Limited
	Adani Road Transport Limited
	Adani Synenergy Limited
	Adani Total Gas Limited
	Adani Township and Real Estate Company Private Limited
	Adani Transmission (India) Limited
	Adani Transmission Limited
	Adani Wilmar Limited
	Belvedere Golf and Country Club Private Limited
	Chhattisgarh - WR Transmission Limited
	Karnavati Aviation Private Limited
	Maharashtra Eastern Grid Power Transmission Company Limited
	Mundra Solar PV Limited
	Mpsez Utilities Private Limited
	Parampujya Solar Energy Private Limited
	Prayatna Developers Private Limited
	Shanti Builders
	Sipat Transmission Limited
	Shankheshwar Buildwell Private Limited
	The Dhamra Port Company Limited
KMP	Mr. Gautam S. Adani, Chairman
	Mr. Anil Sardana, Managing Director (w.e.f 11th July, 2020)
	Mr. Rajesh S. Adani, (Managing Director up to 10th July, 2020 and Director w.e.f. 11th July, 2020)
	Mr. Vneet S. Jaain, Whole-time Director (upto 10th July, 2020)
	Mr. Shailesh Sawa, Chief Financial Officer (w.e.f 11th July, 2020)
	Mr. Suresh Jain, Chief Financial Officer (for the period 30th May, 2019 to 10th July, 2020)
	Mr. Rajat Kumar Singh. Chief Financial Officer (Upto 29th May 2019)
	Mr. Deepak S Pandya, Company Secretary
	Mr. Raminder Singh Gujral, Independent Director
	Mr. Mukesh Shah, Independent Director
	Ms. Gauri Trivedi, Independent Director

Notes to the Standalone Financial Statements

for the year ended 31st March, 2021
All amounts are in ₹ Crores, unless otherwise stated

58 Related party transactions (Contd.)

b. Transactions with related parties

Sr No.	Particulars	For the year ended 31st March, 2021			For the year ended 31st March, 2020		
		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	761.28	-	-	435.16	-	-
2	Borrowing Taken	7,219.81	974.69	-	4,457.74	3,161.02	-
3	Borrowing Repaid Back	4,919.16	1,272.31	-	3,788.85	6,122.40	-
4	Interest Expense on Loan	319.46	116.45	-	191.36	369.36	-
5	Loan Given	7,091.10	17.54	-	14,031.81	-	-
6	Loan Received Back	6,629.20	17.54	-	20,136.30	-	-
7	Interest Income	68.98	0.10	-	870.32	-	-
8	Sale of Goods	-	*	-	447.09	32.49	-
9	Purchase of Goods (Including Traded goods)	-	*	-	-	32.44	-
10	Rendering of Service	-	-	-	5.17	-	-
11	Receiving of Services	-	5.76	-	-	11.82	-
12	Conversion of Borrowing to equity investment in Subsidiary	-	-	-	175.00	-	-
13	Unsecured Perpetual Securities issued	-	400.00	-	-	615.00	-
14	Distribution to holder of Unsecured Perpetual Securities	-	380.36	-	-	612.01	-
15	Financial Guarantee given on behalf of Subsidiary	-	-	-	12,825.42	-	-
16	Financial Guarantee Release	1,140.00	-	-	-	-	-
17	Investment in Debenture	198.15		-	-	-	-
18	Purchase of CCPS	-	320.00	-	-	-	-
19	Sale of CCPS	-	1,415.23	-	-	-	-
20	Investments in CCPS	-	10.00	-	-	-	-
21	Advance received against sale of CCPS	-	733.86	-	-	-	-
22	Compensation of Key Management Personnel						
	a Short-term benefits	-	-	3.88	-	-	5.02
	b Post-employment benefits	-	-	0.29	-	-	0.49
	c Director sitting fees	-	-	0.29	-	-	0.14

Notes:

i) The above transactions do not include reimbursement of expenses.

ii) During the year ended 31st March, 2021, the Company has waived interest on loans to its two subsidiaries aggregating to ₹ 286.22 Crores (Refer note 56).

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

Notes to the Standalone Financial Statements

for the year ended 31st March, 2021
All amounts are in ₹ Crores, unless otherwise stated

58 Related party transactions (Contd.)

c. **Balances With Related Parties:**

Sr No.	Particulars	As at 31st March, 2021		As at 31st March, 2020	
		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	4,793.17	856.11	2,492.52	1,153.73
2	Loans given	3,587.05	-	3,230.92	-
	Receivables				
3	Trade receivables	-	-	179.39	34.40
4	Security Deposit, Advances and other receivables	3.20	3.60	-	1.66
5	Interest Receivable	-	-	0.48	-
	Payables				
6	Trade and Other Payables	1.70	5.45	0.57	120.91
7	Interest Payable	-	-	0.01	-
8	Advances Received	-	733.86	-	-
	Perpetual Securities				
9	Investment in Perpetual Securities	8,000.00	-	8,000.00	-
10	Issuance of Perpetual Securities	-	9,015.00	-	8,615.00
	Financial Guarantee				
11	Financial Guarantee given on behalf of Subsidiary	17,651.42	-	18,791.42	-

Notes:

i) Except for secured loan given to subsidiary of ₹ 57.72 Crores, (Previous year ₹ 57.72 Crores), the other balances outstanding are unsecured and will be settled in cash or kind.

ii) Accrued Interest for the year of ₹ 280.72 Crores (Previous year - ₹ 302.83 Crores) and ₹ 0.40 Crores (Previous year - ₹ 467.11 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.

iii) Refer note 55 in respect of details of CCPS transactions with Promoter Group Companies.

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 6th May, 2021.

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: 6th May, 2021

For and on behalf of the Board of Directors

GAUTAM S. ADANI
CHAIRMAN
DIN: 00006273

ANIL SARDANA
MANAGING DIRECTOR
DIN: 00006867

SHAILESH SAWA
CHIEF FINANCIAL OFFICER

DEEPAK S PANDYA
COMPANY SECRETARY

Place: AHMEDABAD
Date: 6th May, 2021

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, 2021, 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, 2021, their consolidated profit including other comprehensive income, their 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:

(a) Note 46 to the consolidated financial statements, as regards the surrender of coal block at Jitpur, Jharkhand, which is pending resolution by the Nominated Authority, Ministry of Coal. Pending such resolution, Adani Power (Mundra) Limited, a wholly owned subsidiary, based on legal opinion/ advice, has considered advances of ₹ 97.66 Crores given to the Nominated Authority, Ministry of Coal and incurred expenditure of ₹ 6.09 Crores in relation to development of coal block to be fully recoverable.

(b) Note 51 to the consolidated financial statements, as regards the management's evaluation of COVID-19 impact on the operations and financial metrics of the Group.

Our opinion is not modified in respect of these matters.

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, 2021. 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 *(Also refer Notes 3(vi), 10 and 31 to the consolidated financial statements)*	
The subsidiaries of the Group, having Power Purchase Agreements (PPA) are eligible for compensation claims against various Change in Law events having cost implications on generation and supply of power such as additional duties and taxes, increased cost of power generation, etc., due to purchase of alternative coal in terms of the framework of supply of power as per PPA entered by the respective subsidiaries with the various Discoms. The compensation claims (invoices) are raised by the Group upon approval of change in law event by the relevant Regulatory Authorities. The invoices for change in law claims are raised considering 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. Considering that the methodology and the parameters are subject to final acceptance by the respective Discoms, the revenue is recognised in the books of account based on the prudent parameters and methodology, till the respective matters are accepted / settled with the 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 recognised, 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.	Our audit procedures in response to this key audit matter included, but not limited to, the following: - Obtained understanding of the key controls that management has in place to monitor change in law events and related claims, status of various pending claims including under appeals and 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. - Examined the underlying parameters and assumptions / judgement used for measuring / computing the amounts of compensation 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.

Key audit matters	How our audit addressed the key audit matter
Revenue recognition for regulated power generation business *(Also refer Note 31 to the consolidated financial statements)*	
In the regulated power generation business of Udupi Power Corporation Limited ("UPCL"), a wholly owned subsidiary, the tariff is determined by the regulator based on cost plus return on equity basis wherein cost is subject to prudential norms. UPCL invoices its customers on the basis of pre-approved tariff which is based on budget and is subject to true up adjustment. As the Company is entitled to tariff based on actual cost incurred for the year, it recognizes adjustments for the escalation/ de-escalation in the various parameters compared to the entitled parameters. UPCL has also recognised deferred tax recoverable from future tariff of ₹ 65.11 Crores during the year ended March 31, 2021 (aggregate amount as at March 31, 2021 is ₹ 166.26 Crores) Accruals are determined based on tariff regulations and past tariff orders and are subject to verification and approval by the regulators. Further the costs incurred are subject to prudential checks and the prescribed norms. Significant judgements are made in determining the accruals including interpretation of tariff regulations. Further certain matters for disallowances of claims have been litigated by the UPCL before higher authorities. Revenue recognition and accrual of regulatory claims is a key audit matter considering the significance of the amount and significant judgements involved in the determination thereof.	Our audit procedures in response to this key audit matter included, but not limited to, the following: - Examined the Company's accounting policies with respect to assessing compliance with Ind AS 115 "Revenue from Contract with Customers". - Performed test of controls over revenue recognition and accruals through inspection of evidence of performance of these controls. - Performed the tests of details including the following key procedures: • Evaluated the key assumptions used by the Company by comparing it with the assumptions in pre-approved tariff order. • For tariff orders (including updated tariff order) received by the Company, assessed the impact recognised by the Company and for matters litigated by the Company, also assessed the management's evaluation of the likely outcome of the dispute based on past precedents. • Tested the joint reconciliation for invoiced billed and approved tariff-based income performed by UPCL with the Discoms, wherever available with underlying records and adjustments made in books of account as recoverable/ payable for the respective approved tariff periods. - Assessed the disclosures in accordance with the requirements of Ind AS 115 "Revenue from Contract with Customers".
Evaluation of impairment of property, plant and equipment *(Also refer Note 48(a) to the consolidated financial statements)*	
As at March 31, 2021, the carrying value of the Property, Plant and Equipment (PPE) of Adani Power (Mundra) Limited ("APMuL"), a wholly owned subsidiary is ₹ 18,312.89 Crores. To assess if there is an impairment in the carrying value of APMuL PPE, the management conducts impairment tests at CGU level annually or whenever changes in circumstances or events indicate that, the carrying value of PPE may require evaluation to verify recoverability. An impairment loss is recognised 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.

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 estimates 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 dated 2nd July, 2019 for termination of Bid 2 PPA with retrospective effect. 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 realised from termination of Bid 2 Power Purchase Agreement entered with Gujarat Urja Vikas Nigam Limited.	- 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 Supreme Court of India in respect of termination of Bid 2 PPA with retrospective effect and inquired with the management for expected recovery of claim determined in accordance with section 62 of the Electricity Act, 2003 and CERC (Terms and Conditions of Tariff) Regulations, 2009, which is pending with the CERC. - Assessed the disclosures in accordance with the requirements of Ind AS 36 "Impairment of Assets".

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. 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.

The respective Board of Directors of the 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, 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 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, 2021 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

(a) We did not audit the financial statements and other financial information, in respect of 6 subsidiaries, whose financial statements include total assets of ₹ 12,688.99 Crores as at March 31, 2021, and total revenues of ₹ 1,913.57 Crores and net cash outflows of ₹ 738.44 Crores for the year ended on that date. These financial statements 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.

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;

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2021 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, is disqualified as on March 31, 2021 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 1" 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, 2021. 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, 2021 has been paid / provided by its 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 21, 22 and 29 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, 2021.

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

per Navin Agrawal
Partner
Membership Number: 056102
UDIN: 21056102AAAABD5482

Place: Bengaluru
Date: May 6, 2021

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, 2021, 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 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. 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, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting 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 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, 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, 2021, 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 of the Holding Company, insofar as it relates to six subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiary companies, 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: 21056102AAAABD5482

Place: Bengaluru
Date: May 6, 2021

Consolidated Balance Sheet

as at 31st March, 2021

All amounts are in ₹ Crores, unless otherwise stated

Particulars	Notes	As at 31st March, 2021	As at 31st March, 2020
ASSETS			
Non-current Assets			
(a) Property, Plant and Equipment	4.1	52,575.24	55,571.10
(b) Capital Work-In-Progress	4.1	6,439.42	2,346.77
(c) Goodwill	4.3	190.61	190.61
(d) Intangible Assets	4.2	85.45	84.10
(e) Financial Assets			
(i) Investments	5	0.01	0.01
(ii) Other Financial Assets	6	245.44	427.91
(f) Other Non-current Assets	7	1,627.39	1,811.32
Total Non-current Assets		**61,163.56**	**60,431.82**
Current Assets			
(a) Inventories	8	2,025.11	2,522.77
(b) Financial Assets			
(i) Investments	9	20.09	2.79
(ii) Trade Receivables	10	11,437.92	8,366.47
(iii) Cash and Cash Equivalents	11	113.04	941.10
(iv) Bank balances other than (iii) above	12	1,494.28	1,038.21
(v) Loans	13	8.83	3.05
(vi) Other Financial Assets	14	456.04	767.65
(c) Other Current Assets	15	1,023.08	951.14
Total Current Assets		**16,578.39**	**14,593.18**
Assets classified as held for sale	16	793.52	-
Total Assets		**78,535.47**	**75,025.00**
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	17	3,856.94	3,856.94
(b) Unsecured Perpetual Securities	18	12,615.00	8,615.00
(c) Other Equity	19	(3,359.35)	(5,991.50)
Equity attributable to equity holders of the parent		**13,112.59**	**6,480.44**
(d) Non - Controlling Interests	41	0.01	0.01
Total Equity		**13,112.60**	**6,480.45**
LIABILITIES			
Non-current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	20	39,957.00	44,566.34
(ii) Other Financial Liabilities	21	802.65	339.21
(b) Provisions	22	86.95	88.43
(c) Deferred Tax Liabilities (Net)	23	1,328.08	266.07
(d) Other Non-current Liabilities	24	4,791.28	5,095.35
Total Non-current Liabilities		**46,965.96**	**50,355.40**
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	25	9,683.32	7,801.81
(ii) Trade Payables	26		
- total outstanding dues of micro enterprises and small enterprises		41.48	28.21
- total outstanding dues of creditors other than micro enterprises and small enterprises		3,761.65	5,567.84
(iii) Other Financial Liabilities	27	3,647.23	4,118.70
(b) Other Current Liabilities	28	1,217.35	603.18
(c) Provisions	29	60.17	39.44
(d) Current Tax Liabilities (Net)	30	45.71	29.97
Total Current Liabilities		**18,456.91**	**18,189.15**
Total Liabilities		**65,422.87**	**68,544.55**
Total Equity and Liabilities		**78,535.47**	**75,025.00**

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: 6th May, 2021

For and on behalf of the Board of Directors

GAUTAM S. ADANI
CHAIRMAN
DIN: 00006273

ANIL SARDANA
MANAGING DIRECTOR
DIN: 00006867

SHAILESH SAWA
CHIEF FINANCIAL OFFICER

DEEPAK S PANDYA
COMPANY SECRETARY

Place: AHMEDABAD
Date: 6th May, 2021

Consolidated Statement of Profit and Loss

for the year ended 31st March, 2021

All amounts are in ₹ Crores, unless otherwise stated

Particulars	Notes	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Income			
Revenue from Operations	31	26,221.48	26,467.72
Other Income	32	1,928.20	1,374.09
Total Income		**28,149.68**	**27,841.81**
Expenses			
Fuel Cost		14,781.15	17,580.39
Purchase of Stock-in-trade / Power for resale	33	365.30	467.10
Transmission Charges		664.31	621.82
Employee Benefits Expense	34	431.54	426.82
Finance Costs	35	5,106.33	5,314.82
Depreciation and Amortisation Expense	4.1, 4.2	3,201.65	3,006.50
Other Expenses	36	1,310.66	1,686.29
Total Expenses		**25,860.94**	**29,103.74**
Profit / (Loss) from operations before exceptional item, tax and Deferred tax recoverable from future tariff		**2,288.74**	**(1,261.93)**
Less: Exceptional Items	37	-	1,002.99
Profit / (Loss) before tax and Deferred tax recoverable from future tariff		**2,288.74**	**(2,264.92)**
Tax Expense			
Current Tax	38	25.64	24.68
Excess provision for earlier years written back		(4.27)	(7.33)
Deferred Tax	23	1,062.50	38.19
Total Tax Expense		**1,083.87**	**55.54**
Add: Deferred tax recoverable from future tariff (net of tax)		65.11	45.69
Profit / (Loss) for the year		**1,269.98**	**(2,274.77)**
Other Comprehensive Income			
(a) Items that will not be reclassified to profit or loss			
Remeasurement (loss)/gain on defined benefit plans	57	(6.13)	1.26
Income tax impact		0.49	(0.14)
Net gain on sale of Investment classified at FVTOCI		3.76	-
Income tax impact		-	-
Other comprehensive (loss) / Income that will not be reclassified to profit or loss		**(1.88)**	**1.12**
(b) Items that will be reclassified to Profit or Loss			
Net movement on Effective portion of Cash Flow Hedges		(28.52)	9.20
Income tax impact		-	-
Other Comprehensive (Loss) / Income for the year		**(30.40)**	**10.32**
Total Comprehensive Income / (Loss) after tax for the year		**1,239.58**	**(2,264.45)**
Net Income / (Loss) for the year attributable to:			
Equity holders of the parent		1,269.98	(2,274.77)
Non - Controlling interest		*	*
Other Comprehensive (Loss) / Income for the year attributable to:			
Equity holders of the parent		(30.40)	10.32
Non - Controlling interest		-	-
Total Comprehensive Income / (Loss) for the year attributable to:			
Equity holders of the parent		1,239.58	(2,264.45)
Non - Controlling interest		*	*
Earnings / (Loss) Per Share (EPS)			
Basic and diluted, computed on the basis of profit for the year attributable to equity holders of the Parent Company (Face Value ₹ 10 Per Share) (₹)	39	0.06	(8.19)
(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: 6th May, 2021

For and on behalf of the Board of Directors

GAUTAM S. ADANI
CHAIRMAN
DIN: 00006273

ANIL SARDANA
MANAGING DIRECTOR
DIN: 00006867

SHAILESH SAWA
CHIEF FINANCIAL OFFICER

DEEPAK S PANDYA
COMPANY SECRETARY

Place: AHMEDABAD
Date: 6th May, 2021

Consolidated Statement of Changes in Equity

for the year ended 31st March, 2021

All amounts are in ₹ Crores, unless otherwise stated

Particulars	Equity Share Capital		Unsecured Perpetual Securities	Other Equity								Non - Controlling Interests	Total Equity
				Deemed Equity Contribution	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	Equity instruments through OCI			
	No. of Shares	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount
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 on 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)**
Unsecured Perpetual Securities (Refer note 18)													
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 41)	-	-	-	-	-	-	-	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**
Balance as at 1st April, 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**
Profit for the year	-	-	-	-	-	-	-	1,269.98	-	-	1,269.98	*	1,269.98
Other Comprehensive Income for the year													
Remeasurement (loss) on defined benefit plans, net of tax	-	-	-	-	-	-	-	(5.64)	-	-	(5.64)	-	(5.64)
Net gain on sale of Investment classified at FVTOCI, net of tax (Refer note 62(a))	-	-	-	-	-	-	-	-	-	3.76	3.76	-	3.76
Net (loss) on Effective portion of Cash Flow Hedges, net of tax	-	-	-	-	-	-	-	-	(28.52)	-	(28.52)	-	(28.52)
Total comprehensive (Loss) for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,264.34**	**(28.52)**	**3.76**	**1,239.58**	**-**	**1,239.58**

Consolidated Statement of Changes in Equity

for the year ended 31st March, 2021

All amounts are in ₹ Crores, unless otherwise stated

Particulars	Equity Share Capital		Unsecured Perpetual Securities	Other Equity								Non - Controlling Interests	Total Equity
				Deemed Equity Contribution	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	Equity instruments through OCI			
	No. of Shares	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount
Deemed Equity Contribution (Refer note 62)	-	-	-	1,772.93	-	-	-	-	-	-	1,772.93	-	1,772.93
Transfer to Retained Earnings on Sale of Compulsory Convertible Preference Shares (CCPS)	-	-	-	-	-	-	-	3.76	-	(3.76)	-	-	-
Unsecured Perpetual Securities (Refer note 18)													
Issued during the year	-	-	4,000.00		-	-	-	-	-	-	4,000.00	-	**4,000.00**
Distribution to holders of Unsecured Perpetual Securities	-	-	-		-	-	-	(380.36)	-	-	(380.36)	-	**(380.36)**
Balance as at 31st March, 2021	**3,85,69,38,941**	**3,856.94**	**12,615.00**	**1,772.93**	**1,389.40**	**7,409.83**	**9.04**	**(13,921.23)**	**(19.32)**	**-**	**13,112.59**	**0.01**	**13,112.60**

(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: 6th May, 2021

For and on behalf of the Board of Directors

GAUTAM S. ADANI
CHAIRMAN
DIN: 00006273

ANIL SARDANA
MANAGING DIRECTOR
DIN: 00006867

SHAILESH SAWA
CHIEF FINANCIAL OFFICER

DEEPAK S PANDYA
COMPANY SECRETARY

Place: AHMEDABAD
Date: 6th May, 2021

Consolidated Statement of Cash Flows

for the year ended 31st March, 2021
All amounts are in ₹ Crores, unless otherwise stated

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
(A) Cash flow from operating activities		
Profit / (Loss) before tax	**2,288.74**	**(2,264.92)**
Adjustments to reconcile profit / (loss) before tax to net cash flows:		
Depreciation and Amortisation Expense	3,201.65	3,006.50
Unrealised Foreign Exchange Fluctuation (Gain) / Loss (net)	(336.75)	84.10
Income from Mutual Funds	(0.02)	(4.09)
Loss on Property, Plant and Equipment Sold / Retired (net)	19.64	48.34
Amortised Government Grant Income	(304.06)	(304.06)
Liabilities no Longer Required Written Back	(307.81)	(42.44)
Finance Costs	5,106.33	5,314.82
Interest income	(1,045.45)	(959.63)
Bad debts, capital expenditure written off, sundry balance written off / provided for	43.05	216.84
Exceptional Items	-	1,002.99
Operating profit before working capital adjustments	**8,665.32**	**6,098.45**
Changes in working capital:		
Decrease / (Increase) in Inventories	385.47	(1,233.29)
(Increase) / Decrease in Trade Receivables	(489.21)	1,252.45
Decrease in Other Financial Assets	138.43	908.41
(Increase) in Other Assets	(126.97)	(89.94)
(Decrease) in Trade Payables	(1,488.52)	(1,104.86)
(Decrease) / Increase in Other Financial Liabilities	(4.67)	0.01
(Decrease) in Other Liabilities and Provisions	(59.95)	(175.86)
	(1,645.42)	**(443.08)**
Cash generated from operations	**7,019.90**	**5,655.37**
Less: Income tax (Paid) (Net)	(5.55)	(57.82)
Net cash flows from operating activities (A)	**7,014.35**	**5,597.55**
(B) Cash flow from investing activities		
Capital expenditure on payment towards Property, Plant and Equipment, including capital advances and capital work-in-progress and intangible assets	(3,617.61)	(2,226.56)
Proceeds from Sale of Property, Plant and Equipment	9.96	6.72
Payment towards acquisition of subsidiaries	-	(1.00)
(Payment towards) / Proceeds from Current investments (net)	(17.28)	4.01
Bank / Margin Money Deposits (placed) (net)	(384.85)	(151.93)
Payment towards Loans given to others	-	(85.14)
Payment towards Loans given to related party	(5.82)	-

Consolidated Statement of Cash Flows

for the year ended 31st March, 2021
All amounts are in ₹ Crores, unless otherwise stated

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Proceeds from sale of investment in Compulsory Convertible Preference Shares	1,415.23	-
Payment towards purchase of Compulsory Convertible Preference Shares	(412.00)	-
Advance received towards sale of Compulsory Convertible Preference Shares	733.86	-
Interest received (other than carrying cost)	90.94	125.79
Net cash flows (used in) investing activities (B)	**(2,187.57)**	**(2,328.11)**
(C) Cash flow from financing activities		
Payment of principal portion of lease liabilities	(5.00)	(4.36)
Proceeds from Non-current borrowings	22,558.44	21,319.44
Repayment of Non-current borrowings	(25,132.54)	(18,306.79)
Proceeds / (Repayment) of Current borrowings (net)	704.50	(517.79)
Proceeds from issue of Unsecured Perpetual Securities	400.00	615.00
Distribution to holders of Unsecured Perpetual Securities	(380.36)	(612.01)
Finance Costs Paid (Including interest on lease liabilities)	(3,799.88)	(4,870.67)
Net cash flows (used in) financing activities (C)	**(5,654.84)**	**(2,377.18)**
Net (decrease) / increase in cash and cash equivalents (A)+(B)+(C)	(828.06)	892.26
Addition on acquisition of subsidiaries (Refer note 42)	-	24.27
Net foreign exchange difference on cash and cash equivalents	-	0.03
Cash and cash equivalents at the beginning of the year	941.10	24.54
Cash and cash equivalents at the end of the year	**113.04**	**941.10**
Notes to Cash flow Statement:		
Cash and cash equivalents as per above comprise of the following:		
Cash and cash equivalents (Refer note 11)	113.04	941.10
Balances as per statement of cash flows	**113.04**	**941.10**

Notes:

i) Interest accrued of ₹ 359.06 Crores (Previous year ₹ 502.67 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) Interest of ₹ 1,182.44 Crores has been converted into borrowings during the year, in line with the Moratorium given by RBI circulars.

Consolidated Statement of Cash Flows

for the year ended 31st March, 2021
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, 2020	Net Cash Flows	Changes in fair values / Accruals including lease liabilities	Unrealised Foreign exchange fluctuation	Unsecured Perpetual Securities*	Customers' bills discounting	Others	As at 31st March, 2021
Non-current borrowings	47,396.95	(2,574.10)	29.20	(423.72)	(3,600.00)	-	1,899.62	42,727.95
Current borrowings	7,801.81	704.50	-	(147.38)	-	1,663.50	(339.11)	9,683.32
Interest accrued	347.40	(3,388.67)	4,647.58	-	-	-	(1,541.50)	64.81
Leases Liabilities	107.05	(23.91)	24.27	-	-	-	-	107.41
Total	**55,653.21**	**(5,282.18)**	**4,701.05**	**(571.10)**	**(3,600.00)**	**1,663.50**	**19.01**	**52,583.49**

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 Liabilities	-	(13.34)	94.89	-	-	25.50	-	107.05
Total	**47,188.99**	**(2,122.67)**	**5,315.22**	**504.93**	**-**	**4,757.27**	**9.47**	**55,653.21**

*During the year, the Group has converted Inter Corporate Deposit ("ICD") of ₹ 3,600.00 Crores taken from related parties into Unsecured Perpetual Securities ("Securities").

The accompanying notes are an integral part of the consolidated financial statements.

In terms of our report attached
S R B C & CO LLP
Firm Registration No.: 324982E/E300003
Chartered Accountants

per NAVIN AGRAWAL
PARTNER
Membership No.: 056102

Place: BENGALURU
Date: 6th May, 2021

For and on behalf of the Board of Directors

GAUTAM S. ADANI
CHAIRMAN
DIN: 00006273

ANIL SARDANA
MANAGING DIRECTOR
DIN: 00006867

SHAILESH SAWA
CHIEF FINANCIAL OFFICER

DEEPAK S PANDYA
COMPANY SECRETARY

Place: AHMEDABAD
Date: 6th May, 2021

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

1 Corporate information

Adani Power Limited (the "Company" or "APL") is a public company domiciled in India and is incorporated under the provisions of the Companies Act, applicable in India having its registered office at "Adani Corporate House", Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad-382421, Gujarat, India. Its shares are listed on two recognised stock exchanges in India.

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 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. Information on the Group's structure is provided in Note 40.

As at 31st March, 2021, 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 6th May, 2021.

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.

The Group's consolidated financial statements are presented in ₹, which is also the parent company's functional currency. and all values are rounded to the nearest Crores, except when otherwise indicated.

2.2 Basis of consolidation

a <u>Subsidiaries</u>

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries, being the entities controlled by it as at 31st March, 2021. 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
- The contractual arrangement with the other vote holders of the investee.

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

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

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.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31 March.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in subsidiaries that do not result in the Group'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. Capital work in progress is stated at cost, net of accumulated impairment loss, if any.

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.

Items of stores and spares that meet the definition of property, plant and equipment are capitalised at cost and depreciated over their useful life.

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.

Notes to the Consolidated Financial Statements
for the year ended 31st March, 2021

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 rates as well as methodology notified by the Central Electricity Regulatory Commission ("CERC") (Term and Condition of Tariff) Regulations, 2019.

Major inspection / overhauling including turnaround and maintenance cost are depreciated over the period of 5 years. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

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 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. 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. An intangible asset is derecognised on disposal, or when no future economic benefits are expected from its use or disposal.

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 assets once classified as held for sale. Assets and liabilities 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 ("EIR") (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.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

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).

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 statement of 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.

Notes to the Consolidated Financial Statements
for the year ended 31st March, 2021

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 statement of 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, 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, coupon only swap etc. Further details of derivatives financial instruments are disclosed in note 52.

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.

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.

Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

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.

To qualify for hedge accounting, the hedging relationship must meet all of the following requirements:

- there is an economic relationship between the hedged items and the hedging instruments,
- the effect of credit risk does not dominate the value changes that result from that economic relationship,
- the hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the entity actually hedges and the quantity of the hedging instrument that the entity actually uses to hedge that quantity of hedged item.

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

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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 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.

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

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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.

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:

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- **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 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 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 based on the orders / reports of Regulatory Authorities, best management estimates, wherever needed and reasonable certainty to expect ultimate collection.

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 other traded goods

The Group's contracts with customers for the sale of goods generally include one performance obligation. Revenue from the sale of other 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, best management estimates and based on reasonable certainty to expect ultimate collection.

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.

vi) Late payment surcharge on delayed payment for power supply is recognised 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 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 recognised in the statement of profit and loss in the period in which they occur. Remeasurement, comprising of actuarial gains and losses, the effect of changes to the asset ceiling (excluding amounts included in net interest or the net defined benefit liability) and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are recognised immediately in the balance sheet with corresponding debit or credit to retained earnings through OCI in the period in which it occurs. Remeasurement are not classified to profit and loss in subsequent periods. Past service cost is recognised in profit and loss in the period of a plan amendment.

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:

Notes to the Consolidated Financial Statements
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- 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 statues.

iii) **Compensated Absences:**

Provision for Compensated Absences and its classifications between current and non-current liabilities are based on independent actuarial valuation. The actuarial valuation is done as per the projected unit credit method as at the reporting date.

iv) **Short term employee benefits:**

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

t Leases

The Group as lessor

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.

Rental income from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

The Group as lessee

The Group recognised right-of-use assets and lease liabilities for all 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.

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
- Used hindsight in determining the lease term where the contract contains options to extend or terminate the lease

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 Minimum 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 and based on the expected outcome of assessments / appeals. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantially enacted, at the reporting date. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

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 recognised 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 recognised 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 recognised outside the statement of profit and loss is recognised 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 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 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 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

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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.

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

A contingent liability recognised in a business combination is initially measured at its fair value. Subsequently, it is measured at the higher of the amount that would be recognised in accordance with the requirements for provisions above or the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with the requirements for revenue recognition.

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 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 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, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

ii) Impairment of Financial assets

The Group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, trade receivables and other contractual rights to receive cash or other financial asset.

Expected credit loss is the difference between all contractual cash flows that are due to the

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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 capitalised 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.

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, where 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

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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 56.

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 57.

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 48).

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 under the Income Tax Act, 1961. Deferred tax assets is recognised to the extent of the corresponding deferred tax liability. (Also refer note 23).

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 on best management estimates following principles of prudence, reasonable certainty to expect ultimatecollection, as per the orders / reports of Regulatory Authorities, and the outstanding receivables thereof in the books of account may be subject to adjustments on account of final orders of the respective Regulatory Authorities, the Hon'ble Supreme Court or final closure of the matter with the Discoms (Refer note 31).

In certain cases, the Group has claimed compensation from the Discoms based on management's interpretation of the regulatory orders and various technical parameters, which are subject to final verification and confirmation by the respective Discoms, and hence, in these cases, the revenues have been recognised on a prudent basis with conservative parameters in the books.

In case of UPCL, Revenue from sale of power is recognised upon 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 31).

vii) Mining Rights for REL

In case of Raipur Energen Limited ("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 consumption 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 recoverability higher than the carrying value.

viii) Mega Power Status for REL:

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.

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All amounts are in ₹ Crores, unless otherwise stated

4.1 Property, Plant and Equipment and Capital Work-In-Progress

Description of Assets	Tangible Assets											Capital Work-In-Progress
	Land - Leasehold	Land - Freehold	Right-of-Use Assets (Refer note (vii) below)	Buildings	Plant and Equipment (Refer note (ii) below)	Furniture and Fixtures	Railway Sidings	Computer Hardware	Office Equipments	Vehicles	Total	
I. Cost												
Balance as at 1st April, 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	-	-	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**
Additions	-	76.51	30.15	17.00	243.16	1.30	0.60	7.87	8.13	3.46	388.18	4,360.46
Effect of foreign currency exchange differences	-	-	-	-	(152.76)	-	-	-	-	-	(152.76)	-
Disposals / Transfers / Adjustments (Refer note (vi) below)	-	-	-	(707.37)	437.75	(0.07)	218.43	(2.55)	(0.57)	1.74	(52.64)	(267.81)
Balance as at 31st March, 2021	**-**	**873.89**	**695.36**	**1,724.83**	**66,252.06**	**33.52**	**473.91**	**38.57**	**56.48**	**23.09**	**70,171.71**	**6,439.42**
II. Accumulated depreciation and amortisation												
Balance as at 1st April, 2019	**5.26**	**-**	**-**	**208.16**	**11,078.91**	**9.96**	**69.82**	**19.40**	**31.13**	**7.89**	**11,430.53**	
Depreciation charge for the year (Refer note (iii) 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**	
Depreciation charge for the year (Refer note (iii) below)	-	-	24.58	126.26	3,011.53	3.28	23.39	4.56	4.48	3.14	3,201.22	
Disposals / Transfers / Adjustments (Refer note (vi) below)	-	-	-	(346.24)	184.67	(0.33)	143.68	(2.84)	(1.24)	(0.28)	(22.58)	
Balance as at 31st March, 2021	**-**	**-**	**46.68**	**73.61**	**17,125.53**	**18.31**	**254.57**	**23.91**	**40.77**	**13.09**	**17,596.47**	

Description of Assets	Tangible Assets											Capital Work-In-Progress
	Land - Leasehold	Land - Freehold	Right-of-Use Assets (Refer note (vii) below)	Buildings	Plant and Equipment (Refer note (ii) below)	Furniture and Fixtures	Railway Sidings	Computer	Office Equipments	Vehicles	Total	
Carrying amount :												
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
As at 31st March, 2021	-	873.89	648.68	1,651.22	49,126.53	15.21	219.34	14.66	15.71	10.00	52,575.24	6,439.42

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i) For charge created on aforesaid assets, refer note 20 and 25.

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 benefit availed. In compliance with Ind AS 20 – "Government Grant", the Company has opted to gross up the value of its PPE by the amount of tax and duty benefit availed by APMuL 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 statement of profit and loss classified under the head "Other Income".

The Group has Government grant balance (net) of ₹ 5,095.47 Crores till 31st March, 2021.

iii) In case of Adani Power (Jharkhand) Limited ("APJL") and Pench Thermal Energy (MP) Limited, Depreciation of ₹ 3.04 Crores and ₹ 0.76 Crores (Previous year ₹ 1.73 Crores and ₹ Nil) respectively relating to project assets have been allocated to Capital Work in Progress.

iv) During the year ended 31st March, 2021, borrowing cost of ₹ 291.56 Crores (Previous year: ₹ 55.14 Crores) relating to qualifying assets have been added to Capital Work in Progress.

v) 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.

vi) During the year, the Company has reclassified PPE of ₹ 700.23 Crores between various heads, and depreciation has been recomputed accordingly.

vii) Right of use assets

	Right-of-Use Assets			
	Lease hold land	Buildings	Computer Hardware	Total
Cost :				
Balance as at 1st April, 2019	-	-	-	-
Addition on account of adoption of Ind AS 116	541.00	0.77	2.00	543.77
Additions on account of acquisition of subsidiaries (Refer note 42)	110.08	-	-	110.08
Additions	5.61	-	5.75	11.36
Disposals / Transfers	-	-	-	-
Balance as at 31st March, 2020	**656.69**	**0.77**	**7.75**	**665.21**

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021
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	Right-of-Use Assets			
	Lease hold land	Buildings	Computer Hardware	Total
Additions	30.07	0.08	-	30.15
Disposals / Transfers	-	-	-	-
Balance as at 31st March, 2021	**686.76**	**0.85**	**7.75**	**695.36**
Accumulated depreciation and amortisation :				
Balance as at 1st April, 2019	-	-	-	-
Accumulated depreciation for the year	20.65	0.34	1.11	22.10
Disposals / Transfers	-	-	-	-
Balance as at 31st March, 2020	**20.65**	**0.34**	**1.11**	**22.10**
Accumulated depreciation for the year	22.49	0.22	1.87	24.58
Disposals / Transfers	-	-	-	-
Balance as at 31st March, 2021	**43.14**	**0.56**	**2.98**	**46.68**

viii) The Company has lease contracts for land used in its operations with lease terms of 30 years. The Company is restricted from assigning and subleasing the leased assets.

ix) 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.

x) 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, 2021 is ₹ 76.64 Crores (Previous year ₹ 76.64 Crores) which remained leasehold for 11 years from the date of agreement. UPCL has got the validity period of Lease Agreement extended from Lessor till 11th September, 2022. However, UPCL is in the process to exercise its option to get the lease deed converted to sale deed 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. 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.

4.2 Intangible Assets

Particulars	Computer software	Mining Rights	Total
I. Cost			
Balance as at 1st April, 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**
Additions	5.10	-	5.10
Transfer	0.61	-	0.61
Disposals	1.45	-	1.45
Balance as at 31st March, 2021	**28.46**	**73.14**	**101.60**

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for the year ended 31st March, 2021
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Particulars	Computer software	Mining Rights	Total
II. Accumulated amortisation and impairment			
Balance as at 1st April, 2019	**10.93**	**-**	**10.93**
Amortisation for the year	2.31	-	2.31
Disposals	-	-	-
Balance as at 31st March, 2020	**13.24**	**-**	**13.24**
Amortisation for the year	4.23	-	4.23
Transfer	0.13	-	0.13
Disposals	1.45	-	1.45
Balance as at 31st March, 2021	**16.15**	**-**	**16.15**

Particulars	Computer software	Mining Rights	Total
Carrying amount :			
As at 31st March, 2020	10.96	73.14	84.10
As at 31st March, 2021	12.31	73.14	85.45

i) For charge created on aforesaid assets, refer note 20 and 25.

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.

4.3 Goodwill

Goodwill arose upon acquisition of wholly owned subsidiaries of the Company namely UPCL ₹ 183.66 Crores during the FY 2015-16 and APML ₹ 6.95 Crores during the FY 2012-13.

5 Non-current Investments

	As at 31st March, 2021	As at 31st March, 2020
Unquoted Investments (fully paid)		
National Saving Certificate (lying with government authority)	0.01	0.01
Investments In Equity Instruments (at fair value through OCI) (Refer note below)		
Adani Naval Defence Systems and Technologies Limited		
4,500 Shares (Previous year - 4,500 Shares)	*	*
Total	**0.01**	**0.01**

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

Note :

Investments at Fair Value Through Other Comprehensive Income (FVTOCI) reflect investment in unquoted equity instruments. These equity shares are designated as FVTOCI as they are not held for trading purpose, thus disclosing their fair value change in profit and loss will not reflect the purpose of holding.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021
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6 Other Non-current Financial Assets

	As at 31st March, 2021	As at 31st March, 2020
Bank balances held as Margin money (security against borrowings and others) (Refer note 20 and 25)	158.19	229.41
Fair value of derivatives not designated as hedges (Refer note (i) below)	65.25	187.05
Interest receivable	8.18	-
Security Deposits	13.82	11.45
Total	**245.44**	**427.91**

Notes:

i) Includes Option contracts of ₹ 65.25 Crores (Previous year ₹ 173.92 Crores) and ₹ Nil (Previous year ₹ 13.13 Crores) of instruments designated as cash flow hedges. Contracts are designated as hedging instruments in cash flow hedges for future payments against Capex liabilities in USD, under letter of credit facilities.

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

7 Other Non-current Assets

	As at 31st March, 2021	As at 31st March, 2020
Capital advances	1,024.11	1,318.38
Advances for goods and services	291.00	277.00
Advance tax including tax deducted at source (Net of provision of ₹ 0.47 Crores (Previous year ₹ 0.01 Crores))	18.79	33.47
Deposit with government authorities	84.39	66.68
Gratuity fund (net)	13.38	14.75
Advance to employee	1.49	1.64
Contract assets (Unbilled receivable Including Deferred tax recoverable)	166.26	87.37
Prepaid expenses	19.01	7.05
Security deposits	8.96	4.98
Total	**1,627.39**	**1,811.32**

8 Inventories

(At lower of cost and net realisable value)

	As at 31st March, 2021	As at 31st March, 2020
Fuel (in transit ₹ 488.24 Crores (Previous year ₹ 541.05 Crores))	1,584.10	1,957.53
Stores and spares	441.01	565.24
Total	**2,025.11**	**2,522.77**

Notes:

i) For charges created on inventories, refer note 20 and 25.

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for the year ended 31st March, 2021
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9 Current Investments

Unquoted Investments (Fully Paid) (At FVTPL)

	As at 31st March, 2021	As at 31st March, 2020
59,672.94 Units (Previous year 3,428.11 units) of SBI Overnight Fund Direct Growth	20.00	1.12
771.86 Units (Previous year Nil units) of Aditya Birla Overnight Fund - Direct Plan - Growth	0.09	-
Nil Units (Previous year 5,126.97 units) of SBI Liquid Fund - Direct Plan - Growth	-	1.67
Total	**20.09**	**2.79**
Aggregate book value of unquoted investments	20.09	2.79

10 Trade Receivables

	As at 31st March, 2021	As at 31st March, 2020
Secured, considered good	-	-
Unsecured, considered good* (Refer note 59, (iv) and (v) below)	11,437.92	8,366.47
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables - Credit impaired	-	-
	11,437.92	**8,366.47**

* net of payable as per Power Purchase Agreements ("PPAs") in respect of UPCL

Notes:

i) For charges created on Trade Receivables, (Refer note 20 and 25).

ii) **Credit concentration**

As at 31st March, 2021, out of the total trade receivables 97.86% (Previous year - 92.87%) pertains to dues from State Distribution Companies under Long Term Power Purchase Agreements ("PPAs") and short term PPA 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. (Also refer note 49 and 50)

v) Trade receivables includes Customers' bills discounted of ₹ 1,663.50 Crores (Previous year - ₹ Nil)

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

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021
All amounts are in ₹ Crores, unless otherwise stated

11 Cash and Cash equivalents

	As at 31st March, 2021	As at 31st March, 2020
Balances with banks (Refer note (i) below)		
In current accounts	113.04	221.10
Fixed deposits (with original maturity for three months or less)	-	720.00
Total	**113.04**	**941.10**

Note :

i) For charges created on Cash and Cash equivalents, refer note 20 and 25.

ii) As at 31st March, 2021, the Group has available ₹ 1,627.53 Crores (Previous year - ₹ 1,825.25 Crores) of undrawn committed borrowing facilities.

12 Bank balances (Other than cash and cash equivalents)

	As at 31st March, 2021	As at 31st March, 2020
Bank balances held as Margin money (With original maturity for more than three months)	1,493.67	1,028.65
Fixed deposits (With original maturity for more than three months)	0.61	9.56
Total	**1,494.28**	**1,038.21**

Notes:

i) For charges created on Bank balances (Other than cash and cash equivalents), refer note 20 and 25.

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, 2021	As at 31st March, 2020
Loans to related parties	5.82	-
Loans to employees	3.01	3.05
Total	**8.83**	**3.05**

Note:

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

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021
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14 Other Current Financial Assets

	As at 31st March, 2021	As at 31st March, 2020
Interest receivable	79.78	57.51
Contract Assets (Unbilled Revenue)	217.98	354.37
Security deposits	21.59	23.57
Fair value of derivatives not designated as hedges (Refer note (i) below)	131.79	324.57
Forward cover receivables	-	0.20
Other receivables	4.90	7.43
Total	**456.04**	**767.65**

Notes:

i) Includes Option contracts of ₹ 131.79 Crores (Previous year ₹ 101.00 Crores), Forward contracts of ₹ Nil (Previous year ₹ 223.57 Crores) (Also refer note 56)

ii) The fair value of Other Current Financial Assets are not materially different from the carrying value presented.

15 Other Current Assets

	As at 31st March, 2021	As at 31st March, 2020
Advances for goods and services	818.70	761.43
Balances with Government authorities	70.41	73.95
Prepaid expenses	80.66	114.70
Security deposit	52.57	-
Advance to Employees	0.74	1.06
Total	**1,023.08**	**951.14**

16 Assets classified as held for sale

	As at 31st March, 2021	As at 31st March, 2020
Investment in compulsory convertible preference shares (CCPS) (Valued at fair value) (Refer note 62(b))	788.46	-
Property, plant and equipment	5.06	-
Total	**793.52**	**-**

17 Share Capital

	As at 31st March, 2021	As at 31st March, 2020
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**

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

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17 Share Capital (Cont.)

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

Equity Shares	As at 31st March, 2021		As at 31st March, 2020	
	No. of Shares	Amount	No. of Shares	Amount
At the beginning of the year	3,856,938,941	3,856.94	3,856,938,941	3,856.94
Issued during the year	-	-	-	-
Outstanding at the end of the year	**3,856,938,941**	**3,856.94**	**3,856,938,941**	**3,856.94**

b. Terms / rights attached to equity shares

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

	As at 31st March, 2021		As at 31st March, 2020	
	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%
OPAL Investment Private Limited	21,32,36,910	5.53%	21,32,36,910	5.53%
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%
Flourishing Trade And Investment Limited	44,21,86,652	11.46%	-	-
Universal Trade and Investments Limited	-	-	29,11,24,451	7.54%
	289,61,16,655	**75.08%**	**274,50,54,454**	**71.16%**

18 Unsecured Perpetual Securities

	As at 31st March, 2021	As at 31st March, 2020
At the beginning of the year	8,615.00	8,000.00
Add: Issued during the year	4,000.00	615.00
Outstanding at the end of the year	**12,615.00**	**8,615.00**

Notes:

(i) During the year, the Group has issued Unsecured Perpetual Securities ("Securities") of ₹ 4,000.00 Crores (including ₹ 3600.00 Crores arising on account of conversion of borrowings) (Previous year - ₹ 615.00 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 issuer. The distribution on these Securities are cumulative at the rate of 11% p.a. and at the discretion of the issuer. As these securities are perpetual in nature and ranked senior only to the Equity Share Capital of the respective entities and the issuer does not have any redemption obligation, these are considered to be in the nature of equity instruments.

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for the year ended 31st March, 2021
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19 Other Equity

	As at 31st March, 2021	As at 31st March, 2020
Capital Reserve	1,389.40	1,389.40
Securities Premium	7,409.83	7,409.83
General Reserve	9.04	9.04
Cash flow hedge reserve	(19.32)	9.20
Deemed Equity Contribution (Refer note 62)	1,772.93	-
Equity instruments through OCI	-	-
Retained earnings	(13,921.23)	(14,808.97)
Total	**(3,359.35)**	**(5,991.50)**

	As at 31st March, 2021	As at 31st March, 2020
a. Capital Reserve		
Opening Balance	1,389.40	359.80
Add: Addition on account of acquisition of subsidiaries (Refer note 42)	-	1,029.60
Closing Balance	**1,389.40**	**1,389.40**
b. Deemed Equity Contribution		
Opening Balance	-	-
Add: arising during the year (Refer note 62)	1,772.93	-
Closing Balance	**1,772.93**	**-**
c. Equity instruments through OCI		
Opening Balance	-	-
Add: Net gain on sale of Investment classified at FVTOCI, net of tax (Refer note 62(a))	3.76	-
Less: Transfer to Retained Earnings on Sale of CCPS	3.76	-
Closing Balance	**-**	**-**
d. Cash flow hedge reserve		
Opening Balance	9.20	-
Add: Recognised during the year		
(Loss) / gain on fair value of principal only swap	(105.90)	16.09
(Loss) on fair value of currency only swap	(6.25)	(2.96)
(Less): Recycled to profit and loss account	83.63	(3.93)
Closing Balance	**(19.32)**	**9.20**
e. Retained earnings		
Opening Balance	(14,808.97)	(11,923.32)
Add: Distribution to holders of unsecured perpetual securities	(380.36)	(612.01)
Impact of sale of non-controlling stake in subsidiary	-	(0.01)
Gain on sale of subsidiary	-	0.02
Add: Profit / (Loss) for the year	1,269.98	(2,274.77)
Add: Transfer to Retained Earnings on Sale of CCPS	3.76	-
Add: Remeasurement (loss)/gain on defined benefit plans, net of tax	(5.64)	1.12
Closing Balance	**(13,921.23)**	**(14,808.97)**

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021
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19 Other Equity (Contd.)

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 previous year (Refer note 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) Equity instruments through Other Comprehensive Income: The Company has elected to recognise changes in the fair value of certain investments in equity instruments in other comprehensive income. These changes in equity instruments are accumulated through Other Comprehensive Income within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

v) Retained earnings represents the amount that can be distributed as dividends considering the requirements of the Companies Act, 2013.

vi) 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.

20 Non-current Borrowings

	As at 31st March, 2021		As at 31st March, 2020	
	Non-Current	Current	Non-Current	Current
Secured Borrowings - at amortised cost				
Term Loans				
From Banks	21,846.38	2,384.51	23,963.54	2,341.08
From Financial Institutions	7,392.74	386.33	7,500.31	489.32
Trade Credits				
From Banks	1,741.75	-	179.95	-
	30,980.87	**2,770.84**	**31,643.80**	**2,830.40**
Unsecured Borrowings - at amortised cost				
Loans From Related Parties (Refer Note 59)	5,643.39	-	4,770.57	-
Loans From Others	3,244.40	0.11	8,075.76	0.21
41,58,62,070 (Previous year: 41,58,62,070) 0.01% Compulsorily Redeemable Preference shares of ₹ 10/- each	88.34	-	76.21	-
	8,976.13	**0.11**	**12,922.54**	**0.21**
	39,957.00	**2,770.95**	**44,566.34**	**2,830.61**
Amount disclosed under the head other current financial liabilities (Refer note 27)	-	(2,770.95)	-	(2,830.61)
Total	**39,957.00**	**-**	**44,566.34**	**-**

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021
All amounts are in ₹ Crores, unless otherwise stated

20 Non-current Borrowings (Contd.)

Notes:

1. **The security details for the borrowing balances:**
   a. Rupee Term Loans from Banks aggregating to ₹ 21,851.39 Crores (Previous year ₹ 23,144.01 Crores), Rupee Term Loans from Financial Institutions aggregating to ₹ 6,144.20 Crores (Previous year ₹ 6,093.82 Crores), Foreign Currency Loans from Banks aggregating to ₹ 2,537.85 Crores (Previous year ₹ 3,338.07 Crores), Foreign Currency Loans from Financial Institutions aggregating to ₹ 1,679.86 Crores (Previous year ₹ 1,950.89 Crores) and trade credits from Banks aggregating to ₹ 1,741.75 Crores (Previous year ₹ 179.95 Crores) are secured by first charge on all present and future immovable, movable assets and leasehold land of the respective entities/projects on paripassu basis.

   b. For Adani Power (Mundra) Limited ("APMuL"), Rupee Term Loan from Banks and Trade credits (short term borrowing) aggregating to ₹ 7,259.55 Crores (Previous year - ₹ 8,158.35 Crores) are further secured by pledge of 799,926,421 equity shares held by S.B. Adani Family Trust (Previous year 80,36,01,421) as a First charge.

   c. For APMuL, Rupee Term Loan from Banks, Financial Institutions and Trade credits aggregating to ₹ 8,545.59 Crores (Previous year ₹ 10,239.49 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 ₹ 9,542.39 Crores (Previous year ₹ 10,045.12 Crores) are further secured by pledge of 183,89,12,932 APML's Equity shares (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 ₹ 5,111.41 Crores (Previous year ₹ 5,191.49 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 are further secured by pledge of 51% Equity shares of the UPCL, held by the Company on paripassu basis.

   g. For REL, Rupee Term Loans from Banks aggregating to ₹ 1,881.95 Crores (Previous year ₹ 2,031.77 Crores), Rupee Term Loans from Financial Institutions aggregating to ₹ 613.23 Crores (Previous year ₹ 662.07 Crores), Foreign Currency Loans from Financial Institutions aggregating to ₹ 243.16 Crores (Previous year ₹ 271.70 Crores) are further secured by pledge of 51% Equity shares held by the company on paripassu basis.

   h. For Raigarh Energy Generation Limited ("REGL"), Rupee Term Loans from Banks, Financial Institutions and Asset Reconstruction Companies ("ARCs") aggregating to ₹ 942.25 Crores (Previous year ₹ 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 ₹ 2,079.26 Crores (Previous year ₹ 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 ₹ 1,741.75 Crores (Previous year ₹ 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 ₹ 4,713.66 Crores (Previous year ₹ 6,914.37 Crores) and from Financial Institutions aggregating to ₹ 1,436.70 Crores (Previous year ₹ 1,679.19 Crores) are repayable over a period of next 7 years from FY 2021-22 to FY 2027-28.

   b. The secured term loans from Banks aggregating to ₹ 16,843.93 Crores (Previous year ₹ 16,788.51 Crores) and from Financial Institutions aggregating to ₹ 3,288.87 Crores (Previous year ₹ 3,307.63 Crores) respectively are repayable over a period of next 14 years from FY 2021-22 to FY 2035-36.

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for the year ended 31st March, 2021
All amounts are in ₹ Crores, unless otherwise stated

20 Non-current Borrowings (Contd.)

c. The secured term loans from Banks aggregating to ₹ 170.28 Crores (Previous year ₹ Nil) are repayable over a period of next 2 years from FY 2021-22 to FY 2022-23.

d. For REL, Rupee Term Loans from Banks aggregating to ₹ 1,881.95 Crores (Previous year ₹ 1,881.95 Crores), Rupee Term Loans from Financial Institutions aggregating to ₹ 613.23 Crores (Previous year ₹ 613.23 Crores) and Foreign Currency Loans from Financial Institutions aggregating to ₹ 243.16 Crores (Previous year ₹ 251.66 Crores) are repayable in 3 equal annual installments starting from 30th June, 2026.

e. For REGL, The secured term loans from Banks aggregating to ₹ 779.43 Crores (Previous year ₹ 747.43 Crores) and from Financial Institutions aggregating to ₹ 162.84 Crores, including ₹ 83.01 Crores from ARCs (Previous year ₹ 194.86 Crores, including ₹ 83.01 Crores from ARCs) respectively are repayable in structured quarterly instalments from FY 2021-22 to FY 2026-27.

f. For APJL, Rupee Term Loans from Financial Institutions aggregating to ₹ 2,079.26 Crores (Previous year ₹ 1,929.26 Crores) 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 ₹ 1,741.75 Crores (Previous year ₹ 179.95 Crores) are repayable on maturity from FY 2022-23 to FY 2023-24.

3. **Repayment schedule for the Unsecured borrowing balances:**

a. Unsecured loans from related parties of ₹ 5,643.39 Crores (Previous year ₹ 4,770.58 Crores) and from others of ₹ 3,244.40 Crores (Previous year ₹ 8,075.65 Crores) are repayable on mutually agreed dates from FY 2021-22 to FY 2043-44.

b. Unsecured term loan from others of ₹ 0.11 Crores (Previous year ₹ 0.32 Crores) is repayable over a period of 4 Months in FY 2021-22.

c. 0.01% Compulsorily Redeemable Preference shares aggregating to ₹ 415.86 Crores (Previous year ₹ 415.86 Crores) recognised at discounted value of ₹ 88.34 Crores (previous year ₹ 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 excluding adjustments towards upfront fees.

5. Interest of ₹ 1,182.44 Crores has been converted into borrowings during the year, in line with the Moratorium given by RBI circulars.

21 Other Non-current Financial Liabilities

	As at 31st March, 2021	As at 31st March, 2020
Retention money payables	645.90	203.66
Lease liabilities	99.57	92.82
Fair value of derivatives not designated as hedges (Refer note (i) below)	57.18	32.41
Capital creditors	-	10.32
Total	**802.65**	**339.21**

Notes:

i) Includes forward contracts ₹ 0.13 Crores (Previous year ₹ Nil), interest rate swap of ₹ 9.25 Crores (Previous year ₹ 32.41 Crores) and ₹ 47.80 Crores (Previous year ₹ Nil) of instruments designated as cash flow hedges. Contracts are designated as hedging instruments in cash flow hedges for future payments against Capex Liabilities in USD, under letter of credit facilities. (Also refer note 56)

ii) The fair value of Other Non-current Financial Liabilities are not materially different from the carrying value presented.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021
All amounts are in ₹ Crores, unless otherwise stated

22 Non-current Provisions

	As at 31st March, 2021	As at 31st March, 2020
Provision for Mine Closure Obligations (Refer note 45)	2.89	18.70
Provision for Employee Benefits		
Provision for Gratuity (Refer note 57)	54.64	43.92
Provision for Leave Encashment	29.42	25.81
Total	**86.95**	**88.43**

23 Deferred Tax Liabilities (Net)

(a) Deferred Tax Liabilities (Net)

		As at 31st March, 2021	As at 31st March, 2020
Deferred Tax Liabilities			
Property, Plant and Equipment		5,169.13	6,917.64
Others		0.18	0.18
Gross Deferred Tax Liabilities	**Total (A)**	**5,169.31**	**6,917.82**
Deferred Tax Assets			
Provision for employee benefits		24.94	24.98
Others		23.29	41.27
On unabsorbed depreciation / carried forward losses		3,793.00	6,585.50
Gross Deferred Tax Assets	**Total (B)**	**3,841.23**	**6,651.75**
Net Deferred Tax Liabilities	**Total (A-B)**	**1,328.08**	**266.07**

The Company and each of its subsidiaries have recognised Deferred Tax Assets on unabsorbed depreciation / carried forward losses to the extent of their respective Deferred Tax Liability.

(b) Movement in deferred tax liabilities (net) for the period ended 31st March, 2021

		Opening Balance as at 1st April, 2020	Recognised in statement of profit and Loss	Recognised in other comprehensive income	Closing balance as at 31st March, 2021
Tax effect of items constituting Deferred Tax Liabilities:					
Property, Plant and Equipment		6,917.64	(1,748.51)	-	5,169.13
Others		0.18	-	-	0.18
	Total - (a)	**6,917.82**	**(1,748.51)**	**-**	**5,169.31**
Tax effect of items constituting Deferred Tax Assets:					
Employee Benefits		24.98	(0.53)	0.49	24.94
Other Items		41.27	(17.98)	-	23.29
Unabsorbed depreciation (Refer Note 38(i))		6,585.50	(2,792.50)	-	3,793.00
	Total - (b)	**6,651.75**	**(2,811.01)**	**0.49**	**3,841.23**
Deferred Tax Liabilities (Net)	**Total - (a-b)**	**266.07**	**1,062.50**	**(0.49)**	**1,328.08**

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021
All amounts are in ₹ Crores, unless otherwise stated

23 Deferred Tax Liabilities (Net) (Contd.)

(c) Movement 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
Other Items	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**

23.1 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, 2021	As at 31st March, 2020
Unrecognised tax losses and unused tax credits (revenue in nature) (Refer note (i) and (ii) below)	12,927.18	12,413.09
Unabsorbed depreciation	19,393.81	20,136.61
Total	**32,320.99**	**32,549.70**

Notes:

i) Out of above unutilised tax losses of ₹ 12,776.02 Crores, ₹ 4.87 Crores will expire in AY 2022-23, ₹ 23.54 Crores will expire in AY 2023-24, ₹ 1,826.70 Crores will expire in AY 2024-25, ₹ 6,382.79 Crores will expire in AY 2025-26, ₹ 918.08 Crores will expire in AY 2026-27, ₹ 625.09 Crores will expire in AY 2027-28, ₹ 1,870.84 Crores will expire in AY 2028-29 and ₹ 1,123.53 Crores will expire in AY 2029-30.

ii) Out of above unutilised tax credit of ₹ 151.14 Crores, ₹ 27.36 Crores will expire in AY 2028-29, ₹ 6.29 Crores will expire in AY 2029-30, ₹ 12.39 Crores will expire in AY 2032-33, ₹ 6.89 Crores will expire in AY 2033-34, ₹ 34.67 Crores will expire in AY 2034-35, ₹ 24.60 Crores will expire in AY 2035-36 and ₹ 38.94 Crores will expire in AY 2036-37.

iii) Unabsorbed depreciation of ₹ 19,393.81 Crores do not have expiry in respect of the Company, REL, APMuL and REGL.

iv) 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.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021
All amounts are in ₹ Crores, unless otherwise stated

24 Other Non-current Liabilities

	As at 31st March, 2021	As at 31st March, 2020
Deferred Government Grant (Refer note 4.1(ii))	4,791.28	5,095.35
Total	**4,791.28**	**5,095.35**

25 Current Borrowings

	As at 31st March, 2021	As at 31st March, 2020
Secured Borrowings - at amortised cost		
Working Capital Demand Loans From Banks	2,637.89	2,579.97
Trade Credits From Banks	2,647.69	3,100.05
Cash Credit From Banks	1,725.55	1,627.23
Customers' Bills Discounted (recourse basis)	1,663.50	-
	8,674.63	**7,307.25**
Unsecured Borrowings - at amortised cost		
Trade Credits From Banks (Refer note (ii) below)	-	397.57
Loans From Related Parties (Refer note 59)	508.69	1.45
Loans From Others	500.00	95.54
	1,008.69	**494.56**
Total	**9,683.32**	**7,801.81**

Notes:

i) Working Capital Demand Loans, Trade Credits, Cash Credits and Customers' Bills Discounted provided by Bank (Working Capital Facilities) aggregating to ₹ 8,674.63 Crores (Previous year ₹ 7,307.25 Crores) are secured by first mortgage and charge on respective immovable and movable assets, both present and future of the respective entities / projects on paripassu basis.

ii) The Group's controlling entity has pledged securities of related parties against the trade credit facilities of ₹ Nil (Previous year ₹ 397.57 Crores).

26 Trade Payables

	As at 31st March, 2021	As at 31st March, 2020
Acceptances	539.81	647.27
Other than acceptances		
- total outstanding dues of micro enterprises and small enterprises	41.48	28.21
- total outstanding dues of creditors other than micro enterprises and small enterprises (Refer note 59 for related party dues)	3,221.84	4,920.57
Total	**3,803.13**	**5,596.05**

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.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

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27 Other Current Financial Liabilities

	As at 31st March, 2021	As at 31st March, 2020
Current maturities of Non-Current borrowings (Refer note 20)	2,770.95	2,830.61
Lease liabilities	7.84	14.23
Interest accrued (Refer note (ii) below and Refer note (i) of statement of cash flows)	64.81	347.40
Payable on purchase of Property, Plant and Equipment (including retention money)	719.34	903.42
Derivatives not designated as hedges (Refer note (i) below)	62.41	0.65
Other financial liabilities	21.88	22.39
Total	**3,647.23**	**4,118.70**

Note:

i) Includes Forward contracts of ₹ 48.17 Crores (Previous year ₹ 0.65 Crores) and interest rate swap of ₹ 14.24 Crores (Previous year ₹ Nil)

ii) Includes ₹ Nil (previous year ₹ 228.19 Crores) on account of moratorium of interest as per Reserve Bank of India circulars dated 27th March, 2020.

iii) The fair value of Other Current Financial Liabilities are not materially different from the carrying value presented.

28 Other Current Liabilities

	As at 31st March, 2021	As at 31st March, 2020
Statutory liabilities	106.69	202.56
Advance from Customers	19.11	38.22
Deferred Government Grant (Refer note 4.1(ii))	304.19	304.18
Advance against sale of Compulsory Convertible Preference Shares (Refer note 62(b))	733.86	-
Others (Refer note (i) below)	53.50	58.22
Total	**1,217.35**	**603.18**

Note:

i) Includes ₹ 50.87 Crores (Previous year ₹ 55.31 Crores) on account of Fair Valuation of contingent liabilities on acquisition of subsidiaries (Refer note 42)

29 Current Provisions

	As at 31st March, 2021	As at 31st March, 2020
Provision for Mine Closure Obligations (Refer note 45)	42.83	24.56
Provision for Employee Benefits		
Provision for Gratuity (Refer note 57)	5.49	4.48
Provision for Leave Encashment	11.85	10.40
Total	**60.17**	**39.44**

Notes to the Consolidated Financial Statements

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All amounts are in ₹ Crores, unless otherwise stated

30 Current Tax Liabilities (Net)

	As at 31st March, 2021	As at 31st March, 2020
Income-tax payable (Net of advance tax ₹ 10.95 Crores (Previous year ₹ 12.16 Crores))	45.71	29.97
Total	**45.71**	**29.97**

31 Revenue from Operations

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Revenue from Power Supply (Refer notes below)	25,800.15	25,950.86
Revenue from trading goods	350.88	461.80
Other Operating Revenue		
Sale of Fly Ash and Others	70.45	55.06
Total revenue from contracts with customers	**26,221.48**	**26,467.72**

Notes:

(i) In respect of APML,

(a) Maharashtra Electricity Regulatory Commission ("MERC") vide its order dated 6th September, 2019 had allowed APML relief on account of non-availability of coal due to cancellation of Lohara coal block for APML's 800 MW of power generation capacity and granted tariff compensation under change in law along with carrying cost thereon. The relief to APML was upheld by the Appellate Tribunal for Electricity ("APTEL") vide its order dated 5th October, 2020 although the Maharashtra State Electricity Distribution Company Limited ('MSEDSL') has filed an appeal in Hon'ble Supreme court of India ("Supreme Court") against certain matters in the APTEL order which is currently pending adjudication. Based on the APTEL order, APML has estimated the tariff compensation claim amount on conservative basis considering the various claim parameters as per the order and recognised revenue of ₹ 3,561.32 Crores and carrying cost thereon of ₹ 1,106.48 Crores during the year ended 31st March, 2021 (includes revenue of ₹ 3,172.80 Crores and Carrying cost of ₹ 1,106.48 Crores pertaining to earlier years).

(b) In a matter relating to APML tariff compensation claim (including carrying costs thereon) for additional costs incurred by APML for 2500 MW power generation capacity due to shortfall in availability of domestic coal under New Coal Distribution Policy ("NCDP") and Scheme of Harnessing and Allocating Koyala (Coal) Transparently in India ("SHAKTI") policy of the government, APML had earlier received favorable order from MERC, based on which tariff compensation claim of ₹ 5,467.30 Crores (including carrying cost of ₹ 836.59 Crores) was recognised till 31st March, 2020. In the current year, APTEL vide its orders dated 14th September, 2020 and 28th September, 2020 provided further clarity on the various claim parameters to be considered and remanded the matter to MERC for giving consequential order in the matter. MERC vide its order dated 10th December, 2020, has issued consequential order for determination of tariff compensation in the matter, although MSEDCL have filed a petition with Hon'ble Supreme Court against the aforesaid orders of APTEL. On prudent accounting principles, APML has revised the recognition of tariff compensation downwards by ₹ 13.25 Crores and carrying cost by ₹ 176.75 Crores during the year ended 31st March, 2021 (includes revenue reversal of ₹ 235.56 Crores and Carrying cost of ₹ 176.75 Crores pertaining to earlier years).

(ii) In respect of APRL,

(a) The Hon'ble Supreme Court vide its order dated 31st August, 2020 has upheld the allowance of tariff compensation, including carrying cost thereon, for the additional costs incurred by APRL due to shortfall in availability of domestic linkage coal under NCDP and SHAKTI policy of the government, in a matter relating to the appeal filed by the Rajasthan Discoms against the APTEL Order dated 14th September, 2019.

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31 Revenue from Operations (Contd.)

Pursuant to earlier favorable orders of RERC, APRL has recognised compensation of ₹ 3,564.10 Crores (including carrying cost of ₹ 746.08 Crores) during the financial years 2014-15 to 2019-20 based on prudent parameters, against which the Rajasthan discoms have paid ₹ 2,426.81 Crores, pursuant to Hon'ble Supreme Court Directive dated 29th October, 2018 for payment of 50% of the total amount claimed by APRL.

The Hon'ble Supreme Court in its order dated 31st August, 2020, has upheld the APTEL's order wherein directions were issued to Rajasthan Discoms to determine tariff compensation after verifying the claim documents submitted by APRL and make additional payments in terms of the judgement and order. The review petition filed by Rajasthan Discoms in the matter with the Hon'ble Supreme Court was rejected on 2nd March, 2021. Considering that, Rajasthan Discoms are yet to verify the claim documents submitted by APRL for the quantification of the final amount of tariff compensation, APRL has not recognised any additional tariff compensation revenue, pending ascertainment of tariff compensation amount by Rajasthan Discoms, post verification of the claim and supporting documents submitted by APRL. As at reporting date, APRL has filed contempt petition with the Hon'ble Supreme Court against Rajasthan Discoms for non-compliance with the Hon'ble Supreme Court order dated 31st August, 2020.

(b) During previous year, Appellate Tribunal for Electricity ("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 the Scheme for Harnessing and Allocating Koyala (Coal) Transparently in India (Shakti) due to shortfall in availability of domestic coal and upheld the compensation under National Coal Distribution Policy ("NCDP") including for the period from February 2018 to March 2020. Accordingly, APRL had recognised revenue towards such cost compensation of ₹ 124.80 Crores and carrying cost claim of ₹ 737.99 Crores (under Other Income) during the previous year on the best management estimate basis.

iii) In respect of UPCL,

(a) During the previous year, 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 had recognised revenue of ₹ 394.80 Crores. APTEL Judgment dated 6th February, 2019 has been challenged by the Power Company of Karnataka Limited/Discoms in Supreme Court as at reporting date.

(b) During the previous year, UPCL had 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) UPCL raises invoices on its customers based on the most recent tariff approved by the CERC, as modified by the orders of APTEL/CERC to the extent applicable, having regard to mechanism provided in applicable tariff regulations and the bilateral arrangements with the customers.

During the year ended 31st March, 2021, UPCL recorded a reversal of tariff compensation claim of ₹ 97.27 Crores (net) (Previous year - reversal of ₹ 379.12 Crores) for the multi-year tariff for tariff cycles 2009-14 and 2014 - 2019 based on the account reconciliations and discussions held with the Discoms. In respect of certain claim matters, UPCL has also filed an appeal with APTEL/CERC as at reporting date, relating to earlier years.

(iv) Revenue from operations for the year ended 31st March, 2021, (other than the amounts disclosed in above notes (i) and (iii)) are net of reversal of ₹ 63.18 Crores (net) pertaining to the financial years upto 31st March, 2020 (Previous year ₹ 240.58 Crores (net) pertaining to earlier years), recognised based on the orders received from various regulatory authorities such as RERC / MERC / CERC, APTEL and reconciliation with discoms during the year relating to various claims towards change in law events, cost escalations and carrying cost thereon.

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for the year ended 31st March, 2021
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31 Revenue from Operations (Contd.)

Contract balances:

The following table provides information about receivables, contract assets and contract liabilities from the contracts with customers.

Particulars	As at 31st March, 2021	As at 31st March, 2020
Trade Receivables	11,437.92	8,366.47
Contract assets relate to the invoices pending to be raised	384.24	441.74
Contract liabilities relate to the advance received from customers	19.11	38.22

Set out below is the amount of revenue recognised from:	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Amount included in contract liabilities at the beginning of the year	38.22	72.23

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, 2021	For the year ended 31st March, 2020
Revenue as per contracted price	26,376.82	26,657.05
Adjustments		
Discount on prompt payment	(129.41)	(161.41)
Discount under Shakti Scheme	(25.93)	(27.92)
Revenue from contract with customers*	**26,221.48**	**26,467.72**

* Net off adjustments on account of change in estimates during the year.

32 Other Income

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Interest income (Refer note (a) below)	1,045.45	959.63
Income from Mutual Funds	0.02	4.09
Sale of Scrap	17.05	16.36
Foreign Exchange Fluctuation Gain (Net)	171.64	-
Amortised Government Grant Income	304.06	304.06
Miscellaneous Income (Refer note (b) below)	389.98	89.95
Total	**1,928.20**	**1,374.09**

Note:

a) Interest income of ₹ 1,045.45 Crores (Previous year - ₹ 959.63 Crores) mainly includes interest income on fixed deposit of ₹ 84.36 Crores (Previous year ₹ 65.58 Crores), Interest income for Late payment surcharge on power supply of ₹ 29.78 Crores (Previous year ₹ 91.82 Crores) and Carrying cost of ₹ 924.06 Crores (mainly pertaining to earlier years) (Previous year ₹ 798.40 Crores) in pursuant to the order of APTEL/ RERC / MERC / CERC.

b) Miscellaneous income includes ₹ 307.81 Crores (Previous Year ₹ 42.44 Crores) towards liability no longer required written back.

33 Purchase of Stock in trade / Power for resale

Purchase of Stock in trade / Power for resale includes purchase of trading goods of ₹ 354.31 Crores (Previous year ₹ 466.67 Crores), and purchase of Power for resale of ₹ 10.99 Crores (Previous year ₹ 0.43 Crores).

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34 Employee Benefits Expense

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Salaries, Wages and Allowances	391.77	388.60
Contribution to Provident and Other Funds	20.64	20.22
Staff Welfare Expenses	19.13	18.00
Total	**431.54**	**426.82**

35 Finance Costs

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
(a) Interest Expenses on :		
Loans and Debentures	4,275.22	4,778.54
Trade Credits and Others (Refer note (i) below)	372.36	466.43
	4,647.58	**5,244.97**
(b) Other borrowing costs :		
Loss / (Gain) on Derivative Contracts	304.96	(247.15)
Bank Charges and Other Borrowing Costs	153.79	145.24
	458.75	**(101.91)**
(c) Net loss on foreign currency transactions and translation (to the extent considered as finance cost)	-	171.76
	-	**171.76**
Total	**5,106.33**	**5,314.82**

Notes:

i) Includes interest on lease liabilities ₹ 11.10 Crores (Previous year ₹ 8.98 Crores)

36 Other Expenses

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Consumption of Stores and Spares	287.82	252.20
Repairs and Maintenance	514.65	517.65
Expenses related to short term leases	6.10	6.18
Rates and Taxes*	117.63	189.78
Legal and Professional Expenses	93.44	190.34
Directors' Sitting Fees	0.35	0.22
Insurance Expenses	70.07	74.51
Bad debts / sundry balances written off	24.07	28.80
Provision for Doubtful Debt / Advances	-	9.97
Provision for Capital work in progress	18.98	20.75
Foreign Exchange Fluctuation Loss (Net)	-	196.42
Miscellaneous Expenses	154.10	148.34
Loss on Sale / Retirement of Property, Plant and Equipment and capital asset written off (Net)	19.64	48.34
Donations	1.78	0.77
Corporate Social Responsibility expenses	2.03	2.02
Total	**1,310.66**	**1,686.29**

Note :

* Includes ₹ 51.23 Crores (Previous year ₹ 157.32 Crores) against disputed tax claims.

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for the year ended 31st March, 2021
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37 Exceptional Item

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Write off of advances (Refer note below)	-	1,002.99
Total	-	**1,002.99**

Note:

Exceptional items aggregating to ₹ 1,002.99 Crores represents adjustment of outstanding sale proceeds of 49% stake in Korba West Power Company Limited ("KWPCL") amounting to ₹ 263.69 Crores, balance purchase consideration amount of ₹ 511.31 Crores and other loans / interest receivable of ₹ 227.99 Crores. The Company had written off these balances during the year ended 31st March, 2020, subsequent to the resolution plan submitted by the Company and approved by the National Company Law Tribunal ("NCLT") vide its Order dated 24th June, 2019.

38 Income Tax

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Profit and Loss section		
Current Tax:		
Current Income Tax Charge	25.64	24.68
Adjustments in respect of prior years	(4.27)	(7.33)
Total (A)	**21.37**	**17.35**
Deferred Tax		
Deferred Tax Charge	1,062.50	38.19
Total (B)	**1,062.50**	**38.19**
Current tax netted off with Deferred tax recoverable from future tariff	13.78	16.30
Total (C)	**13.78**	**16.30**
OCI section		
Deferred tax related to items recognised in OCI during the year **(D)**	(0.49)	0.14
Total(A+B+C+D)	**1,097.16**	**71.98**

The income tax expense for the year can be reconciled to the accounting profit as follows:

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Profit / (Loss) before tax as per Statement of Profit and Loss	**2,288.74**	**(2,264.92)**
Income tax using the company's domestic tax rate @ 25.168% (Previous year rate 34.944%)	576.03	(791.45)
Tax Effect of :		
i) Deferred Tax Asset not created on losses of Current Year	865.72	1,061.29
ii) Unabsorbed Depreciation / brought forward losses utilised	70.53	(258.02)
iii) Minimum Alternate Tax (MAT)	25.16	24.60
iv) MAT on Deferred Tax Recoverable	13.78	16.30
v) Income-taxes related to prior years	(4.27)	(7.33)
vi) Tax Impact on Distribution to holders of Unsecured Perpetual Securities	(95.73)	(213.86)
vii) Non Deductible Expenses	12.91	407.04
viii) Non Taxable Income	(84.89)	(102.26)
ix) Profit taxable at different tax rates and impact of tax rate differences	(314.64)	(73.05)

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38 Income Tax (Contd.)

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
x) Change in estimate of taxability of certain items pertaining to earlier years	26.44	-
xi) Others	6.12	8.72
Income tax recognised in Statement of Profit and Loss **Total**	**1,097.16**	**71.98**

Note:

(i) On 11th December, 2019, vide the Taxation Laws (Amendment) Act, 2019, 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. The Company, APML, APRL, APMuL, REL, REGL and APJL have recognised the tax provision in the books as per Section 115BAA under new tax regime.

39 Earnings per share

		For the year ended 31st March, 2021	For the year ended 31st March, 2020
Basic and Diluted EPS			
Profit / (Loss) for the year	₹ in Crores	1,269.98	(2,274.77)
Less: Distribution on Unsecured Perpetual Securities (including paid - ₹ 380.36 Crores (Previous year ₹ 612.01 Crores))	₹ in Crores	1,245.04	884.25
Profit / (Loss) attributable to equity shareholders after distribution on Unsecured Perpetual Securities	₹ in Crores	24.94	(3,159.02)
Weighted average number of equity shares outstanding during the year	No.	3,856,938,941	3,856,938,941
Nominal Value of equity share	₹	10	10
Basic and Diluted EPS	₹	0.06	(8.19)

40 Details of Subsidiaries:

The consolidated financial statements comprise the financial statements of the parent company, Adani Power Limited and the following subsidiaries.

Name of the subsidiaries	Country of incorporation	Effective ownership in subsidiary as at	
		31st March, 2021	31st March, 2020
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”)	India	51%	51%
Adani Power (Mundra) Limited	India	100%	100%
Adani Power (Jharkhand) Limited	India	100%	100%
Raigarh Energy Generation Limited (formerly known as Korba West Power Company Limited) (Refer note 42)	India	100%	100%

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for the year ended 31st March, 2021
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40 Details of Subsidiaries: (Contd.)

Name of the subsidiaries	Country of incorporation	Effective ownership in subsidiary as at	
		31st March, 2021	31st March, 2020
Raipur Energen Limited (REL) (formerly known as GMR Chhattisgarh Energy Limited (GCEL)) (Refer note 42)	India	100%	100%
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%

Note:

The Consolidated financial statement for the year ended 31st March, 2020 includes the results of the wholly owned subsidiaries, Raigarh Energy Generation Limited ("REGL") and Raipur Energen Limited ("REL") which were acquired w.e.f. 20th July, 2019 and 2nd August, 2019 respectively. Accordingly, the consolidated statement of profit and loss for the year ended 31st March, 2021 are not comparable with the comparative period results of last year. (Refer note 42)

41 Non-Controlling Interest (NCI)

Non controlling interest relate to APReL as on 31st March, 2021. NCI holds 49% shares in APReL.

The table below shows summarised financial information of subsidiaries of the Group that have non-controlling interests.

Particulars	As at 31st March, 2021	As at 31st March, 2020
Non-current assets	0.10	0.09
Current assets	-	0.80
Non-current liabilities	-	-
Current liabilities	0.08	0.87
Net Assets	**0.02**	**0.02**
Equity attributable to owners of the group	0.01	0.01
Non-controlling interest	0.01	0.01

Notes:

During the previous 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 Ltd. (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 infusion / purchase of 100% equity. Accordingly, REGL become wholly owned subsidiary of the Company and 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

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42 Business Combinations (Contd.)

of ₹ 16 only towards purchase of equity. Accordingly, REL has become wholly owned subsidiary of the Company and considered for consolidation w.e.f. 2nd August, 2019.

The business acquisition accounting of these transactions had 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 had 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.

This had resulted in capital reserve aggregating to ₹ 1,029.60 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:

Particulars	REGL	REL	Total
ASSETS			
Non-current Assets			
(a) Property, Plant and Equipment (including RoU assets)	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**

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42 Business Combinations (Contd.)

Particulars	REGL	REL	Total
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 of the Company (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.

Net 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, 2021	As at 31st March, 2020
(a) Contingent Liabilities :		
i) Claims against the Group not acknowledged as debts in respect of :		
a. Income Tax demands (under appeal)	52.72	57.14
b. Service Tax / Goods and Service Tax	1.51	7.05
c. Custom Duty	1,220.51	1,217.34
d. State Sales Tax / VAT	0.54	13.52
e. Electricity Duty	11.31	11.31
f. Transmission Line Relinquishment	154.50	339.93
Total	**1,441.09**	**1,646.29**

Note:

The Group has assessed that it is only possible, but not probable, that outflow of economic resources will be required.

ii) Apart from above, 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.

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43 Contingent Liabilities and Commitments: (Contd.)

(b) Commitments:

	As at 31st March, 2021	As at 31st March, 2020
Estimated amount of contracts remaining to be executed on capital account and not provided for	4,654.34	7,519.02
Estimated amount payable towards coal block allocated to the APMuL (Refer note 46) (Upfront Fees payable towards allotment of Jitpur coal mine)	-	13.60
	4,654.34	**7,532.62**

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.

44 Leases

The Group has lease contracts for land, furniture and other equipment used in its operations. Leases of this items have lease terms between 5 to 99 years. The Group is restricted from assigning and subleasing the leased assets.

The weighted average incremental borrowing rate applied to lease liabilities is 8.50%. The following is the movement in Lease liabilities.

Particulars	As at 31st March, 2021	As at 31st March, 2020
Opening Balance	107.05	-
Add: Additional on account of adoption of Ind AS 116	-	80.05
Add: Addition on account of new lease arrangements during the year	13.00	5.86
Add: Addition on account of acquisition of subsidiaries	-	25.50
Add: Finance cost incurred for the year	11.27	8.98
Less: Payment of Lease Liabilities	23.91	13.34
Closing Balance (Refer note 21 and 27)	**107.41**	**107.05**

45 Provision for Mine Closure Obligation

Particulars	As at 31st March, 2021	As at 31st March, 2020
Opening Balance	43.26	40.22
Add: Interest on account of unwinding of Provision	2.46	3.04
Closing Balance	**45.72**	**43.26**

Note:

In case of REL, The mine closure obligation has been estimated based on the mine closure plan prepared by the registered qualified person and duly acknowledged by Ministry of coal, Govt of India.

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46 Adani Power (Mundra) Limited ("APMuL") had Coal Mine Development and Production Agreement ("the agreement") with Government of India since 14th March 2015 for development of coal block at Jitpur in the State of Jharkhand. To acquire the land for development of mines, APMuL had deposited ₹ 97.66 Crores with the authorities from time to time (shown under capital advance) and incurred various expenditure (including ₹ 6.09 Crores shown under capital work in progress) in relation to development of coal block and also gave a performance bank guarantee of ₹ 92.90 Crores to the government authorities. During the previous year, District Collector, Godda informed to APMuL that the process to acquire land for development of mine had lapsed and it needed to apply afresh for acquisition of land in terms of Land Acquisition Rehabilitation and Resettlement Act, 2013. APMuL has taken up the matter with the Government of Jharkhand (GOJ) and Nominated Authority (NA), Ministry of Coal (MoC).

Considering the long pendency of the matter, APMuL applied for surrendering the coal block to the Nominated Authority and requested for refund of the amounts deposited, as stated above along with the additional expenditure incurred by it and also release of the performance bank guarantee. APMuL also filed a writ petition in Delhi High Court on 2nd November, 2020, in order to seek protection from BG invocation by Nominated Authority and surrendering of coal block whereby Hon'ble Delhi High Court vide it's order on 3rd November, 2020 has directed the Nominated Authority to take decision on APMuL's application within 3 months from the order date. As at reporting date, the Nominated Authority has not concluded the matter as directed by Hon'ble Delhi High Court. In the meantime, APMuL has extended the performance bank guarantee till 31st March, 2022 pursuant to the direction of Nominated Authority.

APMuL's management expects to resolve all matters relating to Jitpur mine with Nominated Authority and the management, basis legal opinion obtained, is reasonably confident to realise the entire amounts deposited/ incurred towards the development of the coal mine.

47 The 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 had made payment of the said amount in April 2019 with CPCB. Further, the Committee of Experts constituted by the NGT, submitted its Interim Report on 2nd March, 2021 with revised environmental compensation with no consensus amongst all the committee members.

The matter came up for hearing before NGT on 3rd March, 2021. NGT allowed the respondents to file their objection on the interim report of the committee of experts and directed the State of Karnataka to submit the final report on or before 6th July, 2021.

As at reporting date, the existing plant continues to operate in compliance with all the conditions under Environment Clearance. The management basis opinion of legal expert, does not foresee any further liability in the matter.

48 (a) The Hon'ble Supreme Court of India ("Hon'ble Supreme Court"), vide its order dated 2nd July, 2019, allowed appeal filed by Adani Power (Mundra) Limited ("APMuL"), a wholly owned subsidiary of the Company, for termination of long term Power Purchase Agreement (PPA) ("Bid 2") with Gujarat Urja Vikas Nigam Ltd. ("GUVNL"), for supply of 1000 MW power including Supplementary Power Purchase Agreement ('SPPA') signed on 5th December, 2018 with retrospective effect from respective date of PPAs and allowed APMuL to claim compensatory tariff thereof as may be decided by Central Electricity Regulatory Commission ("CERC"). The Hon'ble Supreme Court in its order, 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 Hon'ble Supreme Court order, APMuL has filed its petition on 2nd September, 2019. Based on Record of Proceedings, APMuL 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 determined and finalised by CERC.

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In the meantime, APMuL 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 the Hon'ble Supreme Court Order dated 2nd July, 2019. GUVNL however filed a review petition in the matter which was set aside by the Hon'ble Supreme Court in September 2019 and GUVNL has subsequently also filed curative petition in November, 2019 which is currently pending in the Hon'ble Supreme Court. APMuL has not recognised any compensatory tariff in the books as at reporting date since the matter is pending closure with GUVNL.

After Hon'ble Supreme Court order, GUVNL has discontinued scheduling power w.e.f. 10th July, 2019 under Bid 2 PPA (including subsequent amendments thereof). Post discontinuation of scheduling, APMuL has been selling power from underlying 1320 MW of power generation capacity on merchant sale basis. The management does not foresee any significant / material 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 generation and sale of power on merchant basis.

APMuL has also 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 and 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 ₹ 18,312.89 Crores as at 31st March, 2021.

(b) APML, UPCL, APRL. REL and REGL have determined the recoverable amounts of the Power Plants under Ind AS 36, Impairment of Assets on the basis of their Value in Use by estimating the future cash inflows over the estimated useful lives of the Power Plants. Further, the cash flow projections are based on estimates and assumptions relating to tariff, operational performance of the Plants, availability of domestic coal under fuel supply agreement / coal linkage as per the directives of Competent Authority, life extension plans, market prices of coal and other fuels, exchange variation, inflation, terminal value etc. which are considered reasonable by the Management.

On a careful evaluation of the aforesaid factors, the Management of APML, UPCL, APRL. REL and REGL have concluded that the Recoverable Amounts of the Power Plants are higher than their carrying amounts as at 31st March, 2021. However, if these estimates and assumptions change in future, there could be corresponding impact on the recoverable amounts of the Plants.

49 APMuL has recognised tariff compensation claim of ₹ 1,483.11 Crores and carrying cost thereon of ₹ 238.30 Crores during the FY 2013-14 to FY 2020-21 due to shortfall in domestic coal against power supplied to Haryana Discoms based on CERC Order dated 31st May, 2018 and 13th June, 2019 pursuant to Hon'ble Supreme Court Order dated 11th April, 2017. The Haryana Discoms' appeal in the matter, with APTEL has been decided in favour of APMuL on 3rd November, 2020. As at reporting date, appeal filed by Haryana Discoms in this matter is pending disposal by Hon'ble Supreme Court. As per the assessment made by APMuL and favourable decision of APTEL including favorable orders in respect of similar other matters, management expects to fully realise the claims recognised in the books.

50 Government of Gujarat (GoG), vide its resolution (G.R.) dated 12th June, 2020, has revoked and superseded its earlier G.R. dated 1st December, 2018, basis which APMuL and GUVNL had signed Bid-01 and Bid-02 Supplementary Power Purchase Agreements (SPPAs) in December, 2018 and these SPPAs were also approved by CERC. In this matter, the management supported by legal views firmly believes that G.R. dated 12th June, 2020 as issued by GoG will not have impact on SPPA signed in respect of Bid-01 (Bid-02 since cancelled) given any changes in SPPA/PPA is legally possible through mutual written consent of the counterparties and approval of CERC. The matter is under consideration of CERC. However, APMuL continues to supply power to GUVNL, pending resolution of certain matters under dispute, and the management is reasonably confident of realizing all the receivables from GUVNL.

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51 Due to ongoing impact of COVID-19 globally and in India, the Group has assessed the 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 emphasised by the Ministry of Power, Government of India. The demand for power is continuously increasing with increase in economic activities in the Country, although demand may get impacted in short term due to lock downs in various parts of the country. On long term basis, the Group does not anticipate any major challenge in operating the Group's power plants at various locations and meeting its financial obligations. Basis above, the management has estimated its future cash flows for the Group which indicates no major impact in the operational and financial performance of the Group. The management will continuously monitor the performance of the Group and take appropriate remedial measures as needed to respond to the Covid related risks, if any.

52 The Group has taken various derivatives to hedge its risks associated with foreign currency fluctuations on items including principal loan amount and interest thereof along with interest rate changes. The outstanding position of derivative instruments is as under:

Nature	Purpose	As at 31st March, 2021		As at 31st March, 2020	
		Amount	USD (in Millions)	Amount	USD (in Millions)
Forward covers	Hedging of Trade Credits, Acceptances, Creditors and future coal contracts	4,076.50	557.58	5,219.91	689.88
	Hedging of ECB and interest	559.54	76.53	567.44	74.99
Options	Hedging of ECB and interest	1,722.08	235.55	2,425.02	320.50
Principal only swaps (through cash flow hedge)	Hedging of LC, Acceptances, Creditors	2,524.96	345.36	450.21	59.50
Coupon Only Swaps (through cash flow hedge)	Hedging of LC, Acceptances, Creditors	1,826.73	249.86	179.95	23.78
Interest rate swaps	Hedging of interest rate on ECB	1,145.37	156.66	1,553.40	205.30
		11,855.18		**10,395.93**	

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

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	Amount	Foreign Currency (in Millions)	Amount	Foreign Currency (in Millions)
1. Import Creditors and Acceptances	1,483.11	USD 202.86	1,675.76	USD 221.48
	0.01	EURO 0.00	0.44	EURO 0.06
2. Trade credits from banks	-	-	39.37	USD 5.21
3. Foreign currency borrowings	2,254.73	USD 308.40	2,907.86	USD 384.31
4. Interest accrued but not due	2.02	USD 0.28	12.87	USD 1.70
5. Other Receivables	(3.36)	USD (0.46)	-	-
	3,736.51		**4,636.30**	

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53 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.

(i) 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. The year end balances are not necessarily representative of the average debt outstanding during the year. 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 ₹ 25,882.47 Crores as on 31st March, 2021 and ₹ 27,606.11 Crores as on 31st March, 2020 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, 2021	For the year ended 31st March, 2021
Impact on Profit or Loss for the year	129.41	138.03

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 ₹ loan into other foreign currency for taking advantage of lower cost of borrowing in stable currency environment. The Group also enters into various foreign exchange contracts to mitigate the risk arising out of foreign exchange rate movement on foreign currency borrowings or trade payables.

Every one percentage point depreciation / appreciation in the exchange rate between the Indian rupee and U.S.dollar on the exposure of $ 234.94 Million as on 31st March, 2021 and $ 261.48 Million as on 31st March, 2020 would have affected the Group's profit or loss for the year as follows:

	For the year ended 31st March, 2021	For the year ended 31st March, 2021
Impact on Profit or Loss for the year (net of amounts capitalised under Property, Plant and Equipment)	17.18	19.28

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021
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53 Financial Risk Management Objective and Policies: (Contd.)

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 commodities. Therefore the Group monitors its purchases closely to optimise the price.

(ii) 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 have interest clause on delayed payments and hence they are secured from credit losses in the future.

(iii) 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.

As at 31st March, 2021	Carrying Amount	Less than 1 year	1 to 5 years	More than 5 years	Total
Borrowings (Refer note 20 and 25)*	52,411.27	15,436.89	33,738.41	22,509.09	71,684.39
Trade Payables	3,803.13	3,803.13	-	-	3,803.13
Derivative Instruments	119.59	62.41	57.18	-	119.59
Lease liabilities	107.41	17.21	54.41	341.92	413.54
Other Financial Liabilities	1,451.93	806.03	645.90	-	1,451.93

As at 31st March, 2020	Carrying Amount	Less than 1 year	1 to 5 years	More than 5 years	Total
Borrowings (Refer note 20 and 25)*	55,198.76	14,348.84	39,818.64	26,525.97	80,693.45
Trade Payables	5,596.05	5,596.05	-	-	5,596.05
Derivative Instruments	33.06	0.65	32.41	-	33.06
Lease obligations	107.05	23.05	51.70	336.11	410.86
Other Financial Liabilities	1,487.19	1,273.21	213.98	-	1,487.19

* The table has been drawn up based on the undiscounted contractual maturities of the financial liabilities including interest that will be paid on those liabilities upto the maturity of the instruments.

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54 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, 2021	As at 31st March, 2020
Debt (Refer note (i) below)	42,727.95	47,396.95
Total Capital (Refer note (ii) below)	13,112.59	6,480.44
Debt Equity Ratio (In times)	**3.26**	**7.31**

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.

55 Fair Value Measurement:

a) **The carrying value of financial instruments by categories as of 31st March, 2021 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	-	-	113.04	113.04
Bank balances other than cash and cash equivalents	-	-	1,652.47	1,652.47
Investments	788.46	20.09	0.01	808.56
Trade Receivables	-	-	11,437.92	11,437.92
Loans	-	-	8.83	8.83
Derivative Instruments	-	197.04	-	197.04
Other Financial assets	-	-	346.25	346.25
Total	**788.46**	**217.13**	**13,558.52**	**14,564.11**
Financial Liabilities				
Borrowings	-	-	52,411.27	52,411.27
Trade Payables	-	-	3,803.13	3,803.13
Derivative Instruments	-	119.59	-	119.59
Lease liabilities	-	-	107.41	107.41
Other Financial Liabilities	-	-	1,451.93	1,451.93
Total	**-**	**119.59**	**57,773.74**	**57,893.33**

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for the year ended 31st March, 2021
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55 Fair Value Measurement: (Contd.)

b) 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	-	-	1,267.62	1,267.62
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	-	-	454.53	454.53
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**

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

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.

Upon the application of Ind AS 109 'Financial Instruments', the Group has chosen to designate Investment in CCPS as at FVTOCI.

56 Level wise disclosure of fair value for financial instruments requiring fair value measurement/ disclosure:

Particulars	As at 31st March, 2021			
	Level 1	Level 2	Level 3	Total
Assets				
Investment	-	20.09	788.46	808.55
Derivative Instruments	-	197.04	-	197.04
Total	**-**	**217.13**	**788.46**	**1,005.59**
Liabilities				
Derivative Instruments	-	119.59	-	119.59
Total	**-**	**119.59**	**-**	**119.59**

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56 Level wise disclosure of fair value for financial instruments requiring fair value measurement/ disclosure: (Contd.)

Particulars	As at 31st March, 2020			
	Level 1	Level 2	Level 3	Total
Assets				
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**

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

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.

The fair value for Level 3 instruments is valued using inputs based on information about market participants assumptions and other data that are available.

A one percent point change in the unobservable input used in fair value of Level 3 asset do not have significant impact in its value.

There have been no transfers across the levels during the year.

57 (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, 2021	As at 31st March, 2020
i. Reconciliation of Opening and Closing Balances of Defined Benefit Obligation		
Liability at the beginning of the year	57.97	48.98
Acquisition liability		
Current Service Cost	7.40	7.63
Interest Cost	3.80	3.86
Liability Transferred in / out	(1.12)	(1.13)
Acquisition adjustment	-	2.93
Benefits paid	(3.62)	(2.79)
Re-measurement (or Actuarial) (gain) / loss arising from:		
change in demographic assumptions	(0.84)	0.23
change in financial assumptions	6.77	(1.68)
experience variance (i.e. Actual experience vs assumptions)	(1.61)	(0.06)
Present Value of Defined Benefits Obligation at the end of the year	**68.75**	**57.97**

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for the year ended 31st March, 2021
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57 (a) Defined Benefit Plan: (Contd.)

Particulars	As at 31st March, 2021	As at 31st March, 2020
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	24.32	20.84
Investment Income	1.63	1.76
Employer's Contributions	-	0.43
Acquisition adjustment	-	2.35
Benefits paid	(1.97)	(0.89)
Return on plan assets , excluding amount recognised in net interest expense	0.01	(0.17)
Actuarial gain / (loss) on plan assets	(1.99)	-
Fair Value of Plan assets at the end of the year	**22.00**	24.32
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	68.75	57.97
Fair Value of Plan assets at the end of the year	22.00	24.32
Net Asset / (Liability) recognised in balance sheet as at the end of the year	**(46.75)**	**(33.65)**
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	7.40	7.63
Interest cost	3.80	3.86
Expected return on plan assets	(1.63)	(1.76)
Net Gratuity cost recognised in the statement of Profit and Loss	**9.57**	**9.73**
vi. Other Comprehensive Income		
Actuarial (gains) / losses		
Change in demographic assumptions	(0.84)	0.23
Change in financial assumptions	6.77	(1.68)
Experience variance (i.e. Actual experience vs assumptions)	(1.61)	(0.06)
Return on plan assets, excluding amount recognised in net interest expense	(0.01)	0.17
Re-measurement (or Actuarial) loss arising because of change in effect of asset ceiling	1.99	-
Less: capitalised	(0.17)	0.08
Components of defined benefit costs recognised in other comprehensive income	**6.13**	**(1.26)**

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57 (a) Defined Benefit Plan: (Contd.)

Particulars	As at 31st March, 2021	As at 31st March, 2020
vii. Actuarial Assumptions		
Discount Rate (per annum)	6.70%	6.70%
Expected annual Increase in Salary Cost	8.00%	7.00%
Attrition / Withdrawal rate (per annum)	5.44%	4.62%
Mortality Rates as given under Indian Assured Lives Mortality (2012-14) Ultimate Retirement Age 58 Years.		

viii. Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

Particulars	As at 31st March, 2021	As at 31st March, 2020
Defined Benefit Obligation (Base)	68.75	57.97

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%)	75.94	62.57	64.50	52.46
Salary Growth Rate (- / + 1%)	62.58	75.78	46.55	56.99
Attrition Rate (- / + 50%)	70.39	67.44	51.77	51.08
Mortality Rate (- / + 10%)	68.73	68.70	51.39	51.39

ix. Asset Liability Matching Strategies

The Company, UPCL and REL has funded benefit plan and 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.

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57 (a) Defined Benefit Plan: (Contd.)

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, ₹ 6.05 Crores and ₹ 3.93 Crores respectively.

c) Maturity Profile of Defined Benefit Obligation

Weighted average duration (based on discounted cash flows) - 9 years

Expected cash flows over the next (valued on undiscounted basis):	Amount
1 year	8.50
2 to 5 years	20.28
6 to 10 years	25.01
More than 10 years	97.24

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 2020-21.

(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, 2021	For the year ended 31st March, 2020
Employer's Contribution to Provident Fund	19.16	20.11
Employer's Contribution to Superannuation Fund	0.17	0.30
Total	**19.33**	**20.41**

58 The Group has reported profit of ₹ 1,269.98 Crores and losses of ₹ 2,274.77 Crores for the year ended 31st March, 2021 and 31st March, 2020, respectively. The Group has continued to operate 12,450 MW Thermal Power Undertaking although its operational performance has got impacted due to fluctuations in international and domestic coal prices and pending matters relating to billable compensatory tariff / change in law claims on discoms for various additional cost components incurred during the earlier years. Further, as at 31st March, 2021, its current liabilities exceed current assets by ₹ 1,878.52 Crores, which includes net payable ₹ 2,236.66 Crores for related parties.

Notwithstanding the above, the financial statements of the Group have been prepared on a going concern basis as the management believes, in view of various favourable order 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 expected from various stakeholders including unconditional financial support from promoter group companies and availability of financing from lenders as may be required to sustain its operations on a going concern basis.

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59 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 Agri Logistics Limited
	Adani Agrifresh Limited
	Adani Ahmedabad International Airport Limited
	Adani Airport Holdings Limited
	Adani Bunkering Private Limited
	Adani Cementation 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 Global DMCC
	Adani Global FZE, Dubai.
	Adani Global Pte Limited
	Adani Green Energy (Tamilnadu) Limited
	Adani Green Energy Limited
	Adani Green Energy (UP) 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 Kandla Bulk Terminal Private Limited
	Adani Logistics Limited
	Adani Petronet (Dahej) Port Private Limited
	Adani Ports & SEZ Limited
	Adani Properties Private Limited
	Adani Rail Infra Private Limited
	Adani Renewable Energy Park KA Limited
	Adani Renewable Energy Park Rajasthan Limited
	Adani Road Transport Limited
	Adani Shipping (India) Private Limited
	Adani Skill Development Centre
	Adani Synenergy Limited
	Adani Total Gas Limited (Formerly known as Adani Gas Limited)
	Adani Township and Real Estate Company Private Limited
	Adani Transmission (India) Limited
	Adani Transmission Limited
	Adani Transport Limited
	Adani Vizag Coal Terminal Private Limited

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59 Related party transactions (Contd.)

Description of relationship	Name of Related Parties
	Adani Vizhinjam Port Private Limited
	Adani Wilmar Limited
	Adani Wind Energy (Gujarat) Private Limited
	Barmer Power Transmission Services Limited
	Belvedere Golf and Country Club Private Limited
	Chhattisgarh - WR Transmission Limited
	Hadoti Power Transmission Services 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 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
	Ramnad Solar Power Limited
	Sarguja Rail Corridor Private Limited
	Shankheshwar Buildwell Private Limited
	Shanti Sagar International Dredging Private Limited
	Shantigram Utility Services Private Limited
	Talabira (Odisha) Mining Private Limited
	Thar Power Transmission Service Company Limited
	The Dhamra Port Company Limited
	Wardha Solar (Maharashtra) Private Limited
Key Management Personnel	Mr. Gautam S. Adani, Chairman
	Mr. Anil Sardana, Managing Director (w.e.f 11th July, 2020)
	Mr. Rajesh S. Adani, Director (Managing Director up to 10th July, 2020 & Director w.e.f. 11th July, 2020)
	Mr. Vneet S. Jaain, Whole-time Director (upto 10th July, 2020)
	Mr. Shailesh Sawa, Chief Financial Officer (w.e.f 11th July, 2020)
	Mr. Suresh Jain, Chief Financial Officer (for the period 30th May, 2019 to 10th July, 2020)
	Mr. Rajat Kumar Singh. Chief Financial Officer (Upto 29th May 2019)
	Mr. Deepak S Pandya, Company Secretary
	Mr. Raminder Singh Gujral, Independent Director
	Mr. Mukesh Shah, Independent Director
	Ms. Gauri Trivedi, Independent Director

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021
All amounts are in ₹ Crores, unless otherwise stated

59 Related party transactions (Contd.)

b. Transactions with related parties

Sr No.	Particulars	For the year ended 31st March, 2021		For the year ended 31st March, 2020	
		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	7,415.35	-	8,460.01	-
2	Borrowing Repaid Back	2,437.50	-	8,458.39	-
3	Interest Expense on Loan	384.47	-	545.52	-
4	Interest Expense on Others	30.19	-	33.44	-
5	Loan Given	24.09	-	-	-
6	Loan Received Back	18.27	-	-	-
7	Interest Income	0.10	-	-	-
8	Sale of Goods	3,070.13	-	2,168.07	-
9	Purchase of Goods (Including Traded Goods)	100.55	-	2,230.69	-
10	Advance received against sale of CCPS	733.86	-	-	-
11	Purchase of Property, Plant and Equipment	-	-	0.02	-
12	Rendering of Service	1.98	-	6.76	-
13	Receiving of Services	1,010.27	-	1,124.52	-
14	Capital advance received back	3.21	-	202.07	-
15	Advance refund	0.76	-	201.13	-
16	Conversion of Borrowing to Unsecured Perpetual Securities	3,600.00	-	-	-
17	Unsecured Perpetual Securities issued	400.00	-	615.00	-
18	Distribution to holders of Unsecured Perpetual Securities	380.36	-	612.01	-
19	Purchase of CCPS	320.00	-	-	-
20	Sale of CCPS	1,415.23	-	-	-
21	Investments in CCPS	10.00	-	-	-
22	Sale of Investment of Subsidiaries	-	-	0.02	-
23	Purchase of Equity shares	-	-	*	-
24	Compensation of Key Management Personnel				
a	Short-term benefits	-	3.88	-	5.02
b	Post-employment benefits	-	0.29	-	0.49
c	Director sitting fees	-	0.36	-	0.18

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

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021
All amounts are in ₹ Crores, unless otherwise stated

59 Related party transactions (Contd.)

c. Balances With Related Parties:

Sr No.	Particulars	As at 31st March, 2021	As at 31st March, 2020
		Entities on which Controlling Entity or one or more KMP have a significant influence / control	
1	Borrowings	6,152.08	4,772.02
2	Loans given	5.82	-
	Receivables		
3	Trade Receivables	198.05	387.37
4	Security Deposit, Advances Given and other receivables	30.57	2.22
5	Capital Advances	-	3.21
	Payables		
6	Trade and Other Payables	1,205.31	2,220.75
7	Security Deposit and Advances Received	733.93	15.42
8	Interest Payable	23.18	3.36
	Perpetual Securities Issued		
9	Perpetual Securities	12,615.00	8,615.00

Note :

i) The amount outstanding are unsecured and will be settled in cash or kind.

ii) Interest accrued of ₹ 175.83 Crores (Previous year ₹ 219.83 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.

iii) The Group's ultimate controlling entity has pledged securities of related parties against the trade credit facilities of ₹ Nil as at 31st March, 2021 (Previous year ₹ 397.57 Crores)

iv) Refer note 62 in respect of details of CCPS transactions with Promoter Group Companies.

60 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	130 %	17,085.35	(39)%	(498.74)	(4)%	1.14	(40)%	(497.60)
Subsidiaries (Indian):								
Adani Power (Mundra) Limited	(19)%	(2,430.35)	(168)%	(2,137.27)	5 %	(1.56)	(173)%	(2,138.83)
Adani Power Maharashtra Limited	58 %	7,635.81	289 %	3,667.22	3 %	(0.80)	296 %	3,666.42
Adani Power Rajasthan Limited	28 %	3,735.30	27 %	347.76	1 %	(0.30)	28 %	347.46
Udupi Power Corporation Limited	16 %	2,078.06	8 %	103.38	1 %	(0.21)	8 %	103.17
Raigarh Energy Generation Limited (Formerly known as Korba West Power Company Limited)	1 %	150.38	(13)%	(164.34)	1 %	(0.22)	(13)%	(164.56)

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021
All amounts are in ₹ Crores, unless otherwise stated

60 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: (Contd.)

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
Raipur Energen Limited (Formerly known as GMR Chhattisgarh Energy Limited)	0 %	13.15	(4)%	(44.96)	(0)%	0.08	(4)%	(44.88)
Adani Power Resources Limited	0 %	0.02	0 %	-	-	-	0 %	-
Adani Power (Jharkhand) Limited	18 %	2,424.41	3 %	34.62	94 %	(28.52)	0 %	6.10
Adani Power Dahej Limited	3 %	378.54	(1)%	(18.66)	-	-	(2)%	(18.66)
Pench Thermal Energy (MP) Limited (formerly known as Adani Pench Power Limited)	1 %	104.97	0 %	-	0.00	(0.01)	(0)%	(0.01)
Kutchh Power Generation Limited	0 %	13.84	0 %	-	-	-	0 %	-
Non-controlling interest	0 %	0.01	-	-	-	-	-	-
Intercompany Elimination and consolidation adjustments	(138)%	(18,076.89)	(1)%	(19.03)	-	-	(2)%	(19.03)
Total	**100%**	**13,112.60**	**100%**	**1,269.98**	**100%**	**(30.40)**	**100%**	**1,239.58**

61 The Group's business activities revolve around development and operations of power generation plants including related activities and other trading and investment 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, 2021	For the year ended 31st March, 2020
Segment Revenue		
Power Generation and related activities	25,870.60	26,005.92
Trading and Investment activities	350.88	461.80
Total	**26,221.48**	**26,467.72**
Less: Inter Segment Transfer	-	-
Revenue from Operations	**26,221.48**	**26,467.72**
Segment Results		
Power Generation and related activities	7,394.86	4,052.62
Trading and Investment activities	0.21	0.27
Unallocable Income	-	-
Profit before interest, exceptional items, tax and Deferred tax recoverable from future tariff	**7,395.07**	**4,052.89**
Less: Finance Cost	5,106.33	5,314.82
Profit / (Loss) before exceptional items, tax and Deferred tax recoverable from future tariff	**2,288.74**	**(1,261.93)**
Less: Exceptional Items	-	1,002.99

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021
All amounts are in ₹ Crores, unless otherwise stated

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Profit / (Loss) before tax and Deferred tax recoverable from future tariff	**2,288.74**	**(2,264.92)**
Current Tax (including excess provision for earlier years written back)	21.37	17.35
Deferred Tax	1,062.50	38.19
Total Tax Expense	**1,083.87**	**55.54**
Deferred tax (recoverable from) future tariff (net of tax)	65.11	45.69
Profit / (Loss) for the year	**1,269.98**	**(2,274.77)**
Less: Non - Controlling interest	*	*
Net Profit / (Loss) for the year	**1,269.98**	**(2,274.77)**
Segment Assets		
Power Generation and related activities	77,747.00	74,847.54
Trading and Investment activities	788.47	177.46
Unallocable Assets	-	-
Total Assets	**78,535.47**	**75,025.00**
Segment Liabilities		
Power Generation and related activities	64,674.01	68,365.69
Trading and Investment activities	748.86	178.86
Unallocable Liabilities	-	-
Total Liabilities	**65,422.87**	**68,544.55**
Depreciation / Amortisation		
Power Generation and related activities	3,201.65	3,006.50
Trading and Investment activities	-	-
Total Depreciation / Amortisation	**3,201.65**	**3,006.50**
Capital Expenditure		
Power Generation and related activities	3,617.61	2,226.56
Trading and Investment activities	-	-
Total Capital Expenditure	**3,617.61**	**2,226.56**

62 During the year ended 31st March, 2021, the Company received deemed contribution from promoter group as detailed hereunder:

(a) During the financial year 2019-20, Adani Properties Private Limited ("APPL"), a promoter group entity, through a special purpose vehicle entity ("SPV"), had acquired economic and financial interest in another company owning certain land ("underlying assets"), which were under title disputes / litigation and also subject to significant third party claims, under Insolvency and Bankruptcy Code process. Subsequent to the acquisition, APPL infused further funds into the SPV to resolve the disputed claims on land encumbrances etc. The total investment by APPL and other parties aggregated to ₹ 400.00 Crores via subscription towards CCPS.

On 18th January, 2021, APPL and other parties sold the entire tranche of CCPS to the Company with economic interest in the underlying assets, at actual cost incurred by them. The Company later undertook a detailed exercise to assess the fair value of the CCPS based on value of the underlying assets and possible end use thereof. The difference between cost and fair value of ₹ 994.47 Crores, has been accounted as deemed equity contribution from the promoter group, recorded under Other Equity.

Subsequently, on 30th March, 2021, the company sold the aforesaid CCPS to a promoter group company for agreed consideration of ₹ 1,415.23 Crores, the proceeds whereof have been realised fully before 31st March, 2021.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021
All amounts are in ₹ Crores, unless otherwise stated

The net gains on such sale of CCPS computed on arm's length basis amounting to ₹ 3.76 Crores has been accounted as fair value gains under other comprehensive income.

(b) During the quarter ended 31st March, 2021, the Company subscribed to 1,00,00,000 Nos. CCPS of Shankheshwar Buildwell Private Limited (SBPL), a wholly owned subsidiary of APPL, at book value of ₹ 10 each aggregating to ₹ 10.00 Crores, to acquire interest in certain underlying land assets.

The Company has recognised deemed equity contribution from the promotor group of ₹ 778.46 Crores, being the difference between the purchase consideration of CCPS and fair value of the Company's economic and financial interest in SBPL (underlying land assets held by SBPL) which has been recorded in Other Equity.

On 30th March 2021, the company has entered into agreement with a promoter group company for sale of the CCPS, at mutually agreed value of ₹ 815.40 Crores. As per the terms of the agreement, the company has received advance of ₹ 733.86 Crores, and the said CCPS has been classified as assets held for sale as at 31st March, 2021, pending fulfilment of the conditions precedent by the Company.

63 The Company vide its letter dated 29th May, 2020 has intimated BSE Limited and National Stock Exchange of India Limited (the "Stock Exchanges") that it has received delisting proposal letter from APPL, a member of the Promoter and the Promoter group company, wherein APPL has expressed its intention, either by itself or together with other members of the Promoter group, to acquire all the equity shares of the Company held by the public shareholders of the Company, in terms of the applicable provisions of the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009, as amended (the "SEBI Delisting Regulations") and consequently, voluntarily delist the equity shares of the Company from the Stock Exchanges, in accordance with the SEBI Delisting Regulations.

Subsequently, the board of directors and shareholders of the Company have approved the Delisting proposal on 22nd June, 2020 and 23rd July, 2020, respectively. As at the reporting date, for voluntary delisting of Company's equity shares, the Company is in process of taking necessary actions in terms of and in compliance with the applicable SEBI Regulations and other applicable laws. Towards this, the Company has already made an application to the Stock Exchanges for their in-principle approval.

64 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

65 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 6th May, 2021.

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: 6th May, 2021

For and on behalf of the Board of Directors

GAUTAM S. ADANI
CHAIRMAN
DIN: 00006273

ANIL SARDANA
MANAGING DIRECTOR
DIN: 00006867

SHAILESH SAWA
CHIEF FINANCIAL OFFICER

DEEPAK S PANDYA
COMPANY SECRETARY

Place: AHMEDABAD
Date: 6th May, 2021

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	Investments	Turnover	Profit/ (Loss) before taxation	Provision for taxation/ Adjustment of tax relating to earlier periods/ deferred tax	Profit/ (Loss) after taxation	Other Comprehensive Income	Total Other Comprehensive Income	Proposed Dividend	% of Shareholding
1	Adani Power Maharashtra Limited	11.04.2007 (Date of Incorporation)	2020-21	₹	2,854.73	4,031.08	750.00	-	24,242.41	16,606.60	-	11,109.52	4,524.71	857.49	3,667.22	(0.80)	3,666.42		100%
2	Adani Power Rajasthan Limited	25.01.2008 (Date of Incorporation)	2020-21	₹	1,200.00	335.30	2,200.00	-	10,818.86	7,083.56	*	3,591.68	472.82	125.06	347.76	(0.30)	347.46		100%
3	Udupi Power Corporation Limited	20.04.2015 (Date of Acquisition)	2020-21	₹	1,934.20	143.86	-	-	5,917.82	3,839.76	-	1,821.47	142.44	39.06	103.38	(0.21)	103.17		100%
4	Adani Power (Mundra) Limited	16.02.2015 (Date of Incorporation)	2020-21	₹	106.05	(11,186.40)	8,650.00	-	23,915.81	26,346.16	*	10,022.77	(2,137.27)	-	(2,137.27)	(1.56)	(2,138.83)		100%
5	Raigarh Energy Generation Limited (Formerly known as Korba West Power Company Limited)	20.07.2019 (Date of Acquisition)	2020-21	₹	1.00	149.38	-	-	3,403.83	3,253.45	-	774.30	(164.34)	-	(164.34)	(0.22)	(164.56)		100%
6	Raipur Energen Limited (Formerly known as GMR Chhattisgarh Energy Limited)	02.08.2019 (Date of Acquisition)	2020-21	₹	5,712.76	(5,699.61)	-	-	4,742.57	4,729.42	-	1,877.09	(44.96)	-	(44.96)	0.08	(44.88)		100%
7	Adani Power Resources Limited	04.12.2013 (Date of Incorporation)	2020-21	₹	0.05	(0.03)	-	-	0.10	0.08	-	*	(0.01)	-	(0.01)	-	(0.01)		51%
8	Adani Power (Jharkhand) Limited	18.12.2015 (Date of Incorporation)	2020-21	₹	2,436.50	(12.10)	-	-	7,444.19	5,019.79	20.00	36.10	35.09	0.47	34.62	(28.52)	6.10		100%
9	Adani Power Dahej Limited	29.03.2019 (Date of Acquisition)	2020-21	₹	0.05	(583.94)	-	962.43	378.75	0.21	-	0.37	(18.65)	0.01	(18.66)	*	(18.66)		100%
10	Pench Thermal Energy (MP) Limited	29.03.2019 (Date of Acquisition)	2020-21	₹	0.05	(176.62)	-	281.54	109.54	4.57	0.09	-	*	*	*	-	*		100%
11	Kutchh Power Generation Limited	29.03.2019 (Date of Acquisition)	2020-21	₹	0.05	(105.60)	-	119.38	13.84	(0.01)	-	0.01	*	*	(0.01)	-	-		100%

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

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	Kutchh Power Generation Limited

@ Earlier known as Adani Pench Power 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 25th Annual General Meeting of the Members of Adani Power Limited will be held on Tuesday, 13th July, 2021 at 12:00 Noon 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 31st March 2021 and the Reports of the Board of Directors and Auditors thereon.

2. To appoint a Director in place of Mr. Rajesh S. Adani (DIN: 00006322), who retires by rotation and being eligible, offers himself for re-appointment.

Special Business

3. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

   "RESOLVED THAT Mr. Anil Sardana (DIN: 00006867), who was appointed by the Board of Directors as an Additional Director of the Company w.e.f 11th July, 2020 pursuant to the provisions of Section 161 of the Companies Act, 2013 and Articles of Association of the Company and whose term of office expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company liable to retire by rotation."

4. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

   "RESOLVED THAT in accordance with the provisions of Sections 196, 197, 203 and other applicable provisions, if any of the Companies Act, 2013 ("the Act") read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactment thereof for the time being in force) and subject to the requisite approvals, if any required, approval of the Company be and is hereby accorded to the appointment of Mr. Anil Sardana (DIN: 00006867) as the Managing Director of the Company, for a period of 3 (three) years with effect from 11th July, 2020 without any remuneration, with liberty to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms & conditions of the said Appointment in such manner as may be agreed to between the Board of Directors and Mr. Anil Sardana."

   "RESOLVED FURTHER THAT in the event of any statutory amendment or modification by the Central Government to Schedule V of the Companies Act, 2013, the Board be and is hereby authorised to vary and alter the terms of appointment of Mr. Anil Sardana in such manner as agreed by and between the Board and Mr. Anil Sardana without any further reference to the Company in General Meeting."

   "RESOLVED FURTHER THAT the Board of Directors or its Committee thereof be and is hereby authorised to take all such steps as may be deemed necessary, proper or expedient to give effect to this resolution."

5. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

   "RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of Solar Power Plant of the Company for the financial year ending 31st March 2022, 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 a **Special Resolution:**

   "RESOLVED THAT pursuant to the provisions of Section 4, 13 and all other applicable provisions, if any, of the Companies Act, 2013 read with Rules framed thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Memorandum of Association of the Company, subject to the necessary registration, approvals, consents, permissions and sanctions required, if any, by the jurisdictional Registrar of Companies, and / or any other appropriate authority and subject to such terms, conditions, amendments or modifications, as may be required or suggested by any such appropriate authorities, the consent of the members of the Company be and is hereby accorded for alteration of the Object Clause III (B) titled as "OBJECTS INCIDENTAL OR ANCILLARY TO THE ATTAINMENT OF MAIN OBJECTS" by inserting the following new sub-clause No. 44 after existing sub-clause No. 43 of Clause III (B), therein:

"44. To give any guarantee(s) and/or indemnity(ies) or provide any security(ies) in connection with performance of any contract(s) and/or obligations and/or loan(s) made or money advanced or the liabilities incurred by any person(s) or company(ies) to any other person(s) or company(ies), and otherwise to assist any person(s) or company."

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to undertake all such acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and to sign and execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient, in the best interest of the Company, to accede to such modifications and alterations to the aforesaid resolution."

For and on behalf of the Board

Date: 6th May, 2021 — **Deepak S Pandya**

Place : Ahmedabad — Company Secretary

Registered Office:
"Adani Corporate House",
Shantigram,
Near Vaishnodevi Circle,
S. G. Highway, Khodiyar,
Ahmedabad - 382 421
Gujarat, India.
CIN : L40100GJ1996PLC030533

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 General Circular No. 02/2021 dated 13th January, 2021 in continuation to its earlier General Circulars, i.e. Circular No. 14/2020 dated 08th April, 2020, Circular No. 17/2020 dated 13th April, 2020 and Circular No. 20/2020 dated 05th May, 2020, prescribing the procedures and manner of conducting the Annual General Meeting through VC/ OAVM. In terms of the said circulars, the 25th 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 / OVAM is 1800225533.
3. Information regarding appointment/re-appointment of Directors 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 08th April, 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 No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020 and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January, 2021 as issued in continuation to

its earlier Circular dated 12th May, 2020, the Notice of AGM alongwith Annual Report FY FY 2020-21 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 FY 2020-21 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. 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 Tuesday, 6th July, 2021 to Tuesday, 13th July, 2021 (both days inclusive) for the purpose of Annual General Meeting.

8. Members 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 dematerialised 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 Members holding shares in the physical mode. The Members 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 in 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 Circular issued by the Ministry of Corporate Affairs dated 13th January, 2021, in continuation and read with its Circulars dated 08th April, 2020, 13th April, 2020 and 05th May, 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) for facilitating voting through electronic means, as the authorised e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as e-voting during 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. Tuesday, 6th July, 2021, shall be entitled to avail the facility of remote e-voting as well e-voting during 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. Tuesday, 6th July, 2021, shall be entitled to exercise his / her vote either electronically i.e. remote e-voting or e-voting during the AGM by following the procedure mentioned in this part.

    iv. The remote e-voting will commence on Friday, 9th July, 2021 at 9.00 a.m. and will end on Monday, 12th July, 2021 at 5.00 p.m. During this period, the members of the Company holding shares either in physical mode or in demat mode as on the Cut-off date i.e. Tuesday, 6th July, 2021 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. Tuesday, 6th July, 2021.

vii. The Company has appointed CS Chirag Shah, Practising Company Secretary (Membership No. FCS: 5545; CP No: 3498), to act as the Scrutiniser for conducting the remote e-voting process as well as the e-voting during 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 form- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy), AADHAR (self-attested scanned copy) by email to deepak.pandya@adani.com.

b) For members holding shares in Demat form- Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

15. THE INSTRUCTIONS FOR SHAREHOLDRES FOR REMOTE VOTING ARE AS UNDER:

(i) The voting period begins on Friday, 9th July, 2021 at 9:00 a.m. and will ends on Monday, 12th July, 2021 at 5:00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date i.e. Tuesday, 6th July, 2021, 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 during the Meeting.

(iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09th December, 2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

(iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09th December, 2020 in respect of e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account(s) maintained with Depositories and Depository Participants. Shareholders are advised to update the details of their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with **CDSL**	1) Users of who have opted for CDSL's Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URLs for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi / Easiest, option to register is available at https://web.cdslindia.com/myeasi./Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be provided links for the respective ESP where the e-Voting is in progress during or before the AGM.
Individual Shareholders holding securities in demat mode with **NSDL**	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting

Type of shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider's website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use "Forget User ID" and "Forget Password" option available at above mentioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

(v) Login method for e-Voting and joining virtual meeting for shareholders other than individual shareholders holding securities in demat form:

(1) The shareholders should log on to the e-voting website www.evotingindia.com.

(2) Click on Shareholders.

(3) 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.

(4) Next enter the Image Verification as displayed and Click on Login.

(5) 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.

(6) If you are a first time user follow the steps given below:

	For Shareholders other than individual shareholders holding shares in Demat 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).

(vi) After entering these details appropriately, click on "SUBMIT" tab.

(vii) Members holding shares in physical mode 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.

(viii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(ix) Click on the EVSN of the Company – ADANI POWER LIMITED on which you choose to vote.

(x) 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.

(xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xii) 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.

(xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xv) 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.

(xvi) 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.

(xvii) 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 scrutiniser 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 authorised signatory who are authorised to vote, to the Scrutiniser and to the Company, if voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutiniser 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 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, 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 022-23058542/43.

16. **INSTRUCTIONS FOR MEMBERS ATTENDING THE ANNUAL GENERAL MEETING THROUGH VC / OAVM AND e-VOTING DURING THE MEETING ARE AS UNDER: -**

    1. The procedure for attending meeting and e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.

    2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.

    3. 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 during the AGM.

    4. 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.

    5. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote during the AGM.

17. The results declared along with the Scrutiniser'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 25th 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. The procedure for attending meeting and e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.

    2. Members are encouraged to join the Meeting through Laptops/Ipads 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 Regd. Office: "Adani Corporate House", Shantigram, Near Vaishnodevi Circle, S. G. Highway, Khodiyar, Ahmedabad-382 421, 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.: +91-40-2342 0814 Toll free number : 1800 309 4001 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: 022-23058542/43.
Scrutiniser:	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 & 4:

Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company (the "Board") had appointed Mr. Anil Sardana first as an Additional Director and then as a Managing Director with effect from 11th July, 2020. According to the provisions of Section 161 of the Companies Act, 2013 ("Act"), he holds office as a Director only up to the date of the ensuing Annual General Meeting to be held on 13th July, 2021. Also, in terms of the provisions of Section 196(4) of the Companies Act, 2013, appointment of Mr. Anil Sardana as a Managing Director of the Company as approved by the Board of Directors in its meeting held on 10th July, 2020 shall be subject to approval by a resolution at the next general meeting of the company.

As required under Section 160 of the Act, a notice has been received from a member signifying its intention to propose the appointment of Mr. Anil Sardana as a Director.

Mr. Anil Sardana, having more than 40 years of experience in the infrastructure space, particularly in the Energy and Telecom sectors having managed complex transitions, developments & operations as well as Engineering, Procurement and Construction assignments and also having very wide experience in power generation business holding key position in a leading power generation company in the past, has given his consent to be appointed as a Managing Director of the Company.

Mr. Anil Sardana shall be liable to retire by rotation and shall not be paid any remuneration as a Managing Director of the Company nor any sitting fees for attending the meetings of the Board of Directors or Committee thereof.

The Board of Directors recommends the passing of the resolutions, as set out at item no. 3 & 4 of the accompanying Notice, as an ordinary resolution, by the members of the Company.

Except Mr. Anil Sardana, being an appointee, none of the Directors, Key Managerial Personnel of the Company and their relatives is, in anyway, concerned or interested in the proposed resolution as set out at item no. 3 & 4 of the accompanying Notice.

This along with the relevant resolution(s), may be treated as an Abstract pursuant to Section 190 of the Companies Act, 2013.

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 2021-22, at a fee of ₹ 65,000/- plus applicable Taxes and reimbursement of out of pocket expenses, as remuneration for cost audit services for the 2021-22.

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 31st March 2022.

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:

The Company, so as to pursue its main business objects of power generation and other businesses as specified in its main object clause of its Memorandum of Association, requires to raise the funds either from banks or by way of issuance of various debt securities from time to time. The Company, in such cases, sometimes required to give any guarantee(s) and/or indemnity(ies) or to provide any security(ies) in connection with the performance of any contract(s) entered into with the lender(s) or debt security holder(s).

Though, in terms of the applicable provisions of the Companies Act, 2013, the Company is empowered to do on all these ancillary activities but as a matter of abundant caution and to have a better clarity, it is advisable and hence proposed to insert a suitable clause in the Memorandum of Association of the Company, which clearly provides for carrying out all these activities.

In view of this, the Company is required to amend / alter the Object Clause III (B), which is titled as "OBJECTS INCIDENTAL OR ANCILLARY TO THE ATTAINMENT OF MAIN OBJECTS", by inserting the following new sub-clause No. 44 after existing sub-clause No. 43 of Clause III (B), therein, as proposed in the resolution.

The alteration of Memorandum of Association of the Company needs approval of shareholders of the Company by way of a Special Resolution.

Special Resolution submitted with the Notice, expressly empowers the Company to carry on the activities, as mentioned in the new clause. The Board of Directors recommends the above resolution for your approval.

A copy of Memorandum of Association of the Company with the proposed alterations is available for inspection at the Registered Office of the Company on any working day during business hours.

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 and on behalf of the Board

Date: 6th May, 2021

Place : Ahmedabad

Deepak S Pandya

Company Secretary

Registered Office:
"Adani Corporate House",
Shantigram,
Near Vaishnodevi Circle,
S. G. Highway, Khodiyar,
Ahmedabad - 382 421
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 area	Name of the companies in which he holds directorship as on 31st March, 2021	Name of committees in which he holds membership/ chairmanship as on 31st March, 2021
Mr. Rajesh S. Adani (DIN: 00006322)	56 Years 07.12.1964 (1)#	B.Com.	Mr. Rajesh S. Adani has been associated with Adani Group since its inception. He is in charge of the operations of the Group and has been responsible for developing its business relationships. His proactive, personalised approach to the business and competitive spirit has helped towards the growth of the Group and its various businesses.	• Adani Enterprises Limited^^ • Adani Power Limited ^^ • Adani Transmission Limited^^ • Adani Ports and Special Economic Zone Limited^^ • Adani Green Energy Limited^^ • Adani Welspun Exploration Limited • Adani Institute for Education and Research [Section 8 Company]	• Adani Enterprises Limited - Audit Committee (Member) - Stakeholder's Relationship Committee (Member) - Corporate Social Responsibility Committee (Chairman) - Risk Management Committee (Chairman) • Adani Ports and Special Economic Zone Limited - Audit Committee (Member) - Stakeholders' Relationship Committee (Chairman) - Nomination & Remuneration Committee (Member) - Sustainability & Corporate Social Responsibility Committee (Chairman) - Risk Management Committee (Chairman) • Adani Transmission Limited - Stakeholders' Relationship Committee (Member) - Corporate Social Responsibility & Sustainability (CSR&S) Committee (Chairman) - Risk Management Committee (Member) • Adani Green Energy Limited - Audit Committee (Member) - Stakeholders' Relationship Committee (Chairman) - Nomination & Remuneration Committee (Member) - Corporate Social Responsibility Committee (Member) - Risk Management Committee (Member) • Adani Power Limited - Stakeholders' Relationship Committee (Member) - Sustainability & Corporate Social Responsibility Committee (Chairman) - Risk Management Committee (Chairman)

Name of Director	Age, Date of Birth (No. of Shares held)	Qualification	Nature of expertise in specific functional area	Name of the companies in which he holds directorship as on 31st March, 2021	Name of committees in which he holds membership/ chairmanship as on 31st March, 2021
Mr. Anil Sardana* (DIN: 00006867)	62 years 16. 04. 1959 (Nil) #	An honours graduate in Electrical Engineering from Delhi University, a Cost Accountant (ICWAI) and holds a PGDM from All India Management Association	Mr. Anil Sardana comes with over 3 decades of experience in the power and infrastructure sector. He started his career with NTPC and subsequently worked with BSES and Tata Group companies in the power and Infra sector, ranging from generation, power systems design, power distribution, Telecom and project management. Prior to joining the Adani Group, he was the MD & CEO of Tata Power Group based out of Mumbai. Mr. Sardana is an honours graduate in Electrical Engineering from Delhi University (1980), a Cost Accountant (ICWAI) and also holds a PGDM from All India Management Association. He has undergone management training from reputed institutes like IIM – A and "Specialised Residual Life Assessment course for Assets" at EPRI – USA.	• Adani Power Limited^^ • Adani Transmission Limited^^ • Adani Electricity Mumbai Limited • Adani Electricity Mumbai Infra Limited • AEML SEEPZ Limited • Miraclefeet Foundation for Eliminating Clubfoot [Section 8 Company]	• Adani Transmission Limited^^ - Stakeholders' Relationship Committee (Member) - Corporate Social Responsibility and Sustainability Committee (Member) - Risk Management Committee (Chairman) • Adani Power Limited^^ - Audit Committee (Member) - Sustainability and Corporate Social Responsibility Committee Meeting (Member) - Risk Management Committee (Member)

In Individual Capacity

^^Listed Companies

For, other details such as number of meetings of the board attended during the year, relationship with other directors and key managerial personnel etc. 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 respect of electronic holding with the Depository through concerned Depository Participants.

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Power