adani

13th August, 2018

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

Scrip Code: 539254

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

Scrip Code: ADANITRANS

Dear Sir,

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

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing a copy of Annual Report of the Company for the financial year 2017-18.

You are requested to take the same on your record.

Thanking you.

Yours faithfully,
For **Adani Transmission Limited**

Jaladhi Shukla
Company Secretary

Encl: a/a

Adani Transmission Ltd
Sambhaav House
Judges Bungalow Road, Bodakdev
Ahmedabad 380 015
Gujarat, India
CIN: L40300GJ2013PLC077803

Tel +91 79 2555 6900
Fax +91 79 2555 7155
info@adani.com
www.adani.com

Registered Office: Adani House, Nr Mithakhali Six Roads, Navrangpura, Ahmedabad 380 009, Gujarat, India

Adani Transmission Limited

adani



Growth with Goodness

Annual Report 2017-18

Vision Statement

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

Contents

Corporate Overview	
About Adani Group	2
About Adani Transmission	3
Operational Framework	4
Operational Highlights	9
Chairman's Message	10
CEO's Message	12
Strategic Roadmap	14
A Step Forward	18
CSR Activities	20
Corporate Information	31
Statutory Reports	
Directors' Report	33
Managment Discussion and Analysis Report	52
Corporate Governance Report	62
Business Responsibility Report	82
Financial Statements	
Standalone Financial Statements	90
Consolidated Financial Statements	141
Notice	201



To know more visit
http://www.adanitransmission.com/



"With the government's push towards removing the imbalances in power generation and transmission, the transmission sector of India will experience growth in the coming years."

Gautam Adani, Chairman



"We again attained the distinction of achieving availability levels of more than 99.83% on a cumulative basis."

Anil Sardana, Managing Director and Chief Executive Officer

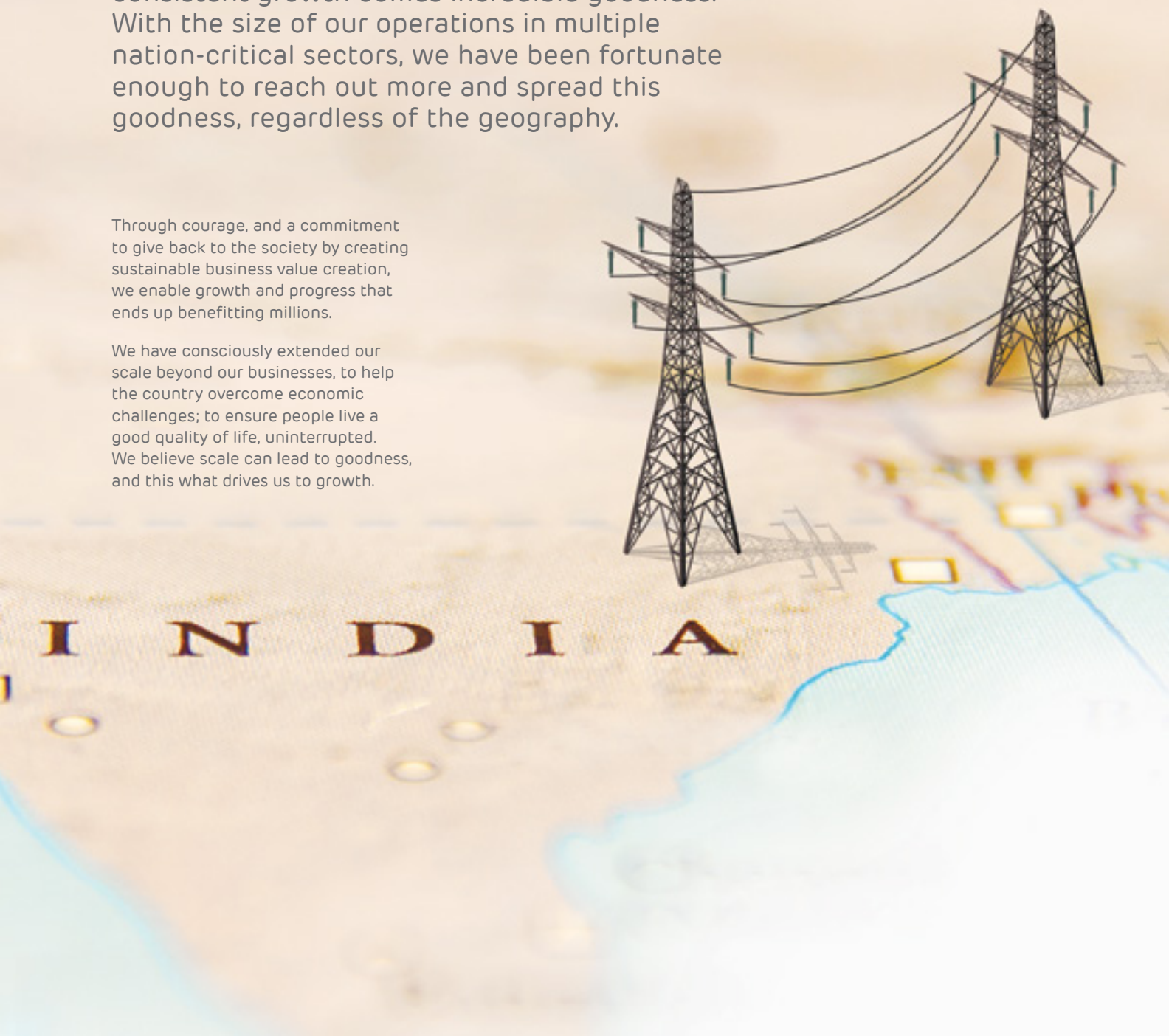
Growth with Goodness.

Scale, to us, is not about the businesses we are in. Scale is about the real influence and change we can spur.

It's about the lives we can touch, the communities we can nourish, the businesses we can propel, and the future we can inspire. Because, scale leads to growth; and with consistent growth comes incredible goodness. With the size of our operations in multiple nation-critical sectors, we have been fortunate enough to reach out more and spread this goodness, regardless of the geography.

Through courage, and a commitment to give back to the society by creating sustainable business value creation, we enable growth and progress that ends up benefitting millions.

We have consciously extended our scale beyond our businesses, to help the country overcome economic challenges; to ensure people live a good quality of life, uninterrupted. We believe scale can lead to goodness, and this what drives us to growth.



About Adani Group

Adani Group is one of the leading business conglomerates and the largest integrated infrastructure group in India. Over three decades, the group has emerged as a global player with business operations spread across key sectors like energy, resources, logistics, and agro, amongst others. Since inception, the group has focused on serving the diverse needs of people, deliver strong value propositions and contribute to Nation building.

Adani Group – Global Scale Infrastructure Operator

- Massive Scale across Infrastructure verticals ($29bn+ of assets under management contract)
- Proven Execution Capabilities and track record (Delivered India's largest single location port, thermal & solar manufacturing plant)
- Operational Excellence with productivity, low-cost operations (Focus on margins and shareholder returns)
- Successful Track Record of integrating acquisitions (Acquired, turned around and integrated $2.5b+ assets)
- Deep Management Experience in regulated environments (Sponsor Family supported by Professional management team)
- Strong and consistent Financial Performance (3 Investment Grade Rated Companies)



At Adani we have re-formulated our Vision 2020 and synced it with our natural philosophy of Growth with Goodness. We envision emerging as a globally admired leader in integrated infrastructure businesses. Our belief of 'Scaling Business' is driven by our ambition for scale, speed of execution and quality of operation.

Present across various industries, namely:

- Resource
- Ports and Logistics
- Energy
- Defence and Aerospace
- Agri
- Real Estate
- Financial Services

About Adani Transmission

We are the largest private sector power transmission company in India with a well-established grid network.

Incorporated in 2013, headquartered at Ahmedabad with regional offices across 8 states, we own and operate the electricity transmission network in India. We are the world's first company to obtain approval for transmission line methodology under Clean Development Mechanism (CDM) by UNFCCC. Over the years, we have continuously grown our asset base to have six operating assets present across India. Our primary aim is to address the vast potential of India's transmission sector and provide power to last mile. With this, we have set an ambitious target to install 20000 circuit kms of transmission lines by 2022.



First

Private utility to develop a +500kV high-voltage direct current (HDVC) transmission system in India

First

Private transmission to own and commission 765kV AC transmission system in the State of Maharashtra

BBB-

Best in class international credit rating

AA+

Best in class domestic credit rating

21303

Market capitalization as on 31st March, 2018 (₹ in Crores)

609

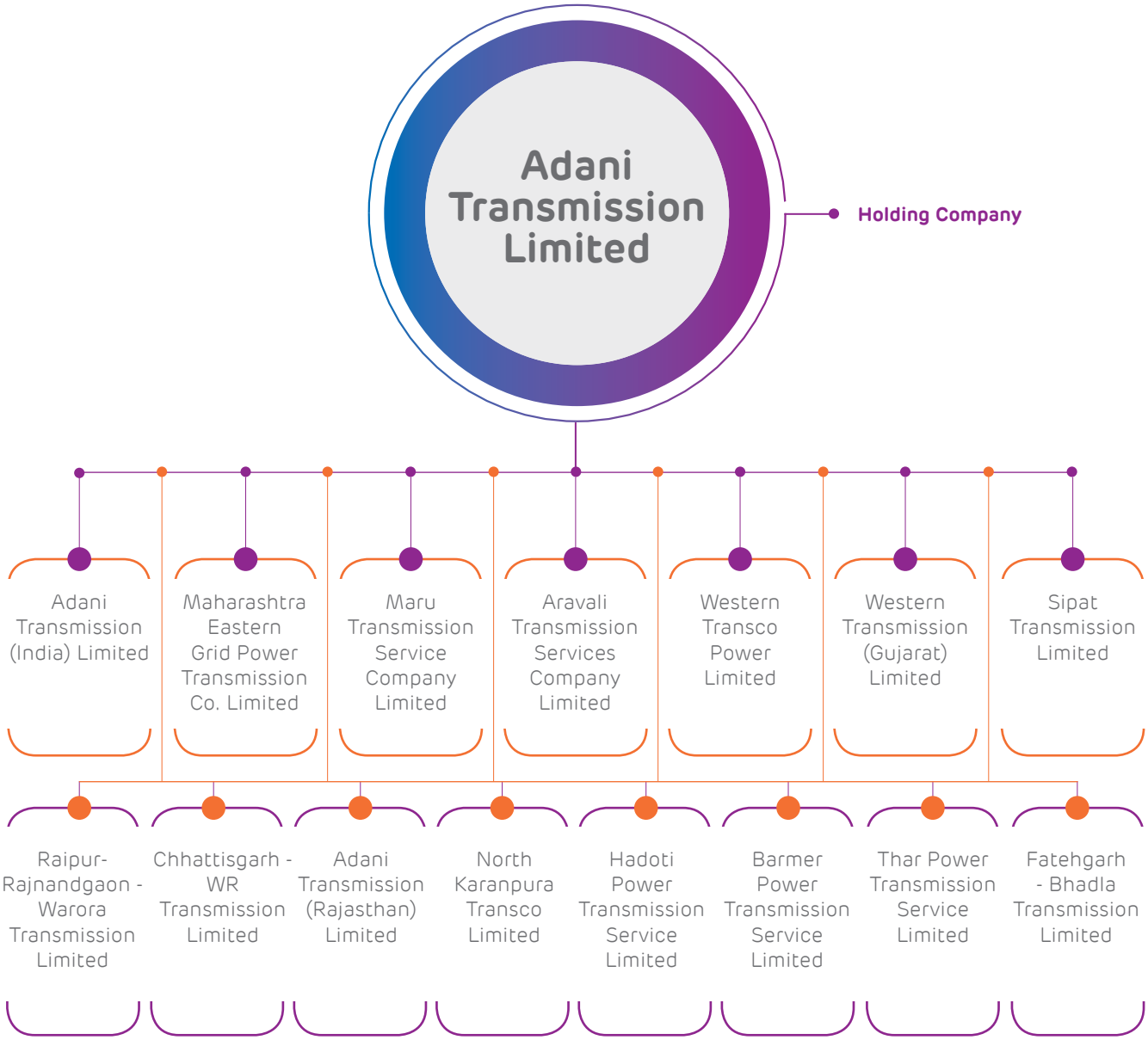
Cash and cash equivalents as on 31st March, 2018 (₹ in Crores)

99.83 to 100%

Network Availability as on 31st March, 2018

Operational Framework

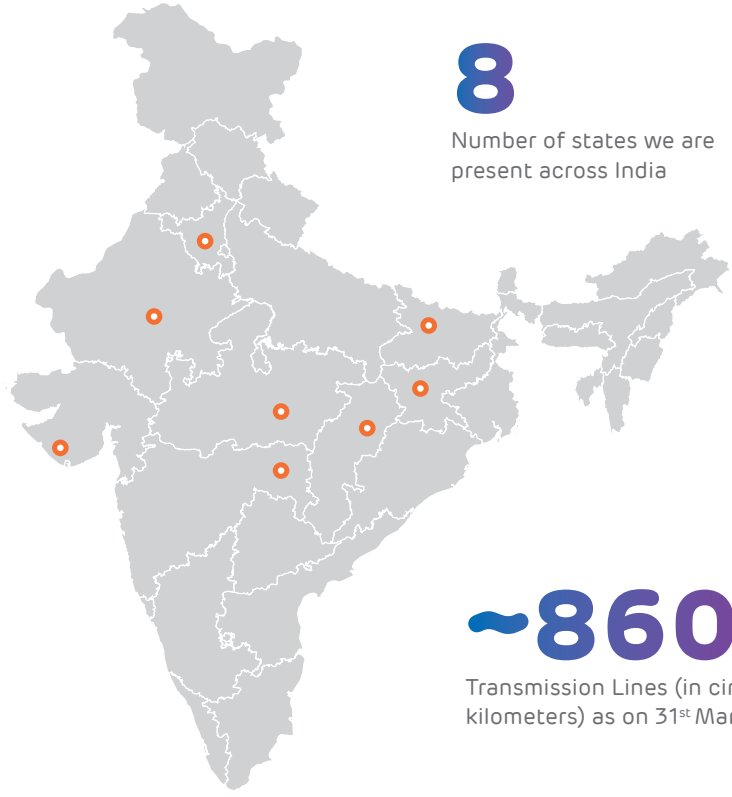
Company Structure and Subsidiaries



Pan India Presence

Name of states the Company is present in India

Gujarat	Rajasthan
Haryana	Maharashtra
Chhattisgarh	Madhya Pradesh
Jharkhand	Bihar



8

Number of states we are present across India

~8600

Transmission Lines (in circuit kilometers) as on 31st March, 2018

Project wise Portfolio

Portfolio Details

	Operating Projects	Under Construction Projects	Under Acquisition
Line Length (Ckm)	~8600	~2500	~500
Capacity (MVA)	~14000	~2200	~3100
Bays (nos.)	128	249	NA

Operating Assets

Substation

Business	Substation/Bay	Voltage (in kV)	MVA
Adani Transmission (India) Limited	Mundra HVDC terminal station	+- 500 kV	3000
	Mohindergargh HVDC terminal station	+-500 kV	3730
	Sami Switching station	400 kV	
Maharashtra Eastern Grid Power Transmission Co. Limited	Akola sub station	765/400	1500
	Koradi sub station	765/400	3000
	Tiroda Bay	765/400	1500
Aravali Transmission Service Company Limited	Alwar Substation	400/220	630
Maru Transmission Service Company Limited	Deedwana substation	400/220/132	730



Transmission Lines network

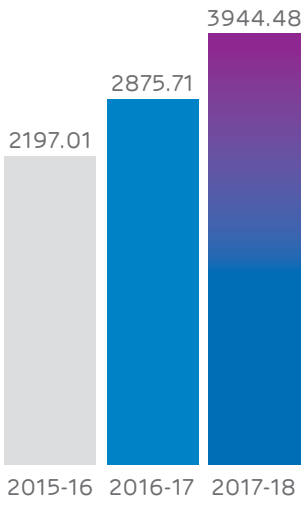
Business	Transmission Line	Voltage (in kV)	Length (in ckt km)
Maharashtra Eastern Grid Power Transmission Company Limited	D/C Akola I - Akola II TL	400 D/C	62
	Tiroda - Aurangabad CKT- I	765 kV S/C	580
	Tiorda - Aurangabad CKT- II	765 S/C	575
Adani Transmission (India) Limited	Tiroda - Warora TL	400 kV D/C	438
	HVDC Bi-Pole Mundra-Mohindergarh Line	500 kV D/C	1980
	Mundra-Sami-Dehgam line	400 kV D/C	866
	(Bipole-Twin Moose) Electrode Line at Mundra to Bhadai	33 kV D/C	64
	Mohindergarh-Dhanoda Line	400 kV D/C	10
	Mohindergarh-Bhiwani Line	400 kV D/C	100
	(Bipole-Twin Moose) Electrode Line at Mohindergarh to Kaithal	33 kV D/C	376
Aravali Transmission Service Company Limited	Hinduan-Alwar Transmission Line	400 S/C	97
Maru Transmission Service Company Limited	Ajmer-Deedwana Transmission Line	400 S/C	300
	Bikaner-Deedwana Transmission Line	400 S/C	
	Sujangarh-Deedwana Transmission Line	220 D/C	
Western Transmission (Gujarat) Limited	Vadavi-Kansari Line	400 D/C	974
	Limbdi-Vadavi Line	400 D/C	
	Rajgarh-Karamsad line	400 D/C	
Western Transco Power Limited	Pune-Aurangabad Line	400 D/C	2089
	LILO of Lolikhand-Kalwa line	400 D/C	
	Pune-Parli line	400 D/C	

Projects under Construction

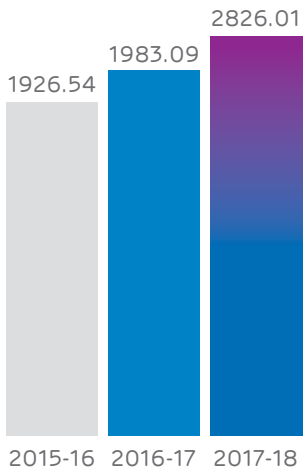
Project	SPVs	States	Central Transmission Utility / State Transmission Utility	Length (in Ckt kms)	Scheduled Commercial Operations date
Sipat	Sipat Transmission Limited	Chhattisgarh	CTU	348	March'19
Rajnandgaon	Raipur-Rajnandgaon-Warora Transmission Limited	Chhattisgarh/ Maharashtra	CTU	611	November'18
Morena	Chhattisgarh-WR Transmission Limited	Madhya Pradesh, Maharashtra, and Chhattisgarh	CTU	434	March'19
Suratgarh to Bikaner	Adani Transmission (Rajasthan) Limited	Rajasthan	STU	278	July'18
North Karanpura	North Karanpura Transco Limited	Jharkhand, Bihar	CTU	268	September'19
PPP 8,9,10	Hadoti, Barmer and Thar Power Transmission Company Limited	Rajasthan	STU	412	February'19
Fatehgarh	Fatehgarh – Bhadla Transmission Limited	Rajasthan	CTU	220	September'19

Operational Highlights

Revenue from operations (In ₹ Crore)



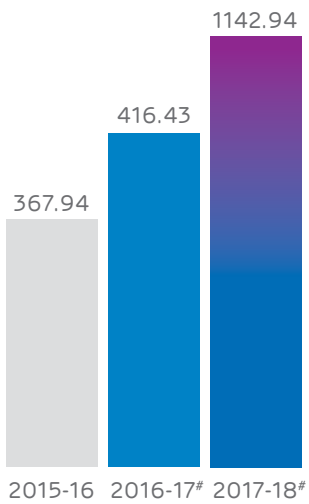
Operational EBIDTA (In ₹ Crore)



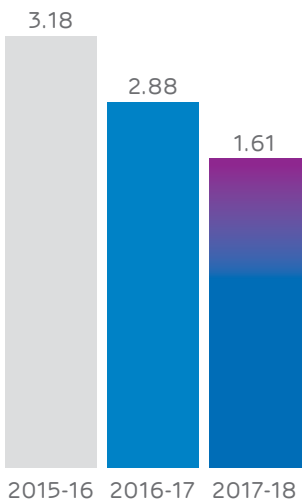
Operational EBIDTA Margin (In %)



PAT (In ₹ Crore)



Debt Equity Ratio



(i) The year 2017-18 includes one time income of ₹872.53 Crores recognised during the year based on CERC order received related to the earlier year.

(ii) The year 2016-17 includes one time income of ₹116.18 Crores recognised during the year related to earlier year.

Chairman's Message



We increased our total transmission line length from 5450 ckt kms to ~8600 ckt kms. With growth in our business we have increased our cash and cash equivalents by 69% in 2017-18.

Dear Shareholders,

The Power sector of India is going through a transformation phase with increase in government spending and emergence of renewable power energy. However, with increasing power demand and evolution of renewable energy, thermal power energy remains a dominant aspect in sustaining the country's power requirements. As the government accelerates it's efforts to ensure last mile connectivity with power across the country, transmission sector remains crucial to achieve this objective.

Over the years, with rise in country's population and economic growth, the power demand has increased continuously. The transmission sector is not only vital for the power generation companies but for distribution companies as well, as it plugs the gap with their infrastructure. In the past couple of years, an extensive network of transmission lines has been developed for evacuating power produced by different electricity generation stations.

During the year, 23,119 circuit kilometers of transmission lines were commissioned across the country. The total transmission lines in India stood at 390,970 ckms as on 31st March, 2018. A total of 86,193 MVA/MW capacity of substations were set up in 2017-18, increasing the total transformation capacity of sub-stations in India to 826,958 MVA/MW up to 31st March, 2018.

The Government of India is planning to invest $2.15 billion for electrifying around 4 Crore houses under the scheme 'Saubhagya'.

This will increase the demand for inter-regional transmission lines, and capacity enhancement of inter-regional power evacuation infrastructure. Moving ahead, India is expected to cross 400 GW in terms of installed capacity by FY2022, indicating that the country will witness a transition from current inter-regional transmission capacity of 78 GW.

Historically the Indian power transmission sector has largely been dominated by the public sector. The spread of transmission grid widely and efficiently from power producers to distributors is still among the key factors that plagues the power sector. The current transmission network is not adequately set-up to transfer power from surplus parts of the country to deficit parts. This led to growth in number of private companies in this sector in recent past.

It was an exciting time for the Indian power sector when we entered the transmission business. In an era of transformation and rising power demand, we built a strong foundation of transmission network. At Adani, we have always believed in delivering excellence with industry changing innovation. We were the first private sector company to introduce HVDC utility in India. We invested towards setting up latest technologies and high voltage transmission lines to support the growth of power transmission sector of India. Our presence across key geographies has enabled us to capitalize on the emerging opportunities in those regions and expand our business.

During the year under review, we won another transmission projects through TBCB route and acquired two more transmission projects, that taking total transmission length from 5450 ckt kms to ~ 8600 ckt kms. With growth in our business we have increased our cash and cash equivalents by 69% in 2017-18. Over the year, we have successfully recorded high system availability. This year also we have maintained our excellent operational capabilities and recorded a system availability level ranging from of 99.83% to 100%.

During the year, 23,119 ckt kms of transmission lines were commissioned across the country. The total transmission lines in India stood at 390,970 ckt kms as on 31st March, 2018.

During the year we also initiated the acquisition of R Infra's Mumbai business, which we expect to be completed by June 2018. The acquisition will help us to expand our base in Mumbai, especially in B2C sector of the power business. R Infra's Distribution with associated Transmission and Generation makes it one of the largest integrated power players of Mumbai. Their stability in financial performance with a RoE of 16% provides us a platform for forward integration into retail power distribution sector.

The Indian economy will experience sustained economic growth in the years to come, backed by encouraging reforms. With the government's push towards removing the imbalances in power generation and transmission, the transmission sector of India will experience growth in the coming years. We have some key projects under construction and expect them to be completed on schedule.

Similarly, the distribution sector will affect several opportunities to private sector,as it reforms itself in next few years and your company will contribute significantly to such reforms.

I would like to thank all our shareholders to have reposed their faith in us. I would also like to thank our employees, management and Board for their hard work and coordination. We are attractively poised to leverage our strong transmission network and look forward to making a significant contribution towards nation building.

Gautam Adani
Chairman

CEO's Message

Dear Shareholders,

The government's ambitious target to extend and improve energy access to all on 24 X 7 basis, has gained momentum in the recent times, thus paving the way for increased investments in the transmission sector. Building the infrastructure for inclusive energy growth will require efforts in every arena of the power sector, be it generation, transmission, distribution or renewable. And to achieve all this, power transmission acts as a vital link, connecting the load centres with the demand centres, thus balancing the energy requirement of various regions. With the demand growing continuously on a compounded basis, there is a need for the construction of more and more transmission lines, both in the inter-states as well as intra state sector, so as to be able to transmit the electricity in an efficient manner and on a continuous basis, throughout the year.

During the year under review, peak demand in the country touched a new high of 164 GW and installed capacity grew to a total of 330.8 GW. Transmission sector has been able to keep pace with this growth, by adding transmission lines to the tune of 390070 ckt ckms and transformation capacity of 86193 MVA, at various voltage levels. During the last decade, investment in the transmission network was not at par with the investment in generation. But of late, the trend has changed and during the period of 2014-17, the investment in transmission sector has been 83% more than what was invested in the three years period between 2011-14.

Adani Transmission, being the country's largest power transmission company operating in private sector, is well poised to capitalize on this industry optimism, and has increased its transformation capacity during the year to 14000 MVA and transmission lines to 8600 ckt kms ranging from 220 KV to 765 KV. Currently, ATL has six fully operational transmission systems that mainly serve the Northern and Western regions of the country and are constructing 9 additional projects of around 2500 ckt kms crossing the states of Rajasthan, Jharkhand, Bihar, Chhattisgarh, Madhya Pradesh, and Maharashtra, which were awarded through Tariff Based Competitive Bidding Process, in the past years. Many of these lines have already been commissioned and most of the lines under construction are also likely to achieve the distinction of being commissioned, well ahead of their scheduled commissioning dates.

2017-18 was an exciting year for us for several reasons. We again attained the distinction of achieving availability levels of more than 99.83% on a cumulative basis, thus earning the maximum possible incentive on this account. Our total revenue registered a healthy growth of 39.92% to ₹4055 Crores in 2017-18 from ₹2898 Crores in 2016-17 and growth of 42.51% was recorded in EBITDA to ₹2826 Crores in 2017-18 from ₹1983 Crores in 2016-17. We were able to achieve a multi-fold growth in PAT as well, from ₹416 Crores in 2016-17 to ₹1143 Crores in 2017-18.

We continue to focus on the growth of your company and are on the lookout for opportunities to expand our portfolio, both organically and inorganically. The year ahead will witness the integration of Mumbai Generation, Transmission and



We were able to achieve a multi-fold growth in PAT as well, from ₹416 Crores in 2016-17 to ₹1143 Crores in 2017-18.

Distribution business of R Infra with your company, post completion of acquisition formalities. This marks a new beginning in our corporate journey, as we enter the distribution sector. Further, we are on track to achieve our vision of 20000 ckt kms of transmission lines by 2022 and make our contribution in the development of India's power transmission sector.

In our endeavour to ensure health, safety and overall well-being of our partners, employees and the major contributors towards the achievement of our organizational objectives, your Company has been consistently achieving continuous improvement in safety performance through a combination of systems and processes as well as the co-operation and support of all employees. This has been of paramount importance in the organization's excellence in empowering the lives of internal and external stakeholders' association. The substantial effort has resulted in 6.9 million safe man hours at work, achieved during the 2017-18 without any loss time Incident, and the total safe man hours till March'18 has been 10.86 million. The company has been accredited with internationally recognized Management Systems of Quality, Environment & Occupational Health & Safety in

both O&M and Projects wing. It got certified for ISO 19001:2015, ISO 14001:2015 & OHSAS 18001:2007 standards in O&M and projects through successful completion of surveillance audits in the year 2017-18 and the ambition to win more accolades has been the catalyst behind continual improvement.

We understand our responsibility towards sustainable development, which requires a framework to generate economic growth, achieve social justice, exercise environmental stewardship and strengthen governance. At Adani Transmission, in response to our belief for a continuous growth of not only the company but also the larger community, people and environment surrounding it, we upgraded our systems and processes to expand our reporting for the FY 2016-17 from GRI G4's 'In accordance' – Core option to its 'In accordance' – Comprehensive option, including our environmental and social performance based on International Finance Corporation (IFC) Guidelines.

Our CSR activities are in line with our central goal of Nation Building. We firmly believe that empowering the nation means empowering its people. Our CSR projects are conducted through Adani Foundation and are aligned with the UN Sustainable Development Goals. The Foundation has dedicated itself to the communities in which it operates. Our focus areas are Education, Community Health, Sustainable Livelihood, and Rural Infrastructure Development.

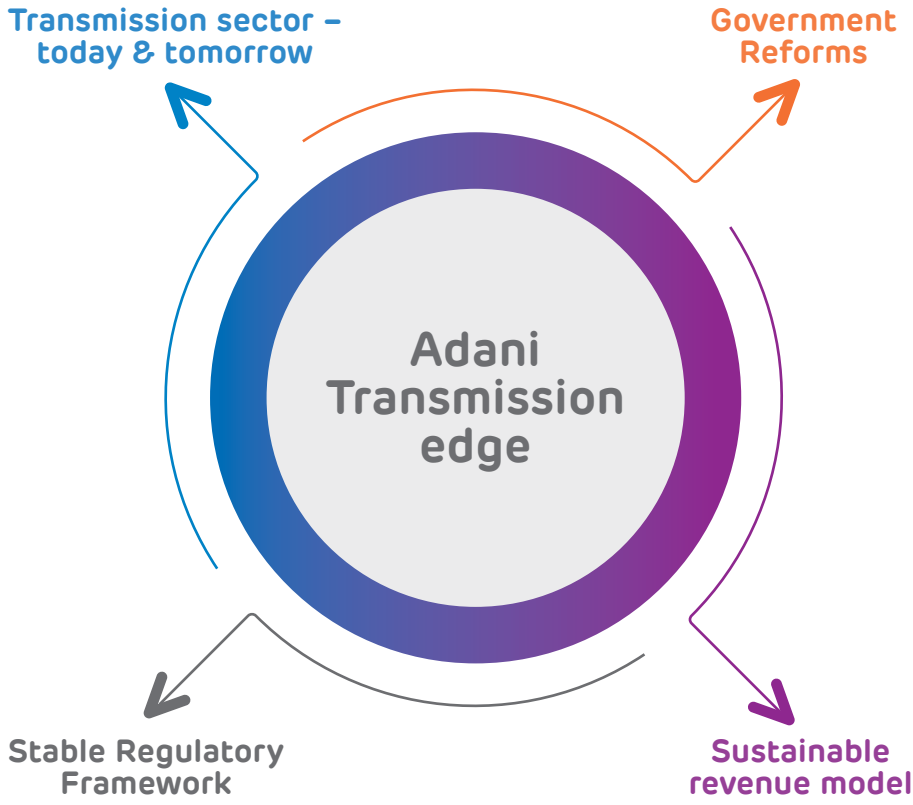
Looking ahead, we strongly believe that India is at the cusp of another power sector revolution. The government's focus in ensuring continuous power supply and economic growth of the country has the potential to transform the sector and ATL is in the best position to get benefitted from this situation. Our seamless integrated business model has laid a strong foundation for us to create long term value for our stakeholders.

I would like to take this opportunity to thank our customers, suppliers, shareholders, employees and board for their constant support, faith and trust in us, with the belief that it will continue for the times to come. I would also like to thank lenders, government executive & officers for their guidance & support to our ventures.

Anil Sardana
Managing Director and
Chief Executive Officer



Strategic Roadmap



Transmission sector – today & tomorrow

Transmission Sector of India Today

- The share of investments of transmission sector in power sector is 20% in 2012-16
- Lower per capita power consumption and sustained power deficits driving significant capacity additions
- Investment in power sector during 12th five year plan is projected to be USD 270 billion
- Transmission lines of 28114 ckm in FY16 (as compared to 13721 ckm in 2010)
- Power deficit and power surplus regions to be balanced and several unconnected rural areas to be connected to the grid.

1075

Electricity Consumption (in 2015-16 kWh/capita) -compared to 671.9 kWh/capita in 2007

Transmission Sector of India Tomorrow

- The share of transmission sector in power sector investments is expected to go up to 33% in 2017-21
- It is estimated that India will require ₹3.2 lakh Crores of investment in transmission sector. Government of India has announced an investment plan of ₹3,55,000 Crores for the sector over next 5 years.
- A strong transmission infrastructure is required to support the growth of power sector
- With governments aim of Power for All and rural electrification, inter-state links will be set up.
- High voltage transmission lines (765 kV and HVDC) will see higher growth in the coming years.

557

Installed capacity estimated by FY2022 (in GW)

Government Reforms

Various government initiatives that are helping the transmission & distribution sectors of India include:

- UDAY - Ujwal DISCOM Assurance Yojana (UDAY) was launched by Ministry of Power on 5th November 2015 with the aim to improve the financial health of DISCOMs, and revive the demand of power sector.
- All projects are being awarded through tariff based competitive bidding except for projects which are of strategic importance.
- Increase in concession period from 25 years to 35 years.
- Relaxation on rules and regulations to speed up project construction and development timelines
- Strong payment security mechanism

Key Stakeholders for a stable development of sector

Well Defined Regulatory Framework

- Ministry of Power (MoP) - MoP is concerned with perspective planning, policy formulation, processing of projects for taking investment decisions, monitoring the implementation of power projects, training and manpower development, enactment of legislation related to power generation, transmission, and distribution.
- Central Electricity Authority of India (CEA) - Advisory arm of MoP on matters relating to the National Electricity Plan and formulating guidelines for the development of the sector.
- Central Electricity Regulatory Commission (CERC) - Regulates tariff and grant of licenses.
- State Electricity Regulatory Commission (SERC) - Regulates tariff; formulates policies regarding subsidies, and grant of licenses in respective states.
- Central Transmission Utility - Ensures development of an efficient, coordinated, and economical system of inter-state transmission lines.
- Private / PPP - The sector has opened for Private participation in both inter-state and intra-state developments.
- State Transmission Utility (STU) - Ensures development of an efficient, coordinated, and economical system of intra-state transmission lines.
- National Load Dispatch Center (NLDC) / Regional Load Dispatch Center (RLDC) - It is the apex body that ensures integrated operations of power system at the regional level
- State Load Dispatch Center - It is the apex body that ensures integrated operations of power system at state level.



Sustainable revenue model

Building Block-Multiyear (4 to 5 years) Reset Basis

- Return on equity set by CERC / SERCs
- Norms for capital and operating costs, operating standards and performance indicators are established
- Additional cost pass through via true up mechanism
- Assets of Obligor Group come under this mechanism

Competitive Bidding-License Period Basis

- Annual Transmission charge for a 35-year period is set through the bidding process
- Projects are bid on build own operate and maintain model for inter-state projects and on design build finance operation and transfer model for intra-state projects.
- All SPV under development assets come under this mechanism

Legacy of Maintaining and Defining Tariffs

18
Years of track record of CERC

17
Years of track record for SERCs

Adani Transmission edge

Mature Operational Assets

Long Life Assets and Contracts

Completed Assets with Minimal ongoing Maintenance

Business	Regulatory	Licence Period	Commercial Operation Date	Remaining Life
Adani Transmission (India) Limited	CERC	25 years +10 years	July'09, October'12	22 years
	MERC	25 years + 10 years	August'12	18 years
Maharashtra Eastern Grid Power Transmission Company Limited	MERC	25 years +10 years	February'14, April'14; March'15	20 years
Aravali Transmission Service Company Limited	RERC	25 years +10 years	July'14	21 years
Maru Transmission Service Company Limited	RERC	25 years +10 years	October'13	20 years
Western Transmission (Gujarat) Limited	CERC	25 years +10 years	December'15	22 years
Western Transco Power Limited	CERC	25 years +10 years	December'13	20 years

21 years

Current weighted average period remaining for the eight operational Transmission Systems

Excellent Operating History

We have a track record of receiving incentive payments for maintain availability above regulatory requirements

99.83%

Average availability over normative



A Step Forward

We build, operate and maintain an integrated transmission network that helps bring power to millions of people in India. We are speeding up our efforts to achieve our ambitious target of 20,000 ckt km by FY 2020.





12101
Enterprise Value (in ₹ Crores)

13251
Total Deal Value (in ₹ Crores)

A brief overview

We are acquiring one of the largest private sector integrated distribution utility companies of India supplying power to more than 2.5 million customers. We have signed a SPA with R Infra on 21st December 2017 to acquire its integrated business of generation, transmission, distribution, and retail power for Mumbai. Acquisition of R Infra will give us the opportunity to own best electricity utility business in India with assured returns. We have formed a Special Purpose Vehicle (SPV) company to initiate the process. The High court has approved transfer of business to SPV- appointed in April 2018. R Infra had filed a petition with MERC for transfer of assets to REGSL and ATL, which has been approved recently.

We have proposed to acquire 100% stake and economic interest in the following target assets of Reliance Infrastructure.

Dahanu Thermal Power Station (DPTS)

Mumbai Power Transmission (MTB)

Mumbai Power Distribution (MPD)

A perfect synergy

The proposed acquisition will mark our foray into retail power distribution space and also strengthen our footprint in the power transmission sector. We shall leverage our experience, expertise and leadership to enhance the efficiency levels and strengthen the liquidity position. The integrated business model of R Infra provides an unmatched synergy for higher value-creation. For us it's a first step towards power distribution sector as we aspire to deliver cost-effective and sustainable supply of electricity to millions.



Input

- 1892 MW of Power distribution
- Annual energy input requirement of 10,800 MUs
- 500 MW of power generation in Dahanu
- Long term Power Purchase Agreement with Mumbai Distribution and long-term Fuel Supply Agreement with Coal India
- 540 circuit kms length of transmission line with voltage of 220kV
- 3125 MVA of transformation capacity

Output

- Post tax Return on Equity of 16% which is approved by MERC
- 9 decade old franchisee, license of which is valid till August 2036
- Serves about 2.5 million customers with power reliability of 99.99%
- System losses below 9% as compared to India average of 22%

A growing market

Mumbai as a city continues to remain at the heart of country's economic growth. Its burgeoning population across the suburbs is expected to add to the city's power demand. The integrated asset base of R Infra provides a strong foundation to drive future-growth.

99.77%

System availability

- With a power generation capacity of 500 MW and RoE of 15.5%, Dahanu Thermal Power station generates power of 3534.27 GWH

80.69%

Plant Load Factor

- With acquisition of R Infra's Mumbai business, we will get a good start in the power distribution segment. R Infra distributes power over 400 sq km in Mumbai, and has RoE of 15.50% and 17.50% in Wires and Supply respectively.

9.4%

Low distribution losses (well-below the industry average)

Way Forward for Adani Transmission

2.5 Million

Households served in Mumbai

100%

Power Reliability Mumbai Network



CSR Activities

Overview

As a part of responsible business group, Adani Transmission is committed to conduct its CSR activities in line with the central goal of Nation Building. All our CSR projects are directed through Adani Foundation and aligned with the UN Sustainable Development Goals. The Foundation has dedicated itself to the communities in which it operates. People's aspirations have far-reaching consequences at societal and national level. At the Adani Foundation, we aim to play the role of a catalyst in enabling our communities to achieve their dreams. We firmly believe that empowering the nation means empowering its people. Hence, we have initiated a movement from the grass-root level to develop the potential of millions. With the core philosophy of Nation Building, all our actions are aimed towards Nurturing the Dreams of a New India.

The Adani Foundation relentlessly works in empowering communities, enhancing quality of their lives and inspiring the hope of a better future. The Foundation perceives its role as an 'enabler' and 'facilitator', bridging the gaps between existing opportunities and potential beneficiaries, while investing in new facilities and infrastructure. This approach has optimized community and individual growth in a sustainable manner.

At the Foundation we believe in encouraging specialization, knowledge accretion and best practices in all our activities. These are extending beyond territorial boundaries, and directed towards not just the advancement of humankind but also nation building.

Adani Foundation focuses its activities around four core areas:

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

covering virtually all aspects in community transformation across various locations like Mundra, Ahmedabad, Dahej, Hazira, Dhamra, Tiroda, Udupi, Surguja, Kawai, Vizhinjam, Shimla and Godda.

Working closely with communities, Adani Foundation assumes the role of a facilitator by creating an enabling environment for upliftment of numerous families.

The Adani Foundation has become a strong proponent championing the cause of the bringing positive changes in the lives of the deprived and underprivileged. It has been working relentlessly across 13 states, covering 20 locations and 1,470 villages, to uplift the lives of more than 5,00,000 families with a human centric approach to make the processes sustainable, transparent and replicable.



In our rapidly developing economy, education has emerged as the most powerful tool that can utilize the immense potential of billions to fuel the growth of our nation. Education is the foremost and strongest factor influencing change and empowerment. Hence, we, at Adani Foundation, have chosen to focus our efforts, in line with the Sustainable Development Goals, on providing inclusive and quality education to meritorious children irrespective of their social or economic backgrounds. All our education endeavors are aimed towards nurturing children by providing them with quality education for a life-long learning and an enabling environment for their holistic development preparing them for the future of job.

Adani Vidya Mandir

Adani Vidya Mandir, providing completely cost-free quality education to 2,100 meritorious students from economically weaker sections of the society is operational in Ahmedabad, Bhadreshwar (Gujarat) and Surguja (Chhattisgarh). The first Adani Vidya Mandir was commissioned in 2008 in Ahmedabad. The students are provided with free transportation, uniform, textbooks, notebooks and meals. A number of community-based programs and activities are organized, which, coupled with a value-based curriculum, help students acquire academic capabilities while remaining rooted to their family structure and community values.

The direct impact of AVM initiative is on parents, siblings and the students themselves. The indirect impact is on the neighbors and their children. Parents feel proud because their children are studying in one of the best schools, getting quality education and have ample opportunities to grow in career. The behavioral skills of most of the children are substantially improved and there is a gradual improvement in reading, mathematics, general science, and social sciences. Siblings and neighbor's children are getting inspired by AVM students as role models and want to be like them in terms of personality, behavior and spoken English. Long-term impact is seen in students who have graduated from AVM. Besides curricular, co-curricular and extra-curricular activities, the school provided additional coaching for the students taking the Board and competitive examinations.

Adani Vidya Mandir at Bhadreshwar is a GSEB affiliated school catering to the education needs of economically disadvantaged families, especially from the fisher folk communities of Mundra region. Out of 384 enrolled students, 134 students of AVMB belong to fisher-folk communities, majority of whom are the first generation learners. The school provides these students free education along with nutritious meals, uniforms, books and stationaries.

The Foundation commissioned Adani Vidya Mandir at Surguja (Chhattisgarh) in 2013 to address the educational needs of children of project site workers. The school was commissioned around the AVM model, providing free quality education to the region's under-privileged children.

Subsidised Schools

Adani Foundation provides subsidised quality education to more than 2600 students through Adani Public School in Mundra (Gujarat) caters to 1613 students, Adani Vidyalaya in Tiroda (Maharashtra) caters to 178 students and Kawai (Rajasthan) caters to 117 students, Navchetan Vidyalaya in Junagam (Gujarat) caters to 350 students and Adani DAV Public School in Dhamra (Odisha) caters to 389 students.

The schools are focused on quality teaching and learning and also regularly conduct a number of curricular and co-curricular activities along with various exhibitions for the overall development of the students.

Adani Public School at Mundra, Gujarat, offers excellent education to students of the nearby areas. It is an English medium, CBSE affiliated, co-educational school that offers science and commerce streams. It also lays special emphasis on regular coaching, by expert faculty, to students aspiring to appear in competitive examinations. It has a well-balanced combination of curricular and extra-curricular activities to ensure the holistic development of the students.

Adani DAV Public School provides quality education to students from the nearby communities of Bhadrak District of Odisha. The school's ground plus two floors building has a built-up area of 3,501 sq. mt. and is spread across a land of more than 5 acres. This new state of the art infrastructure is equipped with 16 modern classrooms, two libraries, science and computer labs, an audiovisual room as well as facilities to promote sports and creative activities. This school is run by the Adani Foundation in collaboration with the DAV College Trust and management societies.

The aim of the Navchetan Vidyalaya situated at Junagam in Hazira, Gujarat, is to provide subsidised high-quality education to the children from nearby rural areas. To promote education amongst the regional populace, the school provides free food and academic material support such as uniforms, notebooks, workbooks, textbooks and stationery to the students. The school is well-equipped with smart classrooms and houses all facilities required for holistic development of its students.

Other Education Initiatives

The Adani Foundation, in collaboration with the renowned Kalinga Institute of Social Sciences, is setting up a branch of the institute with state-of- the-art infrastructural facilities for the benefit of tribal children in the tribal populated Mayurbhanj district of Odisha. In association with respective state governments, the Foundation provides infrastructure support such as infrastructure upgradation, furniture and sound systems to more than 300 government schools as well as educational & sports material, school bags and books to the students. It also aids Aanganwadis and Balwaadis by creating a fun-filled environment for the children. It has played a significant role in nurturing around 1,00,000 children of Gujarat, Maharashtra, Rajasthan, Odisha, Jharkhand, Karnataka and Kerala.

To ensure that the meritorious students are not deprived of educational opportunities due to lack of funds, the foundation has awarded scholarship to around 1400 students at Udupi - Karnataka, Vizhinjam - Kerala and Dhamra - Odisha.





We firmly believe that improving the health of its citizens can directly result in economic growth of the nation. Healthy people can utilise growth opportunities made available to them in a better way. Lack of basic healthcare facilities has a detrimental impact on the health and well-being of the people. We, at the Adani Foundation, have committed to reach basic health care facilities to the unreached and support in strengthening the available health care system in and around our operational locations in India, to ensure healthy lives and promote well-being at all ages in alignment with Sustainable Development Goals of the UN. Through our efforts in community healthcare, we aim to help people realise their dreams of leading a healthy and happy life.

Gujarat Adani Institute of Medical Sciences (GAIMS)

GAIMS is the first medical college, based on the Public-Private Partnership model, in the medical education sector. Spread across a sprawling area of 27 acres, it offers MBBS and Post Graduation courses in almost all clinical branches. It has enrollment strength of 900 students and interns. Situated in the center of Bhuj, GAIMS – GK General Hospital is the biggest hospital in the largest district of India. This 750 bedded hospital has state-of-the-art infrastructure and offers free of cost medical care to an average of 1,500 patients and conducts 40 surgeries every day.

Mobile Health Care Units (MHCU) and Rural Clinics

The MHCUs are deployed by Adani Foundation nationally with the objective of providing basic healthcare facilities to the remotest rural areas. These facilities include diagnostics, medicines, free of cost consultation and referrals by certified doctors at the doorstep of community members. As a result, these patients save money on consultation fees, medicines and travel costs reducing the possibility of losing livelihood due to weak connectivity to public healthcare system. These MHCUs are operational in Mundra, Bitta and Dahej in Gujarat, Tiroda in Maharashtra, Kawai in Rajasthan, Surguja in Chhattisgarh, Dhamra in Odisha, Udupi in Karnataka, Godda in Jharkhand, Vizhinjam in Kerala and Shimla in Himachal Pradesh. During the year almost 3,00,000 cost free treatments were rendered.

Adani Foundation also operates numerous Rural Health Clinics where healthcare services are provided free of cost to the needy people daily. These clinics, operating in Mundra and Anjar in Gujarat, Dhamra in Odisha, Salhi in Chhattisgarh and Sainj in Himachal Pradesh, are an important step by the Foundation to ensure that quality medical services are made accessible to the rural populace. During the year it provided around 38,000 free treatments to needy patients belonging to the community.



Health Cards to Senior Citizens and Medical Insurance

Health Card to Senior Citizens is a scheme under which health cards are provided to 8515 senior citizens from socio-economically marginalised sections. The main objective of this scheme is to make timely healthcare services available according to needs of these senior citizens.

The Foundation also provides medical insurance to the families of up to seven members, through the Adani Aarogya Card scheme in Udupi, Karnataka. Under this scheme, 2341 families are given medical insurance coverage of ₹50,000.

Medical Camps

Adani Foundation regularly conducts various general and specialised medical camps in and around its operational locations for the benefit of local communities. At these camps services of gynaecologists, orthopaedic surgeons, heart specialists, skin specialists, paediatricians, ophthalmologist, ENT surgeons are provided to the community members at no cost. Free of cost follow-up services are also made available and necessary discounts are negotiated in cases requiring surgery. These camps are conducted in Mundra, Dahej and Hazira in Gujarat, Tiroda in Maharashtra, Godda in Jharkhand, Kawai in Rajasthan, Dhamra in Odisha and Udupi in Karnataka. During the year more than 43,000 patients took advantage of these specialized services.





Empowering people through sustainable livelihoods helps them to transform their lives and contribute to the growth of the nation. Due to lack of adequate skills and livelihood opportunity many people still live in deplorable conditions. Helping people become self-reliant and earn sufficient incomes is the only way to counter poverty and unemployment. Hence, through its initiatives, Adani Foundation aims at holistic growth and development of the marginalized sections of the society by providing necessary skill development training and alternative livelihood opportunities, hence reducing poverty and inequality to align itself with the Sustainable Development Goals. We firmly believe that self-reliant and financially empowered people will ultimately nurture the dreams of a new India.

Support to Farmers

With the objective of promoting organic farming using the Systematic Rice Intensification (SRI) method, Adani Foundation, in cooperation with respective Block Agriculture Departments, regularly conducts various training programmes for the farmers. They have been introduced to various innovative and cost-saving practices in farm cultivation, techniques of low water usage & labour-intensive organic method of growing the crop. This project has been successfully implemented in 11,316 acres of land by 6,364 farmers so far of Tiroda in Maharashtra. SRI method has also been introduced at Surguja in Chhattisgarh and at Dhamra in Odisha. On an average it increases the agricultural production by 33% and reduce farming costs by 32%.

Adani Foundation initiated training programmes at Go Vigyan Anusandhan Kendra, a cow-based livelihood programme, a fly ash utilisation programme and the formation of Farmers' Producer's Company at Tiroda, Maharashtra. It has also provided support for construction of biogas plants for households, promotion of farmers' produce of date fruits through various market linkages, fodder for the livestock and held an agriculture development programme in collaboration with Krishi Vikas Kendra in Mundra, Gujarat. Other efforts undertaken by the Foundation to support farmers include animal health and vaccination camps in Dhamra in Odisha and Godda, Jharkhand, as well as a cattle breed improvement programme in Kawai, Rajasthan and Tiroda in Maharashtra.



Initiatives to Uplift the Fisherfolk Community

The Adani Foundation works closely with the fisherfolk community to introduce alternative livelihoods and income generation opportunities for their socio-economic development and has provided 37,000 man-days worth of employment during non-fishing months. It has implemented the Ajivika Uparjan Yojana, Mundra - Gujarat, which provides employment to 150 fisher-folk families in a mangrove afforestation programme.



It has also introduced polyculture and cage culture techniques to fishermen willing to diversify their occupation. The Foundation has also provided equipment support like fishing nets, anchors, drying platforms, first aid equipment for fishing boats and solar dryers to the fishermen from various places including Mundra, Hazira and Dahej in Gujarat and Dhamra in Odisha.

Projects to Empower Women

Adani Foundation has taken some important projects to encourage women in becoming self-reliant. These projects include training in sewing and garment making, soft toy making, lac bangle making, LMV driving, etc. for women in Tiroda, Kawai, Dhamra, Mundra and Surguja. The Foundation helps women in earning income through the formation of Self Help Groups (SHGs). The members of these groups are trained in making saleable products and also engage in managing the finances, marketing and administration, etc. They are provided with a platform to display and sell their work through various exhibitions and market linkages. Saheli Mahila Gruh Udhyog, in Mundra, has been providing training to the women in preparing various kinds of soaps, detergents and disinfectants for sale. SHG members in Hazira provide nutritious food to Aanganwadis in that region. Women producers' co-operative provides training in making handicrafts, bari as well as mushroom cultivation, etc. Such empowerment trainings in business strategies and management have inspired women from Vizhinjam to run their own canteen business. More than 1,700 women were trained for livelihood enhancement and more than 2,500 women and girls were empowered through various awareness programmes.





Quality rural and community infrastructure bears a direct influence on living standard and the development of the rural population. Lack of it may push the rural populace towards poverty and deprivation. To achieve redistributive growth in India, gaps in rural infrastructure need to be addressed. At Adani Foundation, we have committed ourselves to building sustainable rural infrastructure to overcome developmental challenges at the rural area keeping national goals in view. We are committed to making a long-term investment in rural infrastructure development as it will connect its dream with the progress of the nation. This sector of Adani Foundation achieves multiple targets of Sustainable Development Goals in direct as well as indirect way establishing the fact that quality infrastructure is key to a nation's growth.

Construction of Schools and Other Education Infrastructure

The Foundation has been instrumental in constructing landmark school buildings for all the eight schools run by Adani Foundation. The recently constructed buildings of Adani DAV Public school at Dhamra, Odisha, Adani Vidya Mandir and a vocational training centre at Surguja, Chhattisgarh, bears testimony to the quality conscious approach towards infrastructure development that the Foundation believes in. The Foundation also undertakes construction and repair work for improving the infrastructure of various government schools to create a conducive learning environment for the students. Education infrastructure work undertaken by the Foundation includes construction of additional classrooms, toilets, science labs, dust-free areas with paver blocks, raising the height of walls for the safety of the students and regular renovation and maintenance of buildings of all Adani run schools.

Water Conservation

Under the umbrella of water conservation activities in the states of Gujarat, Maharashtra, Rajasthan and Chhattisgarh, the Foundation has constructed various check dams, farm ponds and earthen bunds across streams. During the year the foundation has undertaken the work of 19 streams deepening as well as desilting of 23 existing ponds in Mundra and Tiroda region. Adani Foundation has also created recharge pits near wells and hand pumps to ensure adequate water availability for the communities in and around Godda, Jharkhand. As a part of rural Infrastructure development initiative, a total of 135 ponds & 64 farm ponds have been deepened and 66 streams have been widened resulting in increase of 32,52,882 cu.mt storage capacity.

Housing

To meet the basic housing needs of the fisherfolk community and the population living below poverty line in Gujarat, Adani Foundation had constructed 143 and refurbished 218 Aavas in Dahej and Hazira. 270 new shelters were also constructed for fisher folk community in Mundra. Continuing the activity, the foundation constructed 9 new Aavas and repaired 6 at Dahej. Adani foundation also constructed individual and community toilets to provide adequate sanitation and hygiene facilities for the people.

Community Infrastructure Projects

In a bid to make potable water available, Adani Foundation has provided 335 potable water facilities including installation of various community RO plants and water ATMs and handed them over to the community members or local panchayats to operate. It has also constructed underwater tanks, pitched ponds, dug bore wells and tube wells and installed hand pumps to meet safe drinking water needs of the communities. The Foundation has also undertaken various community welfare projects like construction of healthcare centres, community halls, individual/ community toilet block facilities, approach roads, platforms for drying fish, cowsheds, minor bridges, market platforms, bus-stands and renovated temples. It has also provided solar lighting facilities, solar pumps for irrigation and electrification in the villages. These activities have benefited the people of Mundra, Hazira and Dahej in Gujarat, Kawai in Rajasthan, Godda in Jharkhand, Surguja in Chhattisgarh, Dhamra in Odisha, Tiroda in Maharashtra, Udupi in Karnataka and Vizhinjam in Kerala.



Special Projects

Holistic Development to Nurture a New India

The true nature of Adani Foundation's deep commitment to the welfare of the community is glimpsed in the special projects it undertakes. These projects address issues of the society that are vital for the development of the nation and need special attention for pan India implementation and not only at business influenced zones. Through these special projects that harmonise with the efforts of the government, the foundation partakes in launching, operationalising, impacting and promoting the issues of national interests. Leaving no stone unturned when it comes to empowering the people of the nation, these projects by the Foundation are aimed towards achieving the Dreams of Nurturing a New India.

Swachhagraha – Swachhata ka Satyagraha

Inspired by the Satyagraha movement, and in support of National Swachh Bharat Mission, the Swachhagraha project is dedicated towards creating a culture of cleanliness by bringing about a behavioural change and promoting anti-littering attitude among the masses. Each month this movement spreads the message of cleanliness to more than 70,000 people. Swachhagraha activity books for school projects have been published and made available in 11 Indian languages, for this programme.

After successfully carrying out the programme in 650 schools of Gujarat in 2017, Swachhagraha has now been implemented in 40 cities across 17 states of India. After successful implementation in schools, the programme has now been extended to colleges to include the youth of the nation in this noble initiative. The project has gained momentum with over 86,000 active followers on Facebook and an online user engagement of 15,00,000. 55,000 young Swachhagrahis from 3,075 schools through 3,220 Swachhagraha Preraks from the 17 states, spreading the message of cleanliness to 35,00,000 people.

Innovative campaigns that helped popularize this initiative comprised 'Selfie with Safai ke Sitare', Swachhagraha pledge campaign at Fun Street, street plays by 81 schools, online campaign 'Gandagi se Azadi' and 'Swachhagraha Ke Reporters'. A 70-day Swachhagraha campaign over Radio Mirchi, Ahmedabad, reached more than 30 lakh listeners. Swachhagraha also featured on the UNESCO Green Initiative website.

SAKSHAM

SAKSHAM
Adani Skill Development Centre

The flagship initiative of Adani Skill Development Centre, is built around the vision of creating a saksham India, where the youth are capable of achieving their goals by transforming into skilled professionals. The objective is to bring world-class skill development opportunities to Indian youths, an opportunity they would otherwise have no access to. The SAKSHAM initiative functions through partnerships with various schemes under the Government of India, and support from esteemed corporates.

Under project Saksham, by Adani Skill Development Centre (ASDC), an initiative of the Adani Foundation, the foundation conducts skill-based training programmes, which includes 34 government courses and 11 ASDC-customized and government approved courses, for the youth of India, thereby increasing their skill sets and employability. ASDC operates 9 fully-owned centres across Gujarat, Maharashtra, Chhattisgarh, Rajasthan and Jharkhand as well as 16 centres in Madhya Pradesh, Kerala and Odisha in infra-partnership mode with a total capacity to skill 20,000 youth annually.

ASDC is the first skill imparting institute in the country to offer courses like Simulator-based Crane Operation, 3D printing and Welding through Augmented Reality.

Adani Skill Development Centre, aligning itself to the Sustainable Development goals such as No Poverty and Decent work and economic growth, aims at making 3,00,000 Indian youths saksham by 2022. ASDC signed an MoU with the National Skill Development Corporation (NSDC) in the presence of Hon'ble Prime Minister of India, Shri Narendra Modi and Shri Rajiv Pratap Rudy (Hon'ble Minister of State Skill Development and Entrepreneurship) on 19th December 2016. ASDC also signed an MoU with the Government of Gujarat on 12th January 2017 during Vibrant Gujarat 8th Global Summit 2017, in order to establish 2 Skill Development Centres in Gujarat. ASDC is working in phases to set up Skill Development Centres across the nation. As part of the first phase skill development centres have already been set up in Ahmedabad, Mundra, Surat, Tiroda, Surguja, Vizhinjam, Indore and Bhopal during 2017-18.

Adani Skill Development Centre across nation has trained over 6500 candidates in 2017-18on various skill development programmes and over 70 % candidates are provided with livelihood opportunities. ASDC is focusing on Sustainable Development Goals of no poverty and decent work and economic growth.

SuPoshan

Project SuPoshan is being implemented for curbing malnutrition and anaemia, a common issue amongst children, adolescent girls and women of our country by aligning with the Sustainable Development Goal of ending all forms of malnutrition. In Suposhan village level health volunteers take lead for implementing community based life cycle approach with a focus on behavioral change communication. Presently 209 Sanginis are working in 309 villages/municipal wards across country, covering 501 Anganwadis and providing services to 90,565 households. During this year, 2.39 lakh women and adolescent girls are provided guidance for nutrition and health through 18,400 focus group discussions and 46,711 family counseling. A total of 1,844 village events were organized to involve all stakeholders in the journey towards SuPoshit Village. Supplementary Nutritious Food was provided to 138 children during this year. The project helped 2,317 children to come out of the clutches of malnutrition and 70,000 women and adolescent girls were screened for anemia, using non-invasive ToucHb instrument. Along with inculcating healthy eating habits, the use of iron folic acid tablets were facilitated for 8,362 cases of anemia which resulted in recovery of 1885 cases of anemia.

Encouraged by success of this initiative, Adani Wilmar has come forward to support for the rapid expansion of the program and doubling the reach. A meticulous planning for selecting sites, preparation and mobilization of human resources have been done for adding 1,00,000 households spread across five locations, namely Tharad – Gujarat, Varanasi – UP, Saoner – Maharashtra, Haldia – West Bengal and Bundi – Rajasthan.

UDAAN

The aim of the Udaan project is to inspire young minds to dream big. Udaan is a learning-based initiative focusing on Sustainable Development Goal of Quality Education and creating exposure for the youth of educational institutes across Gujarat. Under this project, a two-day exposure tour is organized, wherein numerous school and college students are given an opportunity to visit the Adani Group's business establishments in Mundra, Kawai, Tiroda, Dhamra, Hazira and Udupi and gain an insight about its operations. It gives these students an opportunity to broaden their horizon in terms of career possibilities and opportunities that lie ahead. Udaan visits are completely free for all government schools and colleges and are conducted round the year. The project was inspired by Mr. Gautam Adani, Chairman of the Adani Group, whose visit to Kandla port as a child inspired him to build a world-class port. The project impacted more than 2,50,000 students from 3,000 institutes.

Corporate Information

Board of Directors

Mr. Gautam S. Adani
Chairman

Mr. Rajesh S. Adani
Director

Mr. Laxmi Narayana Mishra
Whole–time Director
(upto 2nd May, 2018)

Mr. Anil Sardana
Managing Director and Chief Executive Officer
(w.e.f. 10th May, 2018)

Mr. K. Jairaj
Director

Dr. Ravindra H.Dholakia
Director

Ms. Meera Shankar
Director

Chief Financial Officer

Mr. Kaushal Shah

Company Secretary

Mr. Jaladhi Shukla

Auditors

M/s. Deloitte Haskins & Sells LLP
Chartered Accountants
Ahmedabad

Registered Office

"Adani House"
Nr. Mithakhali Six Roads,
Navrangpura, Ahmedabad – 380 009,
Gujarat (INDIA)

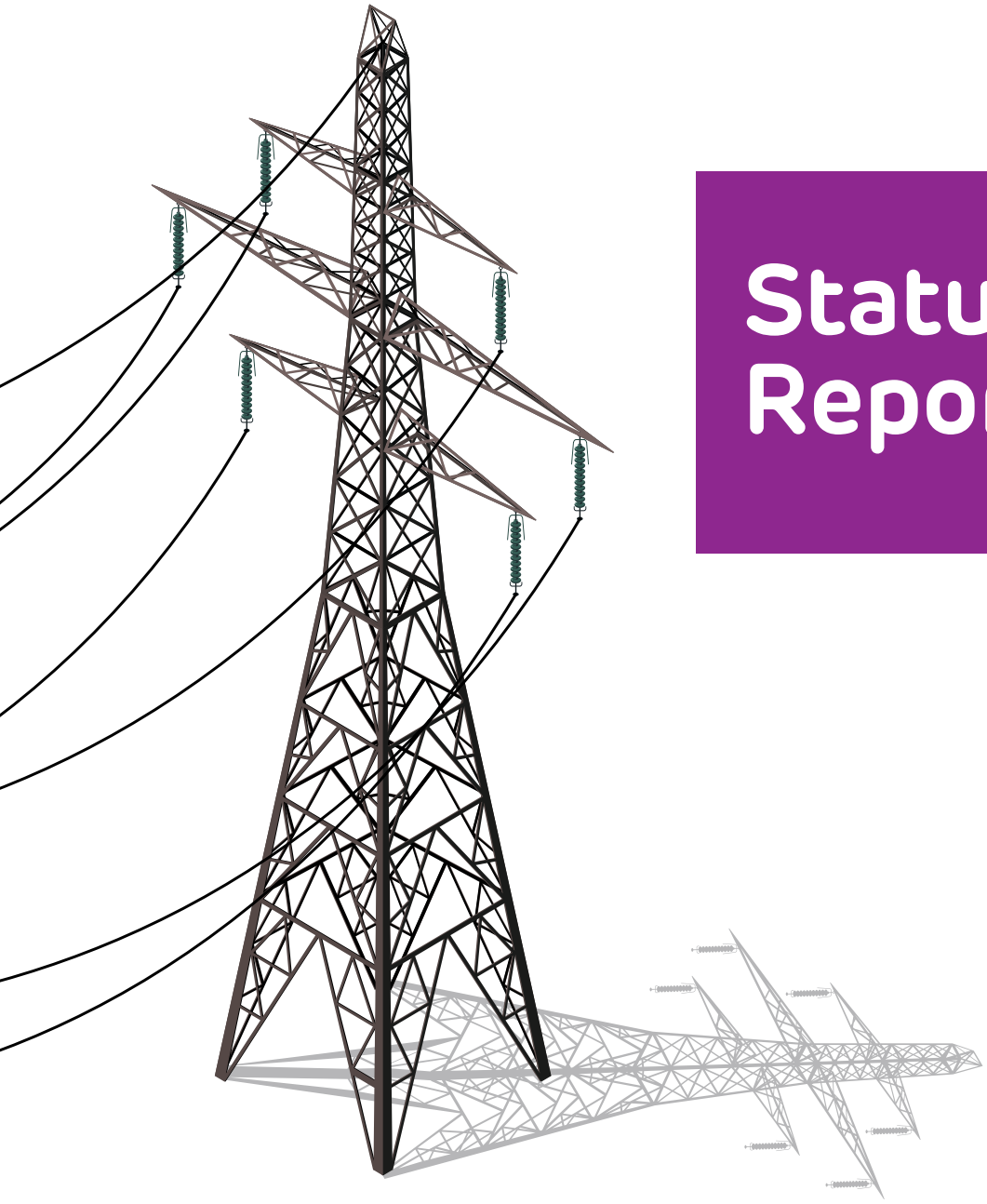
CIN: L40300GJ2013PLC077803

Bankers

Axis Bank Limited
IndusInd Bank Limited
HDFC Bank Limited
IDFC Bank Limited
ICICI Bank Limited
State Bank of India
Punjab National Bank
L&T Infrastructure Finance Company Limited
L&T Finance Limited
PTC India Finance Services Limited
IFCI Limited
Mizuho Bank, Limited
Industrial and Commercial Bank of China (Mumbai)
Tata Cleantech Capital Limited
Export - Import Bank of India
United Bank of India
Vijaya Bank
Indian Overseas Bank
Piramal Capital and Housing Finance Limited
RBL Bank Limited

Registrar and Transfer Agent

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



Statutory Reports

Directors' Report

Dear Shareholders,

Your Directors are pleased to present the 5th Annual Report along with the audited financial statements of your Company for the financial year ended on 31st March, 2018.

Financial Performance Summary

The summarized financial highlight is depicted below:

(₹ in Crores)

Particulars	Consolidated Results		Standalone Results	
	2017-18	2016-17	2017-18	2016-17
FINANCIAL RESULTS				
Total Revenue	**4,055.19**	**2,897.81**	**1,610.32**	**1,608.30**
Total Expenditure other than Financial Costs and Depreciation	1,118.47	892.62	840.71	784.63
Profit before Depreciation, Finance Costs and Tax	**2,936.72**	**2,005.19**	**769.61**	**823.67**
Finance Costs	885.63	904.01	794.16	818.74
Depreciation and Amortization	579.41	569.25	0.08	0.05
Profit / (Loss) for the year before Taxation	**1,471.68**	**531.93**	**(24.63)**	**4.88**
Total Tax Expenses	328.74	115.50	-	1.03
Net profit/(loss) for the year (A)	**1,142.94**	**416.43**	**(24.63)**	**3.85**
Other Comprehensive Income				
- Items that will not be reclassified to profit or loss	0.31	0.75	(0.06)	0.16
- Items that may be reclassified to profit or loss	(25.91)	(157.83)	(42.65)	(143.35)
Other Comprehensive Income (After Tax) (B)	**(25.60)**	**(157.08)**	**(42.71)**	**(143.19)**
Total Comprehensive Income for the year (C) = (A+B)	**1,117.34**	**259.35**	**(67.34)**	**(139.34)**
Add / (Less) Share of Minority Interest (D)	-	-		
Net Profit / (Loss) for the year after Minority Interest (C+D)	**1,117.34**	**259.35**	**(67.34)**	**(139.34)**
Balance carried to Balance Sheet	**1,117.34**	**259.35**	**(67.34)**	**(139.34)**

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

Performance of your Company

Consolidated Financial Results

The audited consolidated financial statements of your Company as on 31st March, 2018, prepared in accordance with the relevant applicable IND AS and Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and provisions of the Companies Act, 2013, forms part of this Annual Report.

The key aspects of your Company's consolidated performance during the financial year 2017-18 are as follows:

Operational Highlights

Your Company is the largest power transmission company operating in the private sector in India and owns, operates and maintains around 8,600 Ckt Kms of transmission lines ranging from 220 KV to 765 KV, with a total transformation capacity of around 14,000 MVA. Your Company has six fully operational Transmission Systems that primarily serve the Northern and Western regions of India and is also constructing additional projects of around 2500 Ckt Kms in Rajasthan, Chhattisgarh, Madhya Pradesh, Maharashtra, Jharkhand & Bihar, which were awarded through Tariff Based Competitive Bidding process. Construction of projects won under Tariff Based Competitive Bidding were well ahead of scheduled time of completion and within the budget. With completion of all ongoing projects and acquisitions, the network of the Company is expected to surpass 12,000 Ckt Kms. Your Company has recently entered the power distribution business by acquiring 100% stake in Reliance Energy which is engaged in power distribution in the city of Mumbai, India. It will service about 2.5 million households in Mumbai once it takes over the operations.

Your Company's operating performance in FY18 has set the best benchmark in the country in terms of consistent operational Network availability ranging from 99.83% to 100%. Your Company continues to pursue organic as well as inorganic growth opportunities. We have a strong & seamless integration of processes, people & technology which has laid a strong foundation for the Company to create long term value for its stakeholders.

Financial Highlights:

- Consolidated total income in FY18 was ₹4,055 Crore as compared to ₹2,898 Crore in FY17.
- Consolidated EBIDTA in FY18 was ₹2,937 Crore as compared to ₹2,005 Crore in FY17.
- Consolidated PAT in FY18 was up by 175% at ₹1,143 Crore as compared to ₹416 Crore in FY17.

Standalone Financial Results:

On standalone basis, your Company registered total revenue of ₹1,610 Crore in FY18 as compared to ₹1,608 Crore in FY17.

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

Dividend

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

Share Capital

During the year under review, the Authorised Share capital of the Company has been increased from ₹1100,00,00,000/- (Rupees One Thousand One Hundred Crores Only) to ₹1500,00,00,000/- (Rupees One Thousand Five Hundred Crores Only) divided into 150,00,00,000 Equity Shares of ₹10/- each by passing Special Resolution by the Members of the Company through Postal Ballot Process on 28th July, 2017.

Fixed Deposits

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

Non-Convertible Debentures

During the year under review, your Company has redeemed 2,500 Rated, Listed, Taxable, Secured, Redeemable, Non-Convertible Debentures of the face value of ₹10 Lakhs each issued on private placement basis.

As on 31st March, 2018, 31,650 Rated, Listed, Taxable, Secured, Redeemable, Non-Convertible Debentures of face value of ₹10 lakhs each aggregating to ₹3,165 Crores were outstanding as issued on private placement basis and listed on the Wholesale Debt Market Segment of BSE Limited.

Particulars of loans, guarantees or Investments

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

Subsidiaries, Joint Ventures and Associate Companies

Your Company had 9 direct subsidiaries as on 31st March, 2017. During the year under review, the following companies were acquired.

- Barmer Power Transmission Service Limited, Thar Power Transmission Service Limited and Hadoti Power Transmission Service Limited from Rajasthan Rajya Vidyut Prasaran Nigam Limited.
- Western Transco Power Limited and Western Transmission (Gujarat) Limited from Reliance Infrastructure Limited.
- Fatehgarh-Bhadla Transmission Limited from PFC Consulting Limited.

In view of the above, the total number of subsidiaries as on 31st March, 2018 was 15.

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

Pursuant to the provisions of Section 129, 134 and 136 of the Companies Act, 2013 read with rules framed thereunder and pursuant to Regulation 33 of the SEBI Listing Regulations, the Company had prepared consolidated financial statements of the company and its subsidiaries and a separate statement containing the salient features of financial statement of subsidiaries, joint ventures and associates in Form AOC-1 which forms part of the Annual Report.

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

Directors and Key Managerial Personnel

Mr. Laxmi Narayana Mishra, Whole-time Director (DIN: 01952408) resigned from the Directorship of the Company w.e.f. closure of business hours on 2nd May, 2018 due to pre-occupation. The Board places on record its sincere appreciation for the valuable contribution and guidance rendered by Mr. Laxmi Narayana Mishra during his tenure with the Company.

Mr. Anil Sardana (DIN: 00006867) was appointed as an Additional Director by the Board at its meeting held on 10th May, 2018. He was also appointed as a Managing Director and Chief Executive Officer of the Company subject to approval of members at the ensuing Annual General Meeting. As an Additional Director, he holds office upto the ensuing Annual General Meeting. The Company has received notice from a member under Section 160 of the Companies Act, 2013 proposing his appointment as a Director of the Company.

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

Pursuant to the requirements of the Companies Act, 2013 and Articles of Association of the Company, Mr. Rajesh S. Adani (DIN: 00006322) is liable to retire by rotation and being eligible offers himself for re-appointment.

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

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

Directors' Responsibility Statement

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

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

b. that such accounting policies have been selected and applied consistently and judgement and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st Mach, 2018 and of the profit of the Company for the year ended on that date;

c. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d. that the annual financial statements have been prepared on a going concern basis;

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

f. that proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

Number of Board Meetings

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

Independent Directors' Meeting

The Independent Directors met on 23rd March, 2018, without the attendance of Non-Independent Directors and members of the Management. The Independent Directors reviewed the performance of non-independent directors and the Board as a whole; the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Board Evaluation

The Board adopted a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, contribution at the meetings and otherwise, independent judgment, governance issues etc.

Policy on Directors' Appointment and Remuneration

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

Internal Financial Control System and Their Adequacy

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

Risk Management

The Board of the Company has formed a risk management committee to frame, implement and monitor the risk management plan for the Company. The committee is responsible for reviewing the risk management plan and ensuring its effectiveness. The audit committee has additional oversight in the area of financial risks and controls.

Committees of Board

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

Corporate Social Responsibility & Sustainability

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

Corporate Governance and Management Discussion and Analysis Report

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

In compliance with Corporate Governance requirements as per the SEBI Listing Regulations, your Company has formulated and implemented a Code of Business Conduct

and Ethics for all Board members and senior management personnel of the Company, who have affirmed the compliance thereto.

Business Responsibility Report

The Business Responsibility Report for the year ended 31st March, 2018 as stipulated under Regulation 34 of the SEBI Listing Regulations is annexed which forms part of this Annual Report.

Prevention of Sexual Harassment at Workplace

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

Extract of Annual Return

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

Related Party Transactions

All the related party transactions entered into during the financial year were on an arm's length basis and were in the ordinary course of business. Your Company had not entered into any transactions with related parties which could be considered material in terms of Section 188 of the Companies Act, 2013. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC 2 is not applicable.

During the year under review, your Company has entered into transactions with related party which are material as per Regulation 23 of the SEBI Listing Regulations and the details of the said transactions are provided in the Annexure to Notice of the Annual General Meeting.

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

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

Insurance

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

Auditors & Auditors' Report

During the period under review, M/s. Dharmesh Parikh and Co., Chartered Accountants, Ahmedabad (Firm Registration No. 112054W) resigned as the Statutory Auditors of the Company w.e.f. 26th July, 2017 resulting into a casual vacancy in the office of Statutory Auditors of the company as envisaged by Section 139(8) of the Companies Act, 2013.

Based on the recommendation of the Audit Committee, the Board of Directors, vide circular resolution on 26th July, 2017, approved the appointment of M/s. Deloitte Haskins & Sells LLP, Chartered Accountants (Firm Registration No. 117366W/W-100018) as a Statutory Auditors of the Company to fill the casual vacancy. Their appointment was subsequently approved by the Shareholders by passing Ordinary resolution through Postal Ballot, the results of which were declared on 31st August, 2017.

M/s. Deloitte Haskins & Sells LLP, Chartered Accountants (Firm Registration No. 117366W/W-100018) hold office as the Statutory Auditor of the Company until the conclusion of the ensuing 5th Annual General Meeting (AGM).

The Board of Directors of the Company at its meeting held on 10th May, 2018, on the recommendation of the Audit Committee, has made its recommendation for appointment of M/s. Deloitte Haskins & Sells LLP, Chartered Accountants (Firm Registration No 117366W/W-100018), as the Statutory Auditors of the Company for a term of 5 consecutive years, from the conclusion of 5th AGM of the Company till the conclusion of 10th AGM to be held in year 2023 for approval of shareholders of the Company. In this regard, the Company has received a certificate that they satisfy the criteria provided under Section 141 of the Companies Act, 2013 and that the appointment, if made, shall be in accordance with the applicable provisions of the Companies Act, 2013 and rules framed thereunder.

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

Secretarial Audit Report

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the rules made thereunder, the Company has re-appointed M/s. Samdani Shah & Kabra, Company Secretaries to undertake the Secretarial Audit of the Company. The Secretarial Audit Report for FY 2017-18 is annexed, which forms part of this report as Annexure-B. There were no qualifications, reservation or adverse remarks given by Secretarial Auditors of the Company.

Particulars of Employees

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

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

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

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

Acknowledgement

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

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

For and on behalf of the Board of Directors

Place: Ahmedabad
Date: 10th May, 2018

Gautam S. Adani
Chairman
(DIN: 00006273)

****

Annexure - A to the Directors' Report

Form No. MGT-9

Extract of Annual Return

As on the financial year ended 31st March, 2018.

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

I. Registration and other Details:

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

II. Principal Business Activities of the Company:

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

Name and description of main Product / Services	NIC Code of the Product / Services	% to total turnover of the company
Transmission of electric energy	35107	2.32%
Trading of Agri Commodities	46309	97.66%

III. Particulars of Holding, Subsidiary and Associate Companies:

Sr No	Name and address of the Company	CIN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Adani Transmission (India) Limited Adani House, Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad – 380 009	U40101GJ2013PLC077700	Subsidiary	100	2(87)
2.	Maharashtra Eastern Grid Power Transmission Company Limited Adani House, Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad – 380 009	U40100GJ2010PLC059593	Subsidiary	100	2(87)
3.	Chhattisgarh-WR Transmission Limited Adani House, Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad – 380 009	U40105GJ2014GOI094187	Subsidiary	100	2(87)
4.	Raipur-Rajnandgaon-Warora Transmission Limited Adani House, Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad – 380 009	U40300GJ2014GOI094189	Subsidiary	100	2(87)
5.	Sipat Transmission Limited Adani House, Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad – 380 009	U40300GJ2014GOI094190	Subsidiary	100	2(87)
6.	Adani Transmission (Rajasthan) Limited 31 (A), 6th Floor, Plot No. 5, Swej Farm, Mahima Trinity, New Sanganer Road, Jaipur – 302019	U40105RJ2016PLC049663	Subsidiary	99.99	2(87)
7.	North Karanpura Transco Limited Adani House, Nr. Mithakhali Six Roads Navrangpura, Ahmedabad – 380 009	U40103GJ2015GOI094910	Subsidiary	100	2(87)
8.	Aravali Transmission Service Company Limited Adani House, Nr. Mithakhali Six Roads Navrangpura, Ahmedabad – 380 009	U40109GJ2009PLC098510	Subsidiary	74*	2(87)
9.	Maru Transmission Service Company Limited Adani House, Nr. Mithakhali Six Roads Navrangpura, Ahmedabad – 380 009	U40109GJ2009PLC098567	Subsidiary	74*	2(87)
10.	Barmer Power Transmission Service Limited 31(A), 6th Floor, Plot No.5, Swej Farm, Mahima Trinity, New Sanganer Road, Jaipur - 302019	U40300RJ2016SGC055162	Subsidiary	100	2(87)
11.	Thar Power Transmission Service Limited 31(A), 6th Floor, Plot No.5, Swej Farm, Mahima Trinity, New Sanganer Road, Jaipur - 302019	U40300RJ2016SGC055193	Subsidiary	100	2(87)
12.	Hadoti Power Transmission Service Limited 31(A), 6th Floor, Plot No.5, Swej Farm, Mahima Trinity, New Sanganer Road, Jaipur – 302019	U40106RJ2016SGC054887	Subsidiary	100	2(87)
13.	Western Transco Power Limited 601, 6th Floor, Hallmark Business Plaza, Opp. Guru Nanak Hospital, Bandra (East), Mumbai - 400051	U40300MH2016PLC288938	Subsidiary	100	2(87)
14.	Western Transmission (Gujarat) Limited 601, 6th Floor, Hallmark Business Plaza, Opp. Guru Nanak Hospital, Bandra (East), Mumbai - 400051	U40300MH2016PLC288929	Subsidiary	100	2(87)
15.	Fatehgarh-Bhadla Transmission Limited C-105, Anand Niketan, New Delhi – 110 021	U40300DL2016GOI309971	Subsidiary	100	2(87)

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

IV. Share Holding Pattern (Equity Share Capital Breakup as Percentage of total Equity) as on 31st March, 2018

i) Category-wise Share Holding

Category of Shareholders		No of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
A.	**Promoter**									
1	**Indian**									
a)	Individuals/HUF	-	-	-	-	2	-	2	0.00	0.00
b)	Central Government	-	-	-	-	-	-	-	-	-
c)	State Government(s)	-	-	-	-	-	-	-	-	-
d)	Bodies Corporate	99491719	-	99491719	9.05	99491719	-	99491719	9.05	0.00
e)	Banks/FI	-	-	-	-	-	-	-	-	-
f)	Any Others									
	Family Trust	630034660	-	630034660	57.29	630034660	-	630034660	57.29	0.00
Sub Total(A)(1)		**729526379**	**-**	**729526379**	**66.33**	**729526381**	**-**	**729526381**	**66.33**	**0.00**
2	**Foreign**									
a)	NRIs-Individuals	-	-	-	-	-	-	-	-	-
b)	Other-Individuals	-	-	-	-	-	-	-	-	-
c)	Bodies Corporate	94437100	-	94437100	8.59	94437100	-	94437100	8.59	0.00
d)	Banks/FI	-	-	-	-	-	-	-	-	-
e)	Any Other	-	-	-	-	-	-	-	-	-
Sub Total(A)(2)		**94437100**	**-**	**94437100**	**8.59**	**94437100**	**-**	**94437100**	**8.59**	**0.00**
Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)		**823963479**	**-**	**823963479**	**74.92**	**823963481**	**-**	**823963481**	**74.92**	**0.00**
B.	**Public shareholding**									
1	**Institutions**									
a)	Mutual Funds/ UTI	5797543	-	5797543	0.53	-	-	-	-	(0.53)
b)	Banks/FI	29389925	-	29389925	2.67	28903942	-	28903942	2.63	(0.04)
c)	Central Govt.	-	-	-	-	-	-	-	-	-
d)	State Govt.	-	-	-	-	-	-	-	-	-
e)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
f)	Insurance Companies	-	-	-	-	-	-	-	-	-
g)	FII	1580230	-	1580230	0.14	-	-	-	-	(0.14)
h)	Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i)	Any Other									-
	Foreign Portfolio Investor (Corporate)	187527431	-	187527431	17.05	219888789	-	219888789	19.99	2.94
Sub-Total (B)(1)		**224295129**	**-**	**224295129**	**20.39**	**248792731**	**-**	**248792731**	**22.62**	**2.23**
2	**Non-institutions**									
a)	Bodies Corporate	-	-	-	-	-	-	-	-	
i	Indian	8860601	-	8860601	0.81	3670836	-	3670836	0.33	(0.48)
ii	Overseas	-	-	-	-	-	-	-	-	-
b)	Individuals									
i)	Individuals shareholders holding nominal share capital up to ₹1 lakh	17635889	355101	17990990	1.64	11924828	334051	12258879	1.11	(0.53)
ii)	Individual shareholders holding nominal share capital in excess of ₹1 lakh.	14255170	110000	14365170	1.31	7660662	110000	7770662	0.71	(0.60)
c)	Other (specify)									
	Clearing Member	1034143	-	1034143	0.09	1159412	-	1159412	0.11	0.02
	Non Resident Indian (Repat)	6590002	-	6590002	0.60	594059	-	594059	0.05	(0.55)
	Non Resident Indian (Non Repat)	331544	-	331544	0.03	148839	-	148839	0.01	(0.02)
	Foreign National	10000	-	10000	0.00	10000	-	10000	0.00	0.00
	Corp. Body - Foreign Bodies	-	-	-	-	-	-	-	-	-
	Hindu Undivided Family	2368525	-	2368525	0.22	1440684	-	1440684	0.13	(0.09)
	Trust	500	-	500	0.00	500	-	500	0.00	0.00
Sub-Total (B)(2)		**51086374**	**465101**	**51551475**	**4.69**	**26609820**	**444051**	**27053871**	**2.46**	**(2.23)**
Total Public Shareholding (B)= (B)(1)+(B)(2)		**275381503**	**465101**	**275846604**	**25.08**	**275402551**	**444051**	**275846602**	**25.08**	**0.00**
c.	**Shares held by Custodians for GDRs & ADRs**	-	-	-	-	-	-	-	-	-
GRAND TOTAL (A)+(B)+(C)		**1099344982**	**465101**	**1099810083**	**100.00**	**1099366032**	**444051**	**1099810083**	**100.00**	**-**

ii) Shareholding of Promoters /Promoters Group:

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in shareholding during the year
		No. of Shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	No. of Shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	
1	Shri Gautam S. Adani	-	-	-	1	0.00	0.00	0.00
2	Shri Rajesh S. Adani	-	-	-	1	0.00	0.00	0.00
3	Shri Gautam S. Adani/ Smt. Priti G. Adani (on behalf Gautam S. Adani Family Trust)	8836750	0.80	0.00	8836750	0.80	0.00	Nil
4	Shri Gautam S. Adani/ Shri Rajesh S. Adani (on behalf S.B. Adani Family Trust)	621197910	56.48	23.22	621197910	56.48	17.18	Nil
5	Adani Tradeline LLP (Formerly known as Parsa Kente Rail Infra LLP)	99491719	9.05	-	99491719	9.05	-	Nil
6	Pan Asia Trade & Investment Pvt. Ltd., Mauritius	3688000	0.34	-	3688000	0.34	-	Nil
7	Afro Asia Trade And Investments Ltd., Mauritius	30249700	2.75	-	30249700	2.75	-	Nil
8	Universal Trade And Investments Ltd., Mauritius	30249700	2.75	-	30249700	2.75	-	Nil
9	Worldwide Emerging Market Holding Ltd., Mauritius	30249700	2.75	-	30249700	2.75	-	Nil
Total		**823963479**	**74.92**	**23.22**	**823963481**	**74.92**	**17.18**	**0.00**

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

Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
At the beginning of the year	823963479	74.92	-	-
Date-wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/transfer/bonus/sweat equity etc):				
- Market Purchase on 04.10.2017				
Shri Gautam S. Adani	1	0.00		
Shri Rajesh S. Adani	1	0.00	823963481	74.92
At the end of the year	-	-	823963481	74.92

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

Name of the Shareholder	Shareholding at the beginning of the year		Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc)		Shareholding at the end of the year	
	No. of Shares	% of total shares of the Company	Purchase	Sell	No. of Shares	% of total shares of the Company
Elara India Opportunities Fund Limited	46862754	4.26	8006807	4012931	50856630	4.62
Cresta Fund Ltd	42151935	3.83	1654470	587150	43219255	3.93
Life Insurance Corporation of India	28750103	2.61	-	-	28750103	2.61
Albula Investment Fund Ltd	18206131	1.65	9934718	-	28140849	2.56
Emerging India Focus Funds	27193014	2.47	3408841	3366756	27235099	2.47
APMS Investment Fund Ltd	-	-	17834132	-	17834132	1.62
Vespera Fund Limited	13038374	1.18	3334494	-	16372868	1.49
EM Resurgent Fund	12844676	1.17	8703946	7339780	14208842	1.29
Vanguard Emerging Markets Stock Index Fund, A Series of Vanguard International Equity Index Funds	-	-	4026937	-	4026937	0.37
Vanguard Total International Stock Index Fund	-	-	3499468	-	3499468	0.32

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

v) Shareholding of Directors and Key Managerial Personnel

Name	Shareholding at the beginning of the year		Date	Change in Shareholding (No. of Shares)		Shareholding at the end of the year	
	No. of Shares	% of total shares of the Company		Increase	Decrease	No. of Shares	% of total shares of the Company
Directors							
Mr. Gautam S. Adani[1&2]	-	-	04.10.2017	1 (Market Purchase)	-	1	0.00
Mr. Rajesh S. Adani[1]	-	-	04.10.2017	1 (Market Purchase)	-	1	0.00
Mr. Laxmi Narayana Mishra[3]	N.A.	N.A.	-	-	-	-	-
Mr. K. Jairaj	-	-	-	-	-	-	-
Dr. Ravindra H. Dholakia	-	-	-	-	-	-	-
Ms. Meera Shankar	-	-	-	-	-	-	-
Key Managerial Personnel							
Mr. Kaushal G. Shah, Chief Financial Officer	-	-	-	-	-	-	-
Mr. Jaladhi Shukla, Company Secretary	49	0.00	-	-	-	49	0.00

1. Gautam S. Adani/ Rajesh S. Adani (on behalf of S.B. Adani Family Trust) holds 62,11,97,910 (56.48%) shares of the Company. During the year under review, there was no increase / decrease in the same.
2. Gautam S. Adani/ Priti G. Adani (on behalf of Gautam S. Adani Family Trust) holds 88,36,750 (0.80%) shares of the Company. During the year under review, there was no increase / decrease in the same.
3. Appointed as a Whole-time Director of the Company w.e.f. 4th April, 2017 and resigned from the directorship of the Company w.e.f. 2nd May, 2018.

N.A. = Not Applicable

V. Indebtedness

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

(₹ in Crores)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	7,055.47	920.28	-	7,975.75
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	281.99	65.04	-	347.03
Total (i+ii+iii)	**7,337.46**	**985.32**	**-**	**8,322.78**
Change in Indebtedness during the financial year				
• Addition	332.69	2,550.14	-	2,882.83
• Reduction	601.97	2,459.77	-	3,061.75
Net Change	**(269.29)**	**90.37**	**-**	**(178.92)**
Indebtedness at the end of the financial year				
i) Principal Amount	6,786.18	1,010.65	-	7,796.82
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	264.22	25.39	-	289.61
Total (i+ii+iii)	**7,050.40**	**1,036.04**	**-**	**8,086.44**

VI. Remuneration of Directors and Key Managerial Personnel

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

None of the Executive Directors of the Company were drawing any remuneration from the Company during FY 18.

B. Remuneration to other Directors:

(₹ in Lakhs)

Particulars of Remuneration	K. Jairaj	Ms. Meera Shankar	Dr. Ravindra H. Dholakia	Total
1. Independent Directors				
a) Fee for attending board, committee meetings	3.60	1.60	2.60	7.80
b) Commission	-	-	-	-
c) Others, please specify	-	-	-	-
Total (1)	**3.60**	**1.60**	**2.60**	**7.80**
2. Other Non-Executive Directors				
a) Fee for attending board, committee meetings		-		-
b) Commission		-		-
c) Others, please specify		-		-
Total (2)		-		**-**
Total (1+2)				**7.80**

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

(₹ in Lakhs)

Sr. No	Particulars of Remuneration	Kaushal G. Shah, CFO	Total Amount
1	Gross salary		
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	110.70	110.70
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	-as % of profit	-	-
	-others, specify	-	-
5	Others – contribution towards PF etc.	4.76	4.76
	Total	**115.46**	**115.46**

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

VII. Penalties / Punishment/ Compounding of Offences:

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

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

Annexure - B to the Directors' Report

Form No. MR-3

Secretarial Audit Report

for the financial year ended 31st March, 2018

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

To,
The Members,
Adani Transmission Limited

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

Based on our verification of the Company (books, papers, minute books, forms and returns filed and other records maintained by the Company) and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2018, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2018 according to the provisions of:

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

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

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

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

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

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

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

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not Applicable to the Company during the Audit Period).

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

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

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

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

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not Applicable to the Company during the Audit Period);

(vi) Laws specifically applicable to the industry to which the Company belongs, as identified by the management, that is to say:

(a) The Electricity Act, 2003

(b) The Grid Code, the grid connectivity standards applicable to the Transmission Line and the sub-station as per the Central Electricity Authority (Technical Standards for Connectivity to the Grid) Regulations, 2007, Central Electricity Authority (Technical Standards for Construction of Electrical Plants and Electric Lines) Regulations, 2010.

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

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

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

We further report that

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

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

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

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

We further report that during the audit period, the Company has passed the following Special Resolutions -

i. Appointment of Mr. Laxmi Narayana Mishra as a Whole-time Director of the Company.

ii. Approval of offer or invitation to subscribe to Securities for an amount not exceeding ₹5000 Crores.

iii. Approval of offer or invitation to subscribe to Non-Convertible Debentures on private placement basis.

iv Increase in authorised share capital of the company from ₹1100 crores to ₹ 1500 crores divided into 150,00,00,000 Equity Shares of ₹10 /- each (through Postal Ballot Process).

Place: Ahmedabad
Date: 10th May, 2018

Chirag Shah
Partner
Samdani Shah & Kabra
FCS No. 5545
C. P. No.: 3498

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

Annexure A to the Secretarial Audit Report

To,
The Members
Adani Transmission Limited

Our Secretarial Audit Report of even date is to be read along with this letter.

Management's Responsibility

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.

3. We believe that audit evidence and information obtain from the Company's management is adequate and appropriate for us to provide a basis for our opinion.

4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer

5. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Ahmedabad
Date: 10th May, 2018

Chirag Shah
Partner

Samdani Shah & Kabra
FCS No. 5545
C. P. No.: 3498

Annexure - C to the Directors' Report

[Information pursuant to Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

i) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2017-18 and the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the financial year 2017-18:

Name of Director/KMP	Ratio of remuneration to median remuneration of Employees	% increase in remuneration in the financial year
Executive Directors		
Mr. Gautam S. Adani	-	-
Mr. Rajesh S. Adani	-	-
Mr. Laxmi Narayana Mishra[1]	-	-
Non-Executive Directors		
Mr. K. Jairaj	0.38:1	63.64
Ms. Meera Shankar	0.17:1	-
Dr. Ravindra H. Dholakia	0.28:1	225.00
Key Managerial Personnel		
Mr. Kaushal G. Shah	12.24:1	15.46
Mr. Jaladhi Shukla	-	-

1. Appointed as a Whole-time Director of the Company w.e.f. 4th April, 2017 and resigned as a Director of the Company w.e.f. 2nd May, 2018.

ii) The percentage increase in the median remuneration of employees in the financial year: 69.54%

iii) The number of permanent employees on the rolls of Company: 201 as on 31st March, 2018 (on consolidated basis).

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

- Average increase in remuneration of employees excluding KMPs: 8.00%
- Average increase in remuneration of KMPs: 15.46%
- KMP Salary increases are decided based on the Company's performance, individual performance, inflation, prevailing industry trends and benchmarks.

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

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

Annexure - D to the Directors' Report

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

A. Conservation of Energy:

(i) **Steps taken or impact on conservation of energy::**

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

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

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

(iii) **Capital investment on energy conservation equipment:**

Installation of Solar PV plant under "Net-Metering" scheme at Mahendergarh to reduce grid electricity consumption.

B. Technology Absorption:

Nil

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

(₹ in Crores)

Particulars	2017-18	2016-17
Foreign Exchange Earned	-	-
Foreign Exchange Outgo	135.31	193.71

Annexure to the Directors' Report

Annual Report on Corporate Social Responsibility (CSR) Activities as Per Section 135 of the Companies Act, 2013

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

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

   The CSR Policy has been uploaded on the website of the Company at http://www.adanitransmission.com/Investor-relation/investor-download.

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

   - Mr. Rajesh S. Adani, Chairman
   - Mr. Laxmi Narayana Mishra, Member (upto 2nd May, 2018)
   - Mr. Anil Sardana, Member (w.e.f. 10th May, 2018)
   - Mr. K. Jairaj, Member

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

   Average net loss: ₹22.58 Crores on standalone basis.

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

   In view of average losses, the Company was not required to make mandatory CSR expenditure during the year 2017-18 as per Section 135 of the Companies Act, 2013.

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

   a) Total amount spent for the financial year: Not Applicable

   b) Amount unspent, if any: Nil

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

   During FY 2017-18, the Company's subsidiaries have spent ₹8.23 Crores towards CSR activities.

6. **In case the company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof:**

   Not Applicable

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

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

   Adani Foundation is the CSR arm of the Adani Group. Since its inception in 1996, the Foundation has been working in four core areas of Education, Community Health, Sustainable Livelihood Development and Rural Infrastructure Development to extend its support to communities. Working closely with the communities, the foundation has been able to assume the role of a facilitator by creating an enabling environment for numerous families. Adani Foundation is currently operational in 13 states reaching out to 5 Lakh plus families from 1470 villages and towns of India with a human-centric approach to make the processes sustainable, transparent and replicable.

   As a responsible business, the Company firmly believes and endorses notion of sustainable community development, especially for the vulnerable and marginalized sections. It strives to create an environment of coexistence where there is an equitable sharing of resources followed by sustained growth and development. The Company has been promoting CSR activities through the Adani Foundation. The Company has been strategically supporting the CSR initiatives through Adani Foundation.

Anil Sardana
Managing Director and
Chief Executive Officer
(DIN: 00006867)

K. Jairaj
Director
(DIN: 01875126)

Annexure to the Directors' Report

Management Discussion and Analysis Report

1. Economic Outlook:

Global Economy

The global economy is experiencing a cyclical recovery, reflecting a recovery in investment, manufacturing activity, and trade. This improvement comes against the backdrop of benign global financing conditions, generally accommodative policies, rising confidence, and stiffening commodity prices. Global GDP growth is estimated to have picked up from 2.4 percent in 2016 to 3 percent in 2017, above the June forecast of 2.7 percent. The improvement is broad-based, with growth increasing in more than half of the world's economies. In particular, the rebound in global investment growth, which accounted for three quarters of the acceleration in global GDP growth from 2016 to 2017, was supported by favorable financing costs, rising profits, and improved business sentiment across both advanced economies and emerging market and developing economies (EMDEs).

Global growth is projected to edge up to 3.1 percent in 2018, as the cyclical momentum continues, and then slightly moderate to an average of 3 percent in 2019-20. This broadly balanced forecast covers noticeable differences between the outlook for advanced economies and EMDEs. Growth in advanced economies is projected to slow, as labor market slack reduces and monetary policy accommodation is gradually relaxed, moving closer to passive potential growth rates, which remain controlled by aging populations and weak productivity trends. Conversely, growth in EMDEs is expected to accelerate, reaching 4.5 percent in 2018 and an average of 4.7 percent in 2019-20. This mainly reflects a further pickup of growth in commodity exporters, which is forecast to rise to 2.7 percent in 2018 and to an average of 3.1 percent in 2019- 20, as oil and other commodity prices firm and the effects of the earlier commodity price collapse dissipates. Growth in commodity importers is projected to remain stable, averaging 5.7 percent in 2018-20, as a gradual slowdown in China is offset by a pickup in some other large economies. Within the broader group of EMDEs, growth in low-income countries is projected to rise to 5.4 percent in 2018 and to 5.6 percent on average in 2019-20, as conditions gradually improve in oil and metals-exporting economies.

Indian Economy

In India, growth slowed for the fifth consecutive quarter to 5.7 percent (year-on-year) in the first quarter of FY2017-18 (April-June 2017), partly reflecting adjustments by businesses to the prospective introduction of the GST in July 2017. In addition, protracted balance sheet weaknesses— in particular, a corporate debt overhang and elevated non-performing loans in the banking sector—continued to weigh on already weak private investment. Weak private investment was only partly mitigated by a public infrastructure investment push and a surge in current expenditures after recent public pay hikes.

In the second quarter of FY2017-18 (July- September 2017), the slowdown in economic activity bottomed out by a still weak 6.3 percent (year-on-year) growth. The manufacturing Purchasing Managers' Index (PMI) and industrial production growth remained broadly expansionary after they temporarily weakened as producers reduced inventories amid uncertainty relating to the implementation of the GST.

Despite a recent uptick, inflation remained within the Reserve Bank of India's (RBI) target band of 2-6 percent, following a steady decline over the past year to 1.3 percent in July amid weak food prices. Fiscal consolidation has continued in the central government, but subnational fiscal deficits have risen, partly reflecting debt payments taken over through Ujwal Discom Assurance Yojana (UDAY) and a broader shift in public expenditures from central to state governments, and recent public pay hikes.

India has emerged as the fastest growing major economy in the world as per the Central Statistics Organization (CSO) and International Monetary Fund (IMF) and it is expected to be one of the top three economic powers of the world over the next 10-15 years, backed by its strong democracy and enabling business environment partnerships. India's GDP is estimated to increase 6.6 per cent in 2017-18 and is expected to grow 7.3 per cent in 2018-19.

India's gross domestic product (GDP) at constant prices grew by 7.2 per cent in September-December 2017 quarter as per the Central Statistics Organization (CSO). Corporate earnings in India are expected to grow by 15-20 per cent in FY 2018-19 supported by recovery in capital expenditure, according to JM Financial. India has retained its position as the third largest startup base in the world with over 4,750 technology startups, with about 1,400 new start-ups being founded in 2016, according to a report by NASSCOM.

India's labor force is expected to touch 160-170 million by 2020, based on rate of population growth, increased labor force participation, and higher education enrolment, among other factors, according to a study by ASSOCHAM and Thought Arbitrage Research Institute.

India's gross domestic product (GDP) is expected to reach US$ 6 trillion by FY27 and achieve upper-middle income status on the back of digitization, globalization, favorable demographics, and reforms.

Power Sector Outlook:

Power Generation Sector:

As of January 2018, India has installed power capacity of 340.5 gigawatts (GWs), making it the fifth largest installed capacity in the world after European Union, China, United States and Japan.

Electricity Generation in India (BU)

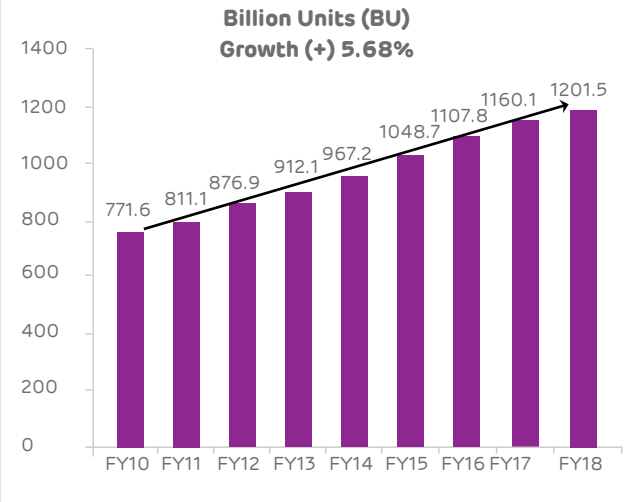
With electricity production of 1,201.543 BU in India in FY18, the country witnessed growth of around 3.5 per cent over the previous fiscal year. Over FY10–FY18, electricity production in India grew at a CAGR of 5.69 per cent. Wind energy is estimated to contribute 60 GW, followed by solar power at 100 GW by 2022 . The target for renewable energy has been increased to 175 GW by 2022.

100 per cent FDI is allowed under the automatic route in the power segment and renewable energy.

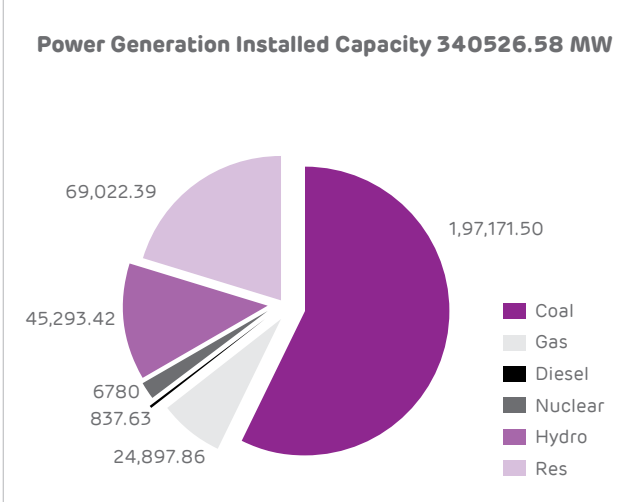
Schemes like Deen Dayal Upadhyay Gram Joti Yojana (DDUGJY) and Integrated Power Development Scheme (IPDS) have already been implemented for rural and urban areas.

As a part of the green corridor project, the power lines would transmit 20 gigawatts of power capacity from 34 solar parks across 21 states.

The total power generation installed capacity of the country stands to 340.5 GW, and details of which are as follows:



Source: www.ibef.org- a trust established by the commerce ministry.



Source: CEA website- www.cea.nic.in

Coal-based power generation capacity in India, which currently stands at 197.17 GW and is, expected to reach 330-441 GW by 2040. The hydro & renewable power generation capacity stands at 45 GW & 69 GW, respectively.

Initiatives taken by the Energy Efficiency Services (EESL) have resulted in energy savings of 37 billion kWh and reduction in greenhouse gas (GHG) emissions by 30 million tonnes.

According to Central Electricity Authority estimates, 50 GWs of generation capacity is expected to be commissioned during next five years. Out of these 50 GWs, Central and state power utilities would contribute ~60% of the capacity addition and private sector would contribute approx. 40 per cent of total capacity addition. The growth in power demand has not kept pace with the supply and therefore the capacity utilization of power plant has been on the lower side. This capacity addition will put additional pressure on the existing power plants and PLF may go south unless there is an uptick in the power demand. However, there is an increasing thought at the Planning level that the older and inefficient plants may be phased out, which may help the new projects achieve the desired PLF however, that is still a long shot.

Power Transmission Sector:

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

As on March, 2018, total transformation capacity and transmission line length of the country are as below:

(In MVA)

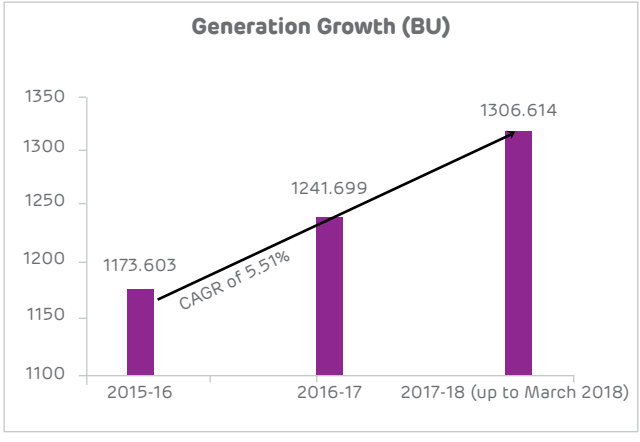
	± 800 kV HVDC	± 500 kV HVDC	765 kV	400 kV	220 kV	Total
Central	9000	9500	154000	130380	9531	312411
State		1500	19000	141232	320058	481790
JV/Private		2500	17500	11010	1747	32757
Total	9000	13500	190500	282622	331336	826958

Source: CEA website- www.cea.nic.in

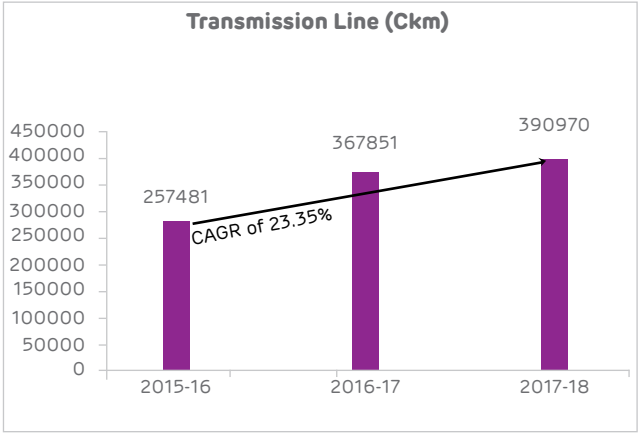
(In CKMs)

	± 800 kV HVDC	± 500 kV HVDC	765 kV	400 kV	220 kV	Total
Central	6124	5948	28666	98247	11258	150243
State		1504	1512	54286	156497	213799
JV/Private		1980	4881	19067	1000	26928
Total	6124	9432	35059	171600	168755	390970

Source: CEA website- www.cea.nic.in



Source: CEA website- www.cea.nic.in



Source: CEA website- www.cea.nic.in

Last few years have been quite eventful as far as transmission business is concerned wherein capacity addition (in terms of CAGR) has outstripped the generation.

As on 31st March, 2017 approx. 7% of total transmission network is owned by private players which also showcases the need of more private sector participation in this space. India has been underinvested as far as transmission is concerned, however; recently Govt. has been encouraging investments in transmission with approximately projects worth INR 30,000 crs being awarded in last 2 years.

Key Drivers for Transmission Sector in India

Regional demand supply mismatch, large renewable energy push and up-gradation of existing lines are few of the drivers of transmission capacity addition.

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

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

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

- India has planned to ramp up renewable energy capacity addition from 38.8 GW in FY16 to 175 GW by 2022. Due to its infirm nature and to provide stability to grid there is a requirement of dedicated corridors for renewable energy evacuation, which would lead to the requirement of new transmission projects.

iii. **Up gradation of Existing Lines**

- In past, there have been an emphasis to use Aluminum Core Steel Reinforced (ACSR) conductors for construction of transmission lines and these conductors largely contribute to India's ~0.39 million ckm network (March 2018). However, ACSR conductors have lower current carrying capacity, lower temperature withholding capacity & lower efficiency as compared to other substitutes such as Aluminum Conductors Composite Core and Copper Clad Composite Conductors.
- A recent World Bank study noted that T&D losses in FY12 was ~1% of the India GDP and upgradation / re-conducting is expected to augment capacity with lower investment, RoW issues, result in higher transmission efficiency.

Investment spending in next five years:

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

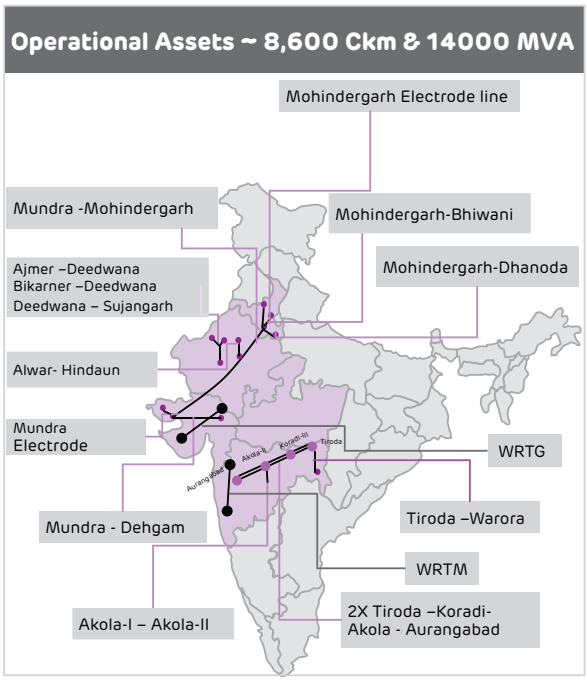
Business Highlights

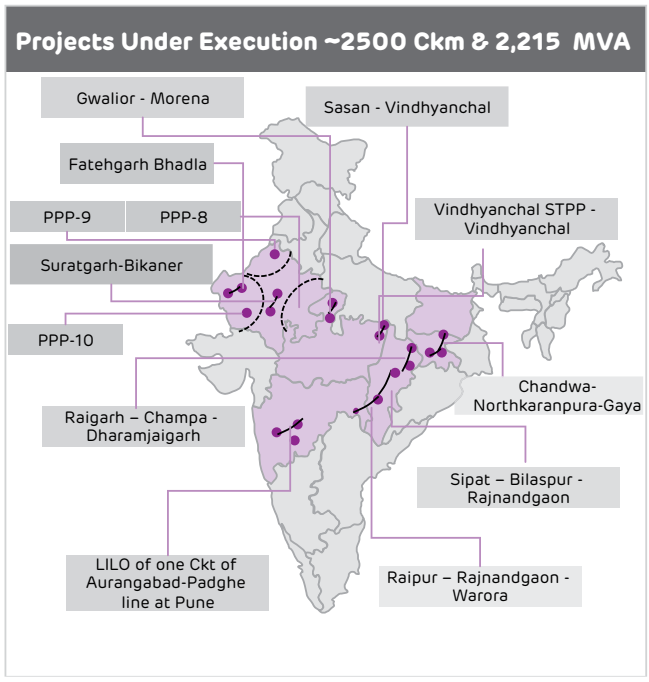
Adani Transmission Ltd. (ATL) is the largest power transmission company operating in the private sector in India and owns, operates and maintains around 8600 ckt kms of transmission lines ranging from 220 KV to 765 KV, with a total transformation capacity around 14000MVA. ATL has six fully operational Transmission Systems that primarily serve the Northern and Western regions of India and is developing additional nine projects around 2500 ckms in Rajasthan, Chhattisgarh, Madhya Pradesh, Jharkhand and Maharashtra, which, were awarded through Tariff based Competitive Bidding process. ATL has successfully executed many EHV Sub Stations (HVDC. 765 kV &400 kV sub stations) along with transmission lines in India.

A. **Pan India Portfolio**

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

With the completion of the under execution projects ATL will have its footprints across the nation

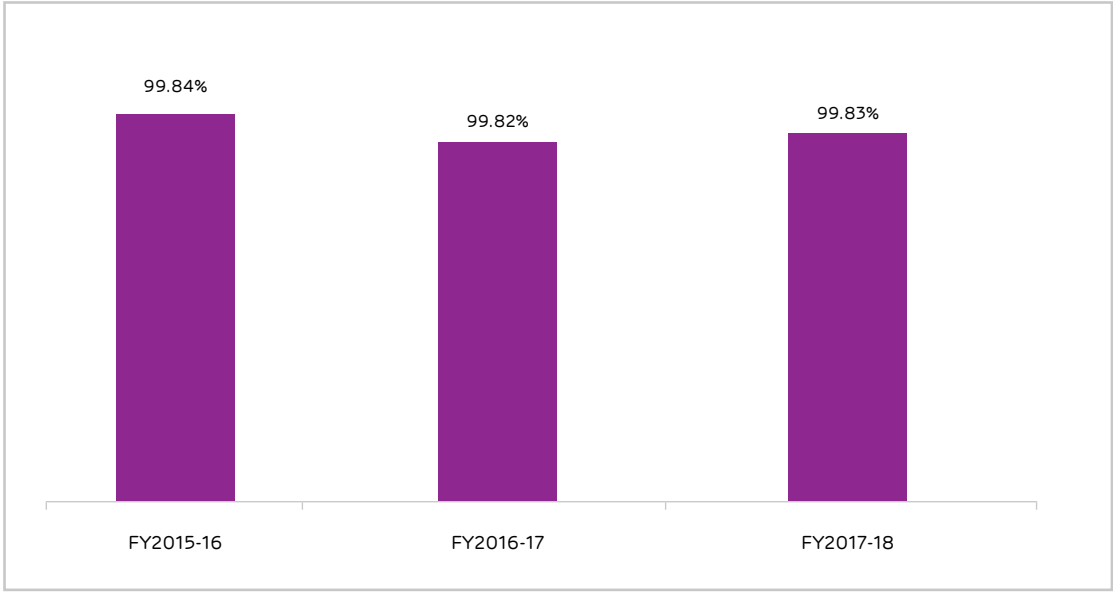




B. Operating History

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

Adani Transmission Limited



C. Key Achievements of the Company

i. ATL is the First Private Sector Company in India to execute 765 KV Transmission lines & Substations in the state of Maharastra

ii. ATL has established India's only private HVDC transmission system (more than 1,000 km) for efficient transmission of power to the State of Haryana with maximum evacuation capacity of 2500 MW.

iii. ATL has obtained approval for the Transmission line methodology under CDM (Clean Development Mechanism) from United Nations Framework Convention on Climate Change (UNFCCC).

iv. ATL had won the bid to establish transmission system for Ultra Mega Solar Park in Fatehgarh, distt. Jaisalmer Rajasthan

D. Under Construction Projects

i. Additional System Strengthening of Sipat STPS:

The project has been awarded on build, own, operate & maintain (BOOM) basis and involves two transmission lines of length ~ 348 Ckt Kms. and bay at Sipat. The project will provide transmission system strengthening benefits to 7 beneficiaries viz Gujarat Urja Vikas Nigam Ltd (GUVNL), Maharashtra State Electricity Distribution Co Ltd (MSEDCL), MP Power Management Company Ltd (MPPMCL), Chhattisgarh State Power Distribution Co Ltd (CSPDCL), Electricity Department, Govt. of Goa, Electricity Department, Daman and Diu, Electricity Department, DNH Power Distribution Corp, Ltd. Administration of Dadra and Nagar Haveli.

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

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

The project has been awarded on build, own, operate, and maintain (BOOM) basis involves two transmission lines of length ~ 611 Ckt Kms. and switching station at Rajnandgaon. The project will provide transmission system strengthening benefits to 7 beneficiaries viz Gujarat Urja Vikas Nigam Ltd (GUVNL), Maharashtra State Electricity Distribution Co Ltd (MSEDCL), MP Power Management Company Ltd (MPPMCL), Chhattisgarh State Power Distribution Co Ltd (CSPDCL), Electricity Department, Govt of Goa, Electricity Department, Daman and Diu, Electricity Department, DNH Power Distribution Corp. Ltd. Administration of Dadra and Nagar Haveli.

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

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

The project has been awarded on build, own, operate and maintain (BOOM) basis involves six transmission lines of length ~ 434 Ckt Kms. sub-station at Morena and bays at two locations. The project will provide transmission system strengthening benefits to 7 beneficiaries viz Gujarat Urja Vikas Nigam Ltd (GUVNL), Maharashtra State Electricity Distribution Co Ltd (MSEDCL), MP Power Management Company Ltd (MPPMCL), Chhattisgarh State Power Distribution Co Ltd (CSPDCL), Electricity Department, Govt of Goa, Electricity Department, Daman and Diu, Electricity Department, DNH Power Distribution Corp. Ltd. Administration of Dadra and Nagar Haveli.

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

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

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

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

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

The Project has been awarded on build, own, operate, and maintain (BOOM) basis, involves three transmission Lines of length ~ 268 Ckt Kms. and a 400/220 KV sub-station at Dhanbad with 1000MVA transformation capacity. The project will provide transmission system strengthening benefits to South Bihar Distribution Company Limited and North Bihar Distribution Company Limited of Bihar, Jharkhand Urja Vikas Nigam Ltd, GRIDCO Ltd. of Odisha and West Bengal State Electricity Distribution Company Ltd.

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

The Project has been awarded on build, own, operate & maintain (BOOM) basis involves 16 Nos of 220kV and 132kV Substations comprising of total transmission lines length of more than ~ 412 Ckt Kms and transformation capacity of 585 MVA. The project will provide transmission system strengthening benefits to distribution companies of Rajasthan.

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

vii. Establishment of Transmission system for Ultra Mega Solar Park in Fatehgarh, distt. Jaisalmer Rajasthan

The Project has been awarded on build, own, operate & maintain (BOOM) basis involves transmission line of length ~ 220 Ckt Km and a 400 kV Pooling Station. The project will be used to evacuate power from Ultra Mega Solar Park located in Fatehgarh in district Jaisalmer, Rajasthan.

2. Conservation of Energy

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

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

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

- Installation of Solar PV plant under "Net-Metering" scheme at Mahendergarh to reduce grid electricity consumption. Further, we are also going to install Solar PV plant at our other two locations Akola & Koradi under "Net-Metering" to reduce grid electricity consumption by July'18.
- We are going to replace conventional illumination bulb (HPSV) through LED at our substation premises as energy conservation initiative.

- All sites adhering general electricity saving instructions to minimize energy consumption during working time

3. Technology Absorption:

In house design of transmission towers carried-out with consideration of reliability and optimization of project cost. Tower design carried-out with use of advance transmission line design software like PLS-Tower, PLS-CADD and BOCAD for ongoing projects. Type testing of all in-house designed towers successfully completed without any design modification.

New software named "Global Mapper" purchased for implementation of GIS application in bidding, execution and O&M of transmission projects. With use of this software 3D-elevation model of geo-graphic profile can be prepared for transmission line route and as per 3D-elevation model optimized spotting can be carried-out. "Global Mapper" software is also useful to calculate cutting and filling quantity for the transmission lines and sub-stations.

In substations we have leveraged modern technologies in communications field to optimize the substation costs by eliminating repeater station in our ongoing projects. Going forward we are also exploring use of digital technologies in our stations.

4. Financials Performance

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

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

(₹ in Crores)

Particulars	2017-18	2016-17
Transmission Tariff #	2,965.75	2,038.04
Incentive	36.57	32.44
Income from Operations	3,002.32	2,070.48
Less:		
O&M Expenses	192.54	126.72
EBIDTA from Operation	2,809.74	1,943.76
EBIDTA Margin (Operations)	94%	94%
Add:		
Sale of Traded Goods/EPC	815.78	755.53
Construction income	109.50	6.40
Carrying Cost Income	16.87	43.30
Delayed Payment Surcharge	-	-
Other Income	110.71	22.10
Less: Purchase of Traded material/EPC	815.61	755.40
Less : CSR Exp	8.23	4.73
Less: Construction cost	102.09	5.77
EBIDTA with Other Income	2,936.72	2,005.19
Less: Finance Cost	885.63	904.01
Less: Depreciation	579.41	569.25
PBT	1,471.68	531.93
Less : Tax (MAT @21.34%)	328.74	115.50
PAT	1,142.94	416.43
Other Comprehensive Income	(25.60)	(157.08)
Total Comprehensive Income	**1,117.34**	**259.35**

#Includes one-time income of ₹872.53 Crores recognized during the year based on the CERC order received related to the earlier year

Clarification Note: The Company has acquired subsidiaries namely Western Transmission Gujrat Ltd. and Western Transco Power Ltd. as on 31st October 2017, In view of the same, the results of the current year reported FY 2017-18 are not comparable with the previous year numbers.

5. Human Resources

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

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

We put more focus on Developing and promoting internal talent as part of our people strategy. We assess internal candidates for their potential to take on enhanced responsibilities and leadership roles wherever possible and this strategy ensures that we continue to have strong talent pipelines across all levels. We engage with our employees and offer opportunities to help build successful careers.

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

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

We have established multiple channels to engage with our employees across all levels. A healthy, happy and engaged workforce is essential for organizational success. We work in close partnership with our people to understand their health and wellbeing needs and we offer a range of progressive services designed to improve their quality of life.

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

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

6. Risks Management Plan

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

Indian Economy Risk

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

Legislative and Regulatory Risks

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

which continuously monitor the changes in regulatory and statutory environment and take corrective steps as and when required.

Currency Risk

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

Technological Risk

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

7. Internal Control System

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

There is a well-established multidisciplinary Management Audit & Assurance Services (MA&AS) that consists of professionally qualified accountants, engineers and SAP experienced executives which carries out extensive audit throughout the year, across all functional areas 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 & Procedures.
- Preparation & monitoring of Annual Budgets through monthly review for all operating & service functions.
- MA&AS department prepares Risk Based Internal Audit scope with the frequency of audit being decided by risk ratings of areas / functions. Risk based scope is discussed amongst MA&AS team, functional heads / process owners / CEO & CFO. The audit plan is formally reviewed and approved by Audit Committee of the Board.
- The entire internal audit processes are web enabled and managed on-line by Audit Management System.
- The Company has a strong compliance management system which runs on an online monitoring system.
- The Company has a well-defined delegation of power with authority limits for approving revenue & capex expenditure which is reviewed and suitably amended on an annual basis
- The Company uses ERP system (SAP) to record data for accounting, consolidation and management information purposes and connects to different locations for efficient exchange of information.
- Apart from having all policies, procedures and internal audit mechanism in place, Company periodically engages outside experts to carry out an independent review of the effectiveness of various business processes.
- Internal Audit is carried out in accordance with auditing standards to review design effectiveness of internal control system & procedures to manage risks, operation of monitoring control, compliance with relevant policies & procedure and recommend improvement in processes and procedure.

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

8. Cautionary Note

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

Annexure to the Directors' Report

Corporate Governance Report

1. Company's Philosophy on Corporate Governance

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

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

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

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

2. Board of Directors

The "Board", being the trustee of the Company, responsible for the establishment of cultural, ethical and accountable growth of the Company, is constituted with a high level of integrated, knowledgeable and committed professionals. The Board provides strategic guidance and independent views to the Company's senior management while discharging its fiduciary responsibilities.

Composition of the Board

The Company has a balanced board with optimum combination of Executive and Non-Executive Directors, including independent professionals, which plays a crucial role in Board processes and provides independent judgment on issues of strategy and performance. The Board currently comprises 6 (Six) Directors out of which 3 (Three) Directors (50%) are Executive Directors and remaining 3 (Three) are Independent Directors. Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations. The maximum tenure of the Independent Directors is in compliance with the Companies Act, 2013. All the Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and Section 149 of the Companies Act, 2013. The present strength of the Board reflects judicious mix of professionalism, competence and sound knowledge which enables the Board to provide effective leadership to the Company.

None of the Directors on the Company's Board is a Member of more than 10 (ten) Committees and Chairman of more than 5 (five) Committees (Committees being, Audit Committee and Stakeholders' Relationship Committee) across all the companies in which he/she is a Director. All the Directors have made necessary disclosures regarding Committee positions held by them in other companies and do not hold the office of Director in more than 10 (ten) public companies as on 31st March, 2018.

The composition of the Board of Directors and the number of Directorships and Committee positions held by them as on 31st March, 2018 are as under:

Name and Designation (DIN) of Director	Category	No. of other Directorships held[1] (Other than ATL)	No. of Board Committees[2] (other than ATL) in which Chairman / Member.	
			Chairman	Member
Mr. Gautam S. Adani, Chairman (DIN: 00006273)	Promoter Executive	4	-	-
Mr. Rajesh S. Adani, Director (DIN: 00006322)	Promoter Executive	7	1	4
Mr. Laxmi Narayana Mishra, Whole-time Director[4] (DIN: 01952408)	Executive Director	5	-	-
Mr. K. Jairaj, Director (DIN: 01875126)	Non Executive (Independent)	4	1	1
Dr. Ravindra H. Dholakia, Director (DIN: 00069396)	Non Executive (Independent)	2	1	1
Ms. Meera Shankar, Director (DIN: 06374957)	Non Executive (Independent)	3	-	1

Notes:

1. The Directorships held by the Directors, as mentioned above excludes alternate directorships, directorships in foreign companies, Companies under Section 8 of the Companies Act, 2013 and Private Limited Companies which are not the subsidiaries of Public Limited Companies.
2. Represents Membership / Chairmanship of two Committees viz. Audit Committee and Stakeholders' Relationship Committee as per Regulation 26 of the SEBI Listing Regulations.
3. As on 31st March, 2018, none of the Directors of the Company were related to each other except Mr. Rajesh S. Adani, Director being brother of Mr. Gautam S. Adani, Chairman.
4. Mr. Laxmi Narayana Mishra resigned as a Director of the Company w.e.f. closure of business hours on 2nd May, 2018 due to pre-occupation. Accordingly, he also creased as Whole-time Director of the Company w.e.f. the said date.
5. The Board approved the appointment of Mr. Anil Sardana as a Managing Director and Chief Executive Officer of the Company for a period of 5 years w.e.f. 10th May, 2018 subject to the approvals of members and such other approvals as may be required.

Board Meetings and Procedure

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

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

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

Minimum 4 (four) pre-scheduled Board meetings are held every year. Apart from the above, additional Board meetings are convened by giving appropriate notice to address the specific needs of the Company. In case of business exigencies or urgency of matters, resolutions are also passed by way of circulation. The meetings are usually held at the Company's Registered Office at Adani House, Near Mithakhali Six Roads, Navrangpura, Ahmedabad – 380 009, Gujarat.

Detailed presentations are made at the Board / Committee meetings covering Finance, major business segments and operations of the Company, global business environment, all business areas of the Company including business

opportunities, business strategy and the risk management practices before taking on record the quarterly / half yearly / annual financial results of the Company.

The required information as enumerated in Part A of Schedule II to SEBI Listing Regulations is made available to the Board of Directors for discussions and consideration at every Board Meetings. The Board periodically reviews compliance reports of all laws applicable to the Company as required under Regulation 17(3) of the SEBI Listing Regulations.

The important decisions taken at the Board / Committee meetings are communicated to departments concerned promptly. Action taken report on the decisions taken at the meeting(s) is placed at the immediately succeeding meeting of the Board / Committee for noting by the Board / Committee.

5 (Five) Board Meetings were held during the Financial Year 2017-18. The Company has held at least one Board meeting in every quarter and the gap between two meetings did not exceed one hundred and twenty days. The necessary quorum was present in all the meetings. Leave of absence was granted to the concerned directors who could not attend the respective board meeting on request. The dates on which the Board Meetings were held during FY 2017-18 are as follows:

4th April, 2017, 27th May, 2017, 10th August, 2017, 28th October, 2017 and 17th January, 2018.

The Companies Act, 2013 read with the relevant rules made thereunder, now facilitates the participation of a Director in Board/Committee Meetings through video conferencing or other audio visual mode. Accordingly, the option to participate in the Meeting through video conferencing was made available for the Directors except in respect of such Meetings/Items which are not permitted to be transacted through video conferencing.

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

Name of Director(s)	Number of Board Meetings held and attended during FY 2017-18		Attended Last AGM
	Held during the tenure	Attended	
Mr. Gautam S. Adani	5	4	Yes
Mr. Rajesh S. Adani	5	4	Yes
Mr. Laxmi Narayana Mishra[1]	5	5	Yes
Mr. K. Jairaj	5	4	Yes
Dr. Ravindra H. Dholakia	5	5	Yes
Ms. Meera Shankar	5	2	Yes

1. Appointed as a Whole-time Director of the Company w.e.f. 4th April, 2017 and resigned as a Director of the Company w.e.f. 2nd May, 2018.

Notes on Directors appointment / re-appointment

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

3. Committees of the Board

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

The minutes of the meetings of all the Committees are placed before the Board for review. As on date the Board has established the following Committees:

A. Audit Committee
B. Nomination and Remuneration Committee
C. Stakeholders' Relationship Committee
D. Corporate Social Responsibility & Sustainability (CSR&S) Committee
E. Risk Management Committee
F. Securities Transfer Committee

A. Audit Committee

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

reporting process including review of the internal audit reports and action taken report.

Terms of Reference:

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

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

depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.

18. To review the functioning of the Whistle Blower mechanism.

19. Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate.

20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

21. Reviewing financial statements, in particular the investments made by the Company's unlisted subsidiaries.

Review of Information by Audit Committee:

1. The Management discussion and analysis of financial condition and results of operations;

2. Statement of significant related party transactions submitted by management.

3. Management letters / letters of internal control weaknesses issued by the statutory auditors.

4. Internal audit reports relating to internal control weaknesses; and

5. The appointment, removal and terms of remuneration of the Chief Internal Auditor.

6. Statement of deviations :

   a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s).

   b. annual statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice.

Meetings, Attendance & Composition of the Audit Committee

During the financial year 2017-18, five meetings of the Audit Committee were held on 27th May, 2017, 9th August, 2017, 28th October, 2017, 17th January, 2018 and 23rd March, 2018. The intervening gap between two meetings did not exceed one hundred and twenty days.

The details of the Audit Committee meetings attended by its members as on 31st March, 2018 are given below:

Sr. No	Name	Designation(s)	Category	Number of meetings held during FY 2017-18	
				Held during the tenure	Attended
1	Mr. K. Jairaj	Chairman	Non-Executive & Independent Director	5	5
2	Mr. Rajesh S. Adani	Member	Executive & Non Independent Director	5	4
3	Dr. Ravindra H. Dholakia	Member	Non-Executive & Independent Director	5	5
4	Ms. Meera Shankar	Member	Non-Executive & Independent Director	5	3

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

Mr. Jaladhi Shukla, Company Secretary and Compliance Officer act as a Secretary of the Committee. The Chairman of the Audit Committee attended the last Annual General Meeting (AGM) held on 10th August, 2017 to answer the shareholders' queries.

B. Nomination and Remuneration Committee

The constitution and terms of reference of Nomination and Remuneration Committee of the Company are in compliance with provisions of Companies Act, 2013 and the SEBI Listing Regulations.

Terms of reference:

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

Meeting, Attendance & Composition of the Nomination & Remuneration Committee

During FY 2017-18, three meetings of the Nomination & Remuneration Committee were held on 27th May, 2017, 9th August, 2017 and 23rd March, 2018.

The details of the Nomination & Remuneration Committee meeting attended by its members as on 31st March, 2018 are given below:

Sr. No	Name	Designation(s)	Category	Number of meetings held during FY 2017-18	
				Held during the tenure	Attended
1	Mr. K. Jairaj	Chairman	Non-Executive & Independent Director	3	3
2	Dr. Ravindra H. Dholakia	Member	Non-Executive & Independent Director	3	3
3	Ms. Meera Shankar	Member	Non-Executive & Independent Director	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.

Remuneration Policy

The remuneration policy of the Company is directed towards rewarding performance, based on review of achievements on a periodic basis. The Company endeavours to attract, retain, develop and motivate the high-caliber executives and to

incentivize them to develop and implement the Group's Strategy, thereby enhancing the business value and maintain a high performance workforce. The policy ensures that the level and composition of remuneration of the Directors is optimum.

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

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

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

The Executive and Promoter group Directors are not being paid sitting fees for attending meetings of the Board of Directors and its committees. Other than sitting fees paid to Non-Executive Directors, there were no pecuniary relationships or transactions by the Company with any of the Non-Executive and Independent Directors of the Company. The Company has not granted stock options to Non- Executive and Independent Directors.

The details of sitting fees paid to Non-Executive and Independent Directors for the Financial Year 2017-18 are as under:

(₹ In Lakhs)

Name of the Directors	Sitting Fees paid during FY 2017-18		Total	No. of Shares held as on 31st March, 2018
	Board Meeting	Committee Meeting		
Mr. K. Jairaj	0.80	2.80	3.60	-
Dr. Ravindra H. Dholakia	1.00	1.60	2.60	-
Ms. Meera Shankar	0.40	1.20	1.60	-

Performance Evaluation Criteria for Independent Directors:

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

ii) **Remuneration to Executive Directors.**

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

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

None of the Executive Directors of the Company are drawing any remuneration from the Company.

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

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

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

C. Stakeholders' Relationship Committee

The constitution and terms of reference of Stakeholders' Relationship Committee of the Company are in compliance with provisions of Companies Act, 2013 and the SEBI Listing Regulations.

Terms of Reference:

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

Composition, Meetings and Attendance of Stakeholders' Relationship Committee

During the financial year 2017-18, four meetings of the Stakeholders' Relationship Committee were held on 27th May, 2017, 9th August, 2017, 28th October, 2017 and 17th January, 2018.

The details of the Stakeholders' Relationship Committee meetings attended by its members as on 31st March, 2018 are given below:

Sr. No	Name	Designation(s)	Category	Number of meetings held during FY 2017-18	
				Held during the tenure	Attended
1	Mr. K. Jairaj	Chairman	Non-Executive & Independent Director	4	4
2	Mr. Rajesh S. Adani	Member	Executive Director	4	3
3	Mr. Laxmi Narayana Mishra[1]	Member	Executive Director	4	4

1. Resigned as a Director of the Company w.e.f. 2nd May, 2018. Accordingly, he also ceased as Member of the Stakeholders' Relationship Committee with effect from the said date.
2. Mr. Anil Sardana, Managing Director and Chief Executive Officer was appointed as Member of the Stakeholders' Relationship Committee w.e.f. 10th May, 2018.

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

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

Redressal of Investor Grievances

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

During the year under review, 1 (one) investors' complaint / correspondence was received and resolved. There was no unattended or pending investor grievance as on 31st March, 2018.

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

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

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

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

2. To recommend the amount of expenditure to be incurred on CSR activities.
3. To monitor the implementation of framework of CSR Policy.
4. Approval and review of the Company's sustainability policy.
5. Overseeing management processes and standards designed to manage the Company's Sustainability performance (together "Sustainable Development").
6. Reviewing the Company's annual Sustainability Report assurance process and signing off the Sustainability Report for public disclosure.
7. Sub-delegation of authority and recommending the positioning to manage relevant sustainability issues and sharing information.
8. Regularly updating its competency on the subject of Sustainable Development and reviewing its own performance and effectiveness including its terms of reference for overseeing the Company's Sustainability performance.
9. To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification as may be applicable or as may be necessary or appropriate for performance of its duties.

CSR Policy

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

Composition, Meetings and Attendance of CSR&S Committee

During the year under review, two CSR&S Committee Meetings were held on 27th May, 2017 and 28th October, 2017.

The details of the CSR&S Committee meetings attended by its members during FY 2017-18 are given below:

Sr. No	Name	Designation(s)	Category	Number of meetings held during FY 2017-18	
				Held during the tenure	Attended
1	Mr. Rajesh S. Adani	Chairman	Executive Director	2	1
2	Mr. K. Jairaj	Member	Independent, Non-Executive	2	2
3	Mr. Laxmi Narayana Mishra[1]	Member	Executive Director	2	2

1. Resigned as a Director of the Company w.e.f. 2nd May, 2018. Accordingly, he also ceased as Member of the CSR&S Committee with effect from the said date.
2. Mr. Anil Sardana, Managing Director and Chief Executive Officer was appointed as Member of the CSR&S Committee w.e.f. 10th May, 2018.

The Quorum of the Committee is of two members.

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

The Company Secretary acts as a Secretary to the Committee.

E. **Risk Management Committee:**

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

The Committee is required to lay down the procedures to inform to the Board about the risk assessment and minimization procedures and the Board shall be responsible for framing, implementing and monitoring the risk management plan of the Company.

Composition, Meetings and Attendance of Risk Management Committee

During the year under review, one Risk Management Committee Meeting was held on 17th January, 2018.

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

Sr. No	Name	Designation(s)	Category	Number of meetings held during FY 2017-18	
				Held during the tenure	Attended
1	Mr. Laxmi Narayana Mishra[1]	Chairman	Executive Director	1	1
2	Mr. Rajesh S. Adani	Member	Executive Director	1	1

1. Resigned as a Director of the Company w.e.f. 2nd May, 2018. Accordingly, he also ceased as Member of the Risk Management Committee with effect from the said date.
2. Mr. Anil Sardana, Managing Director and Chief Executive Officer was appointed as Member of the Risk Management Committee w.e.f. 10th May, 2018.

The Company has a risk management framework to identify, monitor and minimize risks.

The Quorum of the Committee is of two members.

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

The Company Secretary acts as a Secretary to the Committee.

F. Securities Transfer Committee

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

No requests for transfers of any Securities are pending as on 31st March, 2018 except those that are disputed and / or sub-judiced.

Whistle Blower Policy:

The Company has adopted a whistle blower policy and has established the necessary vigil mechanism for employees and directors to report concerns about unethical behaviour. No person has been denied access to the chairman of the audit committee. The said policy is uploaded on the website of the Company at http://www.adanitransmission.com/Investor-relation/investor-download. During the year under review, there were no cases of whistle blower.

Investor Services

M/s. Link Intime India Private Limited are acting as Registrar & Share Transfer Agent of the Company. They have adequate infrastructure and VSAT connectivity with both the depositories, which facilitate better and faster services to the investors.

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

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

4. Annual General Meetings

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

Financial Year	Day & Date	Location of Meeting	Time	No. of Special resolutions passed
2014-15	Monday, 1st June, 2015	Adani House, Near Mithakhali Six Roads, Navrangpura, Ahmedabad – 380 009	1:30 p.m.	4
2015-16	Wednesday, 10th August, 2016	J. B. Auditorium, Ahmedabad Management Association, AMA Complex, ATIRA, Dr. Vikram Sarabhai Marg, Ahmedabad–380 015	9.30 a.m.	3
2016-17	Thursday, 10th August, 2017	J. B. Auditorium, Ahmedabad Management Association, AMA Complex, ATIRA, Dr. Vikram Sarabhai Marg, Ahmedabad–380 015	10.30 a.m.	3

Whether Special Resolutions were put through postal ballot last year, details of voting pattern:

During the year under review, one Special Resolution was passed through Postal Ballot Process as per following details.

Special Resolution under Section 13 & 61 of the Companies Act, 2013 to increase Authorised Share Capital of the Company from ₹1100,00,00,000/- to ₹1500,00,00,000/- and the consequent alteration in Clause V of the Memorandum of Association of the Company.

The details of the voting pattern in respect of the said **Special Resolution** are as under:-

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	823963479	793713779	96.33	793713779	0	100.00	0.00
	Poll		-	-	-	-	-	-
	Postal Ballot (if applicable)		-	-	-	-	-	-
	Total	**823963479**	**793713779**	**96.33**	**793713779**	**0**	**100.00**	**0.00**
Public- Institutions	E-Voting	230362115	194841016	84.58	194810941	30075	99.98	0.02
	Poll		-	-	-	-	-	-
	Postal Ballot (if applicable)		-	-	-	-	-	-
	Total	**230362115**	**194841016**	**84.58**	**194810941**	**30075**	**99.98**	**0.02**
Public- Non Institutions	E-Voting	45484489	1518228	3.34	1517402	826	99.95	0.05
	Poll		-	-	-	-	-	-
	Postal Ballot (if applicable)		920	0.00	920	0	100.00	0.00
	Total	**45484489**	**1519148**	**3.34**	**1518322**	**826**	**99.95**	**0.05**
Total		**1099810083**	**990073943**	**90.02**	**990043042**	**30901**	**100.00**	**0.00**

During the year under review, one Ordinary Resolution was passed through Postal Ballot Process as per following details.

Ordinary Resolution under Section 139(8) of the Companies Act, 2013 for appointment of Statutory Auditors to fill casual vacancy.

The details of the voting pattern in respect of the said **Ordinary Resolution** are as under:-

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	823963479	823963479	100.00	823963479	0	100.00	0.00
	Poll		-	-	-	-	-	-
	Postal Ballot (if applicable)		-	-	-	-	-	-
	Total	**823963479**	**823963479**	**100.00**	**823963479**	**0**	**100.00**	**0.00**
Public- Institutions	E-Voting	234997129	83480767	35.52	83480767	0	100.00	0.00
	Poll		-	-	-	-	-	-
	Postal Ballot (if applicable)		-	-	-	-	-	-
	Total	**234997129**	**83480767**	**35.52**	**83480767**	**0**	**100.00**	**0.00**
Public- Non Institutions	E-Voting	40849475	2047170	5.01	2046616	554	99.97	0.03
	Poll		-	-	-	-	-	-
	Postal Ballot (if applicable)		0	0.00	0	0	0.00	0.00
	Total	**40849475**	**2047170**	**5.01**	**2046616**	**554**	**99.97**	**0.03**
Total		**1099810083**	**909491416**	**82.70**	**909490862**	**554**	**100.00**	**0.00**

Person who conducted the postal ballot exercise: The Board had appointed Mr. Chirag Shah, a Practicing Company Secretary, Ahmedabad as a Scrutinizer to conduct the postal ballot voting process in a fair and transparent manner.

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

Procedure for postal ballot:

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

5. Subsidiary Companies

None of the subsidiaries of the Company other than Adani Transmission (India) Limited and Maharashtra Eastern Grid Power Transmission Company Limited comes under the purview of the Material Non-Listed Indian Subsidiary as per criteria given in the SEBI Listing Regulations. The Company has nominated Mr. K. Jairaj, Independent Director of the Company as Director on the Board of Adani Transmission (India) Limited and Maharashtra Eastern Grid Power Transmission Company Limited. The Company is not required to nominate an Independent Director on the Board of any other Subsidiary Companies. The subsidiaries of the Company function with an adequately empowered Board of Directors and sufficient resources.

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

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

b) Minutes of unlisted subsidiary companies are placed before the Board of the Company regularly.

c) A statement, wherever applicable, of all significant transactions and arrangements entered into by the Company's subsidiaries is presented to the Board of the Company at its meetings.

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

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

6. Other Disclosures

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

The details of materially significant related party tractions entered by the Company during the FY 2017-18 are as per notice calling Annual General Meeting of the Company. The details of Related Party Transactions are disclosed in the financial section of this Annual Report. The Company has developed a policy on materiality of Related Party Transactions and also on dealing with Related Party Transactions.

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

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

c) **Details of compliance**

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

d) **ADANI Code of Conduct**

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

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

Declaration as required under the SEBI Listing Regulations

All Directors and senior management of the Company have affirmed compliance with the ADANI Code of Conduct for the financial year ended 31st March, 2018.

Place: Ahmedabad
Date: 10th May, 2018

Anil Sardana
Managing Director and
Chief Executive Officer

Adani Code of Conduct for Prevention of Insider Trading

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

e) **CEO / CFO Certificate**

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

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

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

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

g) The designated Senior Management Personnel of the Company have disclosed to the Board that no material, financial and commercial transactions have been made during the year under review in which they have personal interest, which may have a potential conflict with the interest of the Company at large.

h) The Company has also adopted Material Events Policy, Website Content Archival Policy and Policy on Preservation of Documents which is uploaded on the website of the Company at http://www.adanitransmission.com/Investor-relation/investor-download.

i) Details of the familiarization programmes imparted to the independent directors are available on the website of the company at http://www.adanitransmission.com/Investor-relation/investor-download.

j) With a view to regulate trading in securities by the directors and designated employees, the Company has adopted a Code of Conduct for Prohibition of Insider Trading.

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

l) The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub – regulation (2) of Regulation 46 of the SEBI Listing Regulations. It has obtained a certificate affirming the compliances from Statutory Auditors and the same is attached to this Report.

m) As required under Regulation 36(3) of the SEBI Listing Regulations, particulars of Directors seeking appointment / re-appointment at the forthcoming AGM are given herein and in the Annexure to the Notice of the 5th AGM to be held on 7th August, 2018.

n) The Company complies with all applicable secretarial standards.

7. Means of Communication

a) **Financial Results:**

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

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

b) **Intimation to Stock Exchanges:**

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

d) **Earnings Calls and Presentations to Analysts:**

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

8. General Shareholder Information

A. **Company Registration Details:**

The Company is registered in the State of Gujarat, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L40300GJ2013PLC077803.

B. **Annual General Meeting:**

Day and Date	Time	Venue
Tuesday, 7th August, 2018	10.30 a.m.	J.B. Auditorium, Ahmedabad Management Association, AMA Complex, ATIRA, Dr. Vikram Sarabhai Marg, Ahmedabad – 380 015

C. **Registered Office:**

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

D. **Financial Calendar for 2018-19:** (tentative schedule, subject to change)

Period	Approval of Quarterly results
Quarter ending 30th June, 2018.	Mid August, 2018
Quarter and half year ending 30th September, 2018.	Mid November, 2018
Quarter ending 31st December, 2018.	Mid February, 2019
The year ending 31st March, 2019.	End May, 2019

E. **Date of Book Closure:**

Tuesday, 31st July, 2018 to Tuesday, 7th August, 2018 (both days inclusive) for the purpose of 5th Annual General Meeting.

F. **Listing on Stock Exchanges:**

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

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

(b) Depositories :	1.	**National Securities Depository Limited (NSDL)** Trade World, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013.
	2.	**Central Depository Services (India) Limited (CDSL)** Marathon Futurex, 25th Floor, NM Joshi Marg, Lower Parel (East), Mumbai- 400013.

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

Annual Listing fee has been paid to the BSE & NSE and Annual Custody / Issuer fee for the year 2018-19 will be paid by the Company to NSDL & CDSL on receipt of the invoices.

G. **Dividend Distribution Policy:**

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

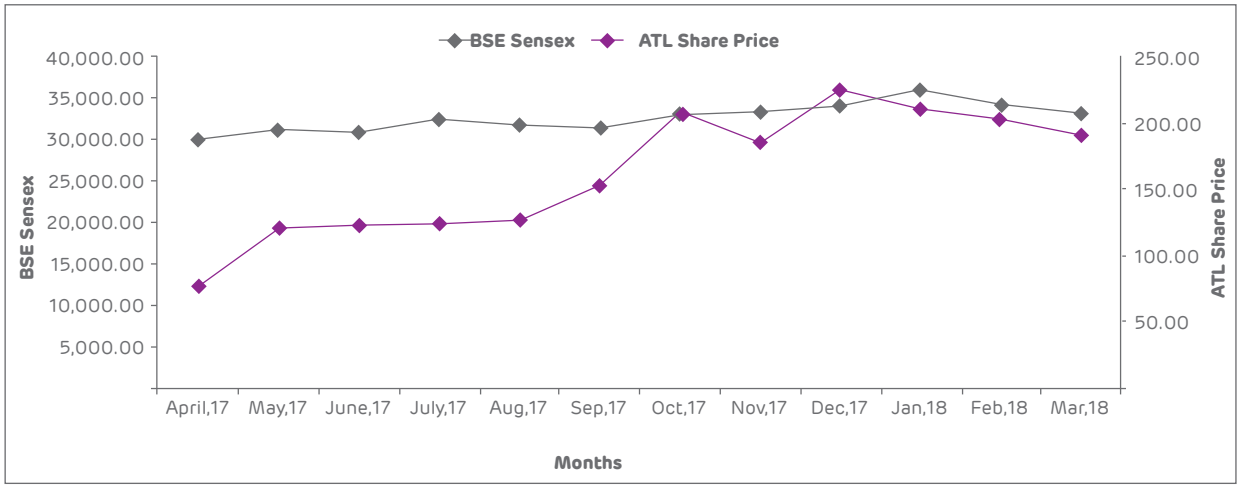
H. **Market Price Data: High, Low during each month in Financial Year 2017-18.**

Monthly share price movement during the year 2017-18 at BSE & NSE:

Month	BSE			NSE		
	High (₹)	Low (₹)	Volume (No. of shares)	High (₹)	Low (₹)	Volume (No. of shares)
April, 2017	96.00	64.50	11440015	96.20	64.20	55400721
May, 2017	120.45	70.70	8867674	121.05	70.90	45885559
June, 2017	137.00	108.35	4942996	137.20	108.05	34966062
July, 2017	135.50	119.20	1817346	135.50	119.50	8190353
August, 2017	131.40	103.00	2091653	131.45	105.00	9965118
September, 2017	156.00	120.50	2937687	156.00	120.70	20227212
October, 2017	237.10	153.05	4270042	237.00	153.15	36781334
November, 2017	222.35	180.95	2446204	222.00	181.30	25879558
December, 2017	247.75	165.55	3072563	248.00	165.85	29947127
January, 2018	252.00	206.55	2525943	254.20	206.55	23110004
February, 2018	218.75	178.00	1404304	219.00	177.05	14914961
March, 2018	207.25	154.80	1826999	208.90	155.65	22489947

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

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



J. Registrar and Transfer Agents:

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

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

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

K. Share Transfer System:

The Company's shares are compulsorily traded in the demat segment on stock exchanges, bulk of the transfers take place in the electronic form. The share transfers received in physical form are processed through R & T Agent, within seven days from the date of receipt, subject to the documents being valid and complete in all respects. The Board has delegated the authority for approving transfer, transmission, issue of duplicate share certificate, dematerialization etc. to the Securities Transfer Committee. All the physical transfers received are processed by the R & T Agent and are approved by the Securities Transfer Committee well within the statutory period of 15 days. The securities transfer committee meets every fortnight for approval of the transfer, transmission, issue of duplicate share certificate, dematerialization / rematerialization of shares etc. and all valid share transfers received during the year ended 31st March, 2018 have been acted upon. The share certificates duly endorsed are returned immediately to the shareholders by the R & T Agent.

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

1. Certificate confirming due compliance of share transfer formalities by the Company pursuant to Regulation 40(9) of the SEBI Listing Regulations for half year ended 30th September, 2017 and 31st March, 2018 respectively with the Stock Exchanges and

2. Certificate regarding reconciliation of the share capital audit of the Company on quarterly basis.

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

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

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

As on 31st March, 2018, 109,93,66,032 (constituting 99.96%) were in dematerialized form.

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

M. **The Distribution of Shareholding as on 31st March, 2018 is as follows:**

Number of shares	Number of shareholders		Equity Shares held in each category	
	Holders	% of Total	Total Shares	% of Total
1 to 500	47277	89.76	4493876	0.41
501 to 1000	2590	4.92	2099204	0.19
1001 to 2000	1259	2.39	1928024	0.17
2001 to 3000	453	0.86	1156360	0.11
3001 to 4000	260	0.49	950628	0.09
4001 to 5000	149	0.28	696035	0.06
5001 to 10000	347	0.66	2574345	0.23
10001 & Above	338	0.64	1085911611	98.74
TOTAL	**52673**	**100.00**	**1099810083**	**100.00**

N. **Shareholding Pattern as on 31st March, 2018 is as follows:**

Category	No. of Shares held	(%) of total
Promoters and Promoter Group	82,39,63,481	74.92
Foreign Portfolio Investors	21,98,88,789	19.99
Mutual Funds, Financial Institutions / Banks	2,89,03,942	2.63
N.R.I. and Foreign National	7,52,898	0.07
Private Bodies Corporate	36,70,836	0.33
Indian Public and others	2,14,70,725	1.95
Clearing Members (Shares in Transit)	11,59,412	0.11
Total	**109,98,10,083**	**100.00**

O. **Listing of Debt Securities.**

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

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

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

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

There were no outstanding GDRs/ADRs/Warrants or any convertible instruments as at 31st March, 2018.

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

In the ordinary course of business, the Company is exposed to risks resulting from exchange rate fluctuation and interest rate movements. It manages its exposure to these risks through derivative financial instruments. The Company's risk management activities are subject to the management, direction and control of Treasury Team of the Company under the framework of Risk Management Policy for Currency and Interest rate risk as approved by the Board of Directors of the Company. The Company's Treasury Team ensures appropriate financial risk governance framework for the Company through appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The decision of whether and when to execute derivative financial instruments along with its tenure can vary from period to period depending on market conditions and the relative costs of the instruments. The tenure is linked to the timing of the underlying exposure, with the connection between the two being regularly monitored.

S. **Plant Locations:**

Not Applicable

T. **Address for correspondence:**

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

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

Non-Mandatory Requirements

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

1. **The Board:**

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

2. **Shareholders Right:**

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

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

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

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

Mr. Gautam S. Adani is the Chairman and Mr. Anil Sardana is a Managing Director and Chief Executive Officer of the Company.

5. **Reporting of Internal Auditor**

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

Certificate Regarding Compliance of Conditions of Corporate Governance

To,
The Members of
Adani Transmission Limited

We have examined the compliance of conditions of Corporate Governance by Adani Transmission Limited for the year ended 31st March, 2018 as stipulated regulations Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the said Company with Stock Exchanges.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance for the year under the review as stipulated in the above mentioned Listing Agreement.

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

Place: Ahmedabad
Date: 10th May, 2018

Chirag Shah
Partner

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

Certification by Chief Executive Officer (CEO) and Chief Financial Officer (CFO)

We have reviewed the financial statements and the cash flow statements for the year ended 31st March, 2018 and that to the best of our knowledge and belief:

1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
3. To the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2018 which are fraudulent, illegal or violation of the Company's Code of Conduct.
4. We accept responsibility for establishing and maintaining internal control system and that we have evaluated the effectiveness of the internal control system of the Company and we have disclosed to the auditors and the Audit Committee, efficiencies in the design or operation of internal control system, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
5. We further certify that we have indicated to the auditors and the Audit Committee:
   a) There have been no significant changes in internal control system during the year;
   b) There are changes in accounting policies during the year on account of Ind AS adoption and the same have been disclosed in the notes to the financial statements; and
   c) There have been no instances of significant fraud of which we have become aware, involving management or an employee having a significant role in the Company's internal control system.

Place : Ahmedabad
Date : 10th May, 2018

Anil Sardana
Managing Director and
Chief Executive Officer

Kaushal G. Shah
Chief Financial Officer

Business Responsibility Report

Section A: General Information about the Company

1. **Corporate Identity Number (CIN):** L40300GJ2013PLC077803
2. **Name of the Company:** Adani Transmission Limited
3. **Registered Office Address:** 'Adani House', Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad - 380 009, Gujarat, India
4. **Website:** www.adanitransmission.com
5. **Email id:** investor.atl@adani.com
6. **Financial Year reported:** 01.04.2017 to 31.03.2018
7. **Sector(s) that the Company is engaged in (industrial activity code-wise):**

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

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

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

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

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

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

   (i) Number of international locations: N.A.

   (ii) Number of national locations: 39 (including offices).

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

Section B: Financial Details of the Company

1. **Paid up capital (INR):** 1099.81 Crores
2. **Total turnover (INR):** 835.29 Crores
3. **Total Profit /(Loss) After Taxes (INR):** (24.63) Crores
4. **Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax:**

   The Company carries its CSR activities mainly through its dedicated CSR wing viz. Adani Foundation. During FY 2017-18, the Company's subsidiaries have spent ₹8.23 Crores towards CSR activities.

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

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

Section C: Other Details

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

   Yes, the Company has 15 subsidiary companies as on 31st March, 2018.

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 these are material issues 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/ policies**

   - **DIN:** 00006867
   - **Name:** Mr. Anil Sardana
   - **Designation:** Managing Director and Chief Executive Officer

   b) **Details of the BR head:**

Sr. No.	Particulars	Details
1	DIN (if applicable)	00006867
2	Name	Mr. Anil Sardana
3	Designation	Managing Director and Chief Executive Officer
4	Telephone Number	(079) 2555 7475
5	E mail Id	anil.sardana@adani.com

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

Sr. No.	Questions	Business Ethics	Product Life Responsibility	Employee Well-being	Stakeholder Engagement	Human Rights	Environment	Policy Advocacy	Inclusive Growth	Customer Value
		P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy /policies for....	Y	Y*	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy conform to any national / international standards? If yes, specify? (The policies are based on the NVG-guidelines in addition to conformance to the spirit of international standards like ISO 9000, ISO 14000, OHSAS 18000)	All the policies are compliant with respective principles of NVG Guidelines.								
4.	Has the policy being approved by the Board? If yes, has it been signed by MD/owner/CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5.	Does the Company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6.	Indicate the link for the policy to be viewed online?	http://www.adanitransmission.com/Investor-relation/ investor-download								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	The policies have been communicated to key internal stakeholders. The communication is an ongoing process to cover all internal & external shareholders.								
8.	Does the Company have in-house structure to implement the policy/policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10.	Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	-	-	Y	-	-	-

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

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

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

3. Governance related to BR:

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

The CEO/Whole-time Director periodically assesses the BR performance of the Company.

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

This report comprises the Company's Business Responsibility Report as per the National Voluntary Guidelines on Social, Environmental and Economic Responsibility of Business (NVG), which is published as a part of Annual Report. The Company has published its sustainability report FY 2016-17. The report link is http://www.adanitransmission.com/docs/Sustainability_Report_2016_17.

Section E: Principle-Wise Performance

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

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

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

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

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

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

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

Not applicable since the Company does not manufacture any products.

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

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

Not applicable since the Company does not manufacture any products.

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

Not applicable.

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

No specific procedures have been adopted for sustainable sourcing.

4. **Has the Company undertaken any steps to procure goods and services from local and small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve the capacity and capability of local and small vendors?**

Not applicable

5 **Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste? (Separately as < 5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.**

Not applicable

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

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

The Company has a total of 290 employees as of 31st March, 2018, (on consolidated basis).

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

   The Company has a total of 89 employees hired on contractual basis as of 31st March, 2018, (on consolidated basis).

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

   The Company has no women employees as of 31st March, 2018.

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

   The Company has no permanent employees with disabilities as of 31st March, 2018.

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

   The Company does not have an employee association.

6. **What Percentage of permanent employees who are members of this recognized employee association?**

   Not applicable.

7. **Please indicate the number of complaints relating to child labor, forced labor, involuntary labor, sexual harassment in the last financial year and those pending as on the end of the financial year.**

   There were no complaints of this nature during the financial year.

8. **What Percentage of under mentioned employees were given safety and skill up-gradation training in the last year?**

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

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

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

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

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

1. **Has the Company mapped its internal and external stakeholders?**

   Yes, the Company's key stakeholders include employees, suppliers, customers, business partners, regulatory agencies and local communities around its sites of operations.

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

   Yes, the Company has identified the disadvantaged, vulnerable and the marginalized sections within the local communities around its sites of operations.

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

   The Company firmly believes in the notion of sustainable community development. Assuming the role of a responsible corporate, it strives to create an environment of coexistence where there is an equitable sharing of resources followed by sustained growth and development of the community around. Hence, the subsidiaries of the Company, Maharashtra Eastern Grid Power Transmission Company Limited (MEGPTCL), Maru Transmission Services Company Limited and Adani Transmission (India) Limited, through the Adani Foundation, have undertaken several initiatives to engage with and ensure sustainable development of the marginalized groups in the local communities. Key initiatives include:

   Adani Foundation is the CSR arm of the Adani Group. Since its inception in 1996, the Foundation has been working in four core areas of Education, Community Health, Sustainable Livelihood Development and Rural Infrastructure Development to extend its support to communities. Working closely with the communities, the foundation has been able to assume the role of a facilitator by creating an enabling environment for numerous families. Adani Foundation is currently operational in 13 states reaching out to 5 Lakhs plus families from 1470 villages and towns of India with a human-centric approach to make the processes sustainable, transparent and replicable.

Education:

Education is the stepping stone to improve the quality of life, especially for the needy and the most vulnerable. The main objective behind the educational initiatives undertaken by the foundation is to provide 'quality' education with a unique learning experience to young minds, with an objective to provide the quality education to the children and youth of the region.

Project Gyan Jyoti: Under the programme, on behalf of MEGPTCL, Adani Foundation provided E-learning kits to all the Government schools in Tirora block of Maharashtra. The objective of the program is to make the youth of the region tech savvy and comfortable to use digital systems regardless of them coming from the rural areas. In fact these children from the rural backgrounds are more curious to learn the technology and are willing to learn new things in the process. The results have been very encouraging and the teachers have given positive feedback regarding the improvement in student's grades.

Apart from provision of E-learning kits in Government schools, Adani Foundation also facilitated renovation in anganwadis through their employee volunteers. During the process of renovation it was observed that these anganwadis could benefit more by E-learning kits as these children had no source of dynamic learning. Adani Foundation in collaboration with Government of Maharashtra developed software and provided the hardware (E-learning kits) in these anganwadis. The software which is of plug_and_play model consists of education materials like Rhymes, Colours, Numbers, Alphabets and Short stories etc.

The sole aim of this program was to bridge the gap between Government schools and private schools. This year the programme covered a total of 31 anganwadis and 1 Government school which that was left out last year.

Community Health:

The major objective behind the health initiatives of Adani Foundation is to provide "affordable and accessible health care to all" and to provide good medical facilities even to the remotest of the villages. In rural area people have to travel long distances to avail medical assistance or medical facility from Primary Health Centre (PHC) or from taluka hospital. It is not only time consuming and troublesome, but at the same time unavailability of transportation facilities from these villages acts as a major deterrent. The old age people, women and children are the most vulnerable group and susceptible to contract diseases. MEGPTCL has supported the activities of Adani Foundation pertaining to community health in Tiroda, Maharashtra. Two Mobile Health Care Units (MHCU's) were run by the foundation in Tiroda, Maharashtra, with an objective to provide basic healthcare facilities to the remotest part of the region. These 2 mobile units are run in collaboration with Help Age India and are equipped with qualified MBBS Doctor, Pharmacist and Special Project Officer. These MHCU's provide free consultancy & medicine at door steps of the villagers and ensure regular check-up and follow up for treatment wherever necessary. 50 villages of Tiroda – Maharashtra are covered each week by these MHCU's. This year, the MHCUs have provided 88727 treatments to people.

Sustainable Livelihood Development:

Empowering people through sustainable livelihoods helps them to transform their lives and contribute to the growth of the nation. Due to lack of adequate skills and livelihood opportunity many people still live in deplorable conditions. Helping people become self-reliant and earn sufficient incomes is the only way to counter poverty and unemployment. Hence, Maru Transmission Services Company Ltd, through Adani Foundation aims at holistic growth and development of the marginalized sections of the society by providing necessary skill development training and alternative livelihood opportunities, hence reducing poverty and inequality to align itself with the Sustainable Development Goals. We firmly believe that self-reliant and financially empowered people will ultimately nurture the dreams of a new India.

Rural Infrastructure Development:

Our Rural Infrastructure Development programs help communities by providing an enabling infrastructure for better life and growth. All our infrastructure development initiatives are well designed planned and built for the betterment of education, community health, agriculture and living standards for the communities.

Water Conservation:

MEGPTCL along with Adani Foundation has taken steps to improve the rural infrastructure in the remote villages around Tiroda - Maharashtra. Looking at the water scarcity in the region, Adani Foundation has worked towards pond deepening, desilting, construction of natural bunds and check-dam on streams and development of earthen water storage tanks in Tiroda, region of Maharashtra.

Principle 5: Business should respect and promote human rights.

1. **Does the Company's policy on human rights cover only the Company or extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / others?**

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

2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the Management?**

   No stakeholder complaints were received during the last financial year.

Principle 6: Business should respect, protect, and make effort to restore the environment.

1. **Does the policy pertaining to this Principle cover only the Company or extends to the Group / Joint Ventures / Suppliers / Contractors / NGOs / others?**

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

2. **Does the Company have strategies / initiatives to address global environmental issues such as climate change, global warming, etc? Y / N. If yes, please give hyperlink for webpage etc.**

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

3. **Does the Company identify and assess potential environmental risks? Y/N**

   Yes, the Company regularly identifies and assesses environmental risk during all stages of its existing and planned projects.

4. **Does the Company have any project related to Clean Development Mechanism (CDM)? If so provide details thereof, in about 50 words or so. Also, If Yes, whether any environmental compliance report is filed?**

   Not Applicable

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

   Not Applicable

6. **Are the Emissions / Waste generated by the Company within the permissible limits given by CPCB / SPCB for the financial year being reported?**

   Yes, the emissions / waste generated are within the permissible limits given by CPCB/SPCB.

7. **Number of show cause / legal notices received from CPCB / SPCB which are pending**

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

Principle 7: Business, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

1. **Is your Company a member of any trade and chambers of association? If Yes, name only those major ones that your business deals with.**

   Yes, the Company is a member of the following key association :

   1. Electric Power Transmission Association (EPTA)

2. **Have you advocated / lobbied through above associations for the advancement or improvement of public good? Yes/No; If yes specify the broad areas (Governance and Administration, Economic Reform, Inclusive Development Polices, Energy security, Water, Food Security, Sustainable Business Principles, Others):**

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

Principle 8: Business should support inclusive growth and equitable development.

1. **Does the Company have specified programme / initiatives/ projects in pursuit of the policy related to principle 8? If yes details thereof.**

   The Company through Adani Foundation promotes notions of equitable and inclusive growth and development. Adani Foundation (AF) is the CSR arm of the Adani group of companies. Since its inception in

1996, the Foundation has been working in a number of prominent areas to extend its support to people in need. Working closely with the communities, AF has been able to assume the role of a facilitator by creating an enabling environment for many. With its human-centric approach, AF always strived to make processes sustainable, transparent and replicable. Adani foundation is currently operational in 13 states of India and is working towards an integrated development of the communities with its core focus on Education, Community Health, Sustainable Livelihoods Development and Rural Infrastructure Development.

It lays a special focus on the marginalized sections of the communities. Through its activities in the above areas, the Adani Foundation has been able to reach out to more than 1470 villages/towns and over 5,00,000 families touching their lives to make a positive difference.

2. **Are the programmes /projects undertaken through in-house team / own foundation /external NGO/Govt. structure /any other organisation?**

   Adani Foundation is the well-structured Corporate Social Responsibility (CSR) arm of Adani Group. The foundation has an in-house dedicated experienced team of professionals that comprises of experts in domains of education, healthcare, infrastructure development, livelihood and other related fields to carry out the development work for the communities. The programs are carried out by the Adani Foundation across regions. But AF has entered few resource & knowledge partnerships with several government agencies, non-governmental organizations and other corporations.

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

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

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

   There was no direct monetary contribution of the Company to community development projects in FY 2017-18. The focus areas of the Company's community development projects are outlined in response to Question 5 under Section B.

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

   Community participation is encouraged at all stages of our community development / CSR initiatives, including program planning, monitoring, implementation and assessment / evaluation.

   Our community engagement is strengthened through conducting third-party need assessment surveys, participatory rural appraisals as well as formation of Village Development Committees (VDCs) and Cluster Development Advisory Committee (CDAC), and Advisory Council with representation from the community, the government and the Company. This high level of engagement and participation of community members lead to a greater sense of ownership among the people, ensuring successful adoption and sustained outcomes.

Principle 9: Business should engage with and provide value to their customers and consumers in a responsible manner.

1. **What Percentage of customer complaints / consumer cases are pending as on the end of financial year 2017-18?**

   There are no customer complaints / consumer cases pending as on end of financial year 2017-18.

2. **Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks (additional information)**

   Not applicable.

3. **Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as of end of FY 2017-18?**

   There are no such pending cases against the Company in a court of law.

4. **Did your Company carry out any consumer survey / consumer satisfaction trends?**

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

Independent Auditor's Report

To The Members of Adani Transmission Limited

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of Adani Transmission Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order issued under section 143(11) of the Act.

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Ind AS and other

accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and its loss, total comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

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

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

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

   c) The Balance Sheet, the Statement of Profit and Loss including 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) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.

   e) On the basis of the written representations received from the directors of the Company as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164(2) of the Act.

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

   g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company does not have any pending litigations which would impact its financial position.

      ii. The Company has made provision, as required under the applicable law or Indian accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

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

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

(Gaurav J. Shah)
(Partner)
(Membership No. 35701)

Place: Ahmedabad
Date: May 10, 2018

Annexure "A" to the Independent Auditor's Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

We have audited the internal financial controls over financial reporting of Adani Transmission Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the criteria for internal financial control over financial reporting 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.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

(Gaurav J. Shah)
(Partner)
(Membership No. 35701)

Place: Ahmedabad
Date: May 10, 2018

Annexure "B" to the Independent Auditor's Report

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

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

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

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

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

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

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

(v) According to the information and explanations given to us, the Company has not accepted any deposit during the year and does not have any unclaimed deposits as at March 31, 2018 and therefore, the provisions of clause 3 (v) of the Order are not applicable to the Company.

(vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013.

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

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

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Goods and Services Tax, cess and other material statutory dues in arrears as at March 31, 2018 for a period of more than six months from the date they became payable.

(c) There are no dues of Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax and Goods and Services Tax as on March 31, 2018 on account of disputes.

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

(ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the CARO 2016 Order is not applicable.

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

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

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 Order is not applicable.

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

(xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 is not applicable to the Company.

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

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

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

(Gaurav J. Shah)
(Partner)
(Membership No. 35701)

Place: Ahmedabad
Date: May 10, 2018

Balance Sheet as at 31st March, 2018

(₹ in Crores)

Particulars	Note	As at 31st March, 2018	As at 31st March, 2017
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	5	0.58	0.66
Financial Assets			
(i) Investments	6	3,782.69	3,759.95
(ii) Loans	7	4,572.55	5,515.58
(iii) Other Financial Assets	8	10.72	0.03
Income Tax Assets (Net)	9	10.69	7.17
Other Non-Current Assets	10	2,603.30	0.82
Total Non-Current Assets		**10,980.53**	**9,284.21**
Current Assets			
Inventories	11	3.03	4.69
Financial Assets			
(i) Investments	12	-	54.75
(ii) Trade Receivables	13	29.34	111.05
(iii) Cash and Cash Equivalents	14	508.42	1.94
(iv) Bank Balances other than (iii) above	15	11.03	336.09
(v) Loans	16	106.02	608.10
(vi) Other Financial Assets	17	604.56	376.86
Other Current Assets	18	3.75	1.65
Total Current Assets		**1,266.15**	**1,495.13**
Total Assets		**12,246.68**	**10,779.34**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	19	1,099.81	1,099.81
Unsecured Perpetual Securities	20	1,848.63	-
Other Equity	21	904.33	1,021.18
Total Equity		**3,852.77**	**2,120.99**
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
(i) Borrowings	22	6,211.32	6,755.47
(ii) Other Financial Liabilities	23	279.03	246.36
Provisions	24	0.20	0.21
Total Non-Current Liabilities		**6,490.55**	**7,002.04**
Current Liabilities			
Financial Liabilities			
(i) Borrowings	25	1,010.65	920.28
(ii) Trade Payables	26	8.63	11.04
(iii) Other Financial Liabilities	27	880.84	719.05
Other Current Liabilities	28	3.14	5.65
Provisions	24	0.10	0.29
Total Current Liabilities		**1,903.36**	**1,656.31**
Total Equity and Liabilities		**12,246.68**	**10,779.34**

See accompanying notes forming part of the financial statements

As per our attached report of even date

For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm Registration Number : 117366W/W-100018

GAURAV J. SHAH
Partner
Membership No.35701

Place : Ahmedabad
Date : 10th May, 2018

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

GAUTAM S. ADANI
Chairman
DIN : 00006273

KAUSHAL SHAH
Chief Financial Officer

ANIL SARDANA
Managing Director and
Chief Executive Officer
DIN : 00006867

JALADHI SHUKLA
Company Secretary

Place : Ahmedabad
Date : 10th May, 2018

Statement of Profit and Loss for the year ended 31st March, 2018

(₹ in Crores)

Particulars	Note	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Income			
Revenue from Operations	29	835.29	809.65
Other Income	30	775.03	798.65
Total Income		**1,610.32**	**1,608.30**
Expenses			
Purchase of Traded Goods	31	815.61	755.40
Employee Benefit Expenses	32	6.07	13.44
Finance Costs	33	794.16	818.74
Depreciation Expense	5	0.08	0.05
Other Expenses	34	19.03	15.79
Total Expenses		**1,634.95**	**1,603.42**
Profit / (Loss) before tax		**(24.63)**	**4.88**
Tax Expense:			
Current Tax	35	-	1.03
		-	**1.03**
Profit / (Loss) after tax **Total A**		**(24.63)**	**3.85**
Other Comprehensive Income			
(a) Items that will not be reclassified to Profit or Loss			
- Remeasurement of Defined Benefit Plans		(0.06)	0.16
[(Tax- ₹ Nil (Previous year- ₹ Nil)]			
(b) Items that may be reclassified to Profit or Loss			
- Effective portion of gains and losses on designated		(42.65)	(143.35)
portion of hedging instruments in a cash flow hedge			
[(Tax- ₹ Nil (Previous year- ₹ Nil)]			
Other Comprehensive Income for the year (Net of Tax) **Total B**		**(42.71)**	**(143.19)**
Total Comprehensive Income for the year **Total (A+B)**		**(67.34)**	**(139.34)**
Earnings Per Share (EPS) (in ₹)			
(Face Value ₹10 Per Share)			
Basic & Diluted Earnings Per Share	36	(0.67)	0.03

See accompanying notes forming part of the financial statements

As per our attached report of even date

For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm Registration Number : 117366W/W-100018

GAURAV J. SHAH
Partner
Membership No.35701

Place : Ahmedabad
Date : 10th May, 2018

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

GAUTAM S. ADANI
Chairman
DIN : 00006273

KAUSHAL SHAH
Chief Financial Officer

ANIL SARDANA
Managing Director and
Chief Executive Officer
DIN : 00006867

JALADHI SHUKLA
Company Secretary

Place : Ahmedabad
Date : 10th May, 2018

Statement of Cash Flow for the year ended 31st March, 2018

(₹ in Crores)

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
A. Cash flow from operating activities		
Profit / (Loss) before tax	(24.63)	4.88
Adjustments for:		
Depreciation Expense	0.08	0.05
Income from Mutual Funds	(3.57)	(2.89)
Finance Costs	794.16	818.74
Liabilities no longer required written back	-	(0.19)
Interest income	(771.46)	(794.86)
Operating Profit / (Loss) before Working Capital Changes	**(5.42)**	**25.73**
Changes in Working Capital:		
(Increase) / Decrease in Operating Assets :		
Other financial assets and other assets	(19.65)	1.62
Inventories	1.66	(0.01)
Trade Receivables	81.71	(34.24)
Increase / (Decrease) in Operating Liabilities :		
Other financial liabilities, other liabilities and provision	(3.69)	(8.37)
Trade Payables	(2.42)	5.17
Cash generated from / (used in) operations	**52.19**	**(10.10)**
Tax paid (net)	(3.52)	(4.81)
Net cash flow from / (used in) operating activities (A)	**48.67**	**(14.91)**
B. Cash flow from investing activities		
Receipt / (Payment) of Capital expenditure on Property, Plant and Equipment, including capital advance	-	0.99
Acquisition of Subsidiaries	(25.01)	(89.52)
Advance for Business Acquisition	(2,602.00)	-
Payment for purchase of financial assets		
Equity Shares- subsidiaries	(159.35)	(62.45)
Compulsory Convertible Debenture- subsidiaries	(639.63)	-
Compulsory Convertible Preference Shares	(4.62)	-
Proceeds on Redemption of financial assets		
Preference Shares- subsidiaries	801.25	-
Net (purchase) / Proceeds in / from Mutual fund	58.32	(49.36)
Bank deposits / Margin money withdrawn/(placed) (net)	325.06	(236.71)
Loan given to subsidiaries	(841.97)	(4,253.21)
Loan repaid by subsidiaries	2,291.67	1,958.95
Interest received	550.17	420.43
Net cash flow used in investing activities (B)	**(246.11)**	**(2,310.88)**

Statement of Cash Flow for the year ended 31st March, 2018

(₹ in Crores)

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
C. Cash flow from financing activities		
Proceeds from Long-term borrowings	-	6,621.91
Repayment of Long-term borrowings	(300.01)	(2,215.00)
Proceeds from Short-term borrowings	2,558.73	5,349.54
Repayment of Short-term borrowings	(2,476.60)	(6,923.05)
Distribution on Unsecured Perpetual Securities	(49.51)	-
Proceeds from issue of Unsecured Perpetual Securities	1,849.51	-
Finance costs	(878.20)	(508.00)
Net cash flow from financing activities (C)	**703.92**	**2,325.40**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	**506.48**	**(0.39)**
Cash and cash equivalents at the beginning of the year	**1.94**	**2.33**
Cash and cash equivalents at the end of the year (Refer Note 14)	**508.42**	**1.94**

Notes to Cash Flow Statement:

1. The Cash Flow Statement has been prepared under the Indirect method as set out in Ind AS 7 "Cash Flow Statements"
2. Previous year's figures have been regrouped wherever necessary, to conform to this year's classification.
3. Disclosure under Para 44A as set out in Ind AS 7 on Cash Flow Statements under Companies (Indian Accounting Standards) Rules, 2017 (as amended) is given as per note 45.

See accompanying notes forming part of the financial statements

As per our attached report of even date

For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm Registration Number : 117366W/W-100018

GAURAV J. SHAH
Partner
Membership No.35701

Place : Ahmedabad
Date : 10th May, 2018

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

GAUTAM S. ADANI
Chairman
DIN : 00006273

KAUSHAL SHAH
Chief Financial Officer

ANIL SARDANA
Managing Director and
Chief Executive Officer
DIN : 00006867

JALADHI SHUKLA
Company Secretary

Place : Ahmedabad
Date : 10th May, 2018

Statement of Changes in Equity for the year ended 31st March, 2018

A. Equity Share Capital

Particulars	No. Shares	(₹ in Crores)
Balance as at 1st April, 2016	**1,09,98,10,083**	**1,099.81**
i) Issue of shares during the year	-	-
Balance as at 31st March, 2017	**1,09,98,10,083**	**1,099.81**
i) Issue of shares during the year	-	-
Balance as at 31st March, 2018	**1,09,98,10,083**	**1,099.81**

B. Other Equity

For the year ended 31st March, 2017

(₹ in Crores)

Particulars	Reserves and Surplus			Item of Other Comprehensive Income	Total
	Capital Reserve	General Reserve	Retained Earnings	Effective portion of cashflow Hedge	
Balance as at 1st April, 2016	-	1,220.60	(71.55)	-	1,149.05
Profit for the year	-	-	3.85	-	3.85
Other Comprehensive Income for the year (Net of Tax)	-	-	0.16	(143.35)	(143.19)
On Account of Acquisition	11.47	-	-	-	11.47
Balance as at 31st March, 2017	**11.47**	**1,220.60**	**(67.54)**	**(143.35)**	**1,021.18**

For the year ended 31st March, 2018

(₹ in Crores)

Particulars	Reserves and Surplus			Item of Other Comprehensive Income	Total
	Capital Reserve	General Reserve	Retained Earnings	Effective portion of cashflow Hedge	
Balance as at 1st April, 2017	11.47	1,220.60	(67.54)	(143.35)	1,021.18
Loss for the year	-	-	(24.63)	-	(24.63)
Distribution on Unsecured Perpetual Securities	-	-	(49.51)	-	(49.51)
Other Comprehensive Income for the year (Net of Tax)	-	-	(0.06)	(42.65)	(42.71)
Balance as at 31st March, 2018	**11.47**	**1,220.60**	**(141.74)**	**(186.00)**	**904.33**

See accompanying notes forming part of the financial statements

As per our attached report of even date

For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm Registration Number : 117366W/W-100018

GAURAV J. SHAH
Partner
Membership No.35701

Place : Ahmedabad
Date : 10th May, 2018

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

GAUTAM S. ADANI
Chairman
DIN : 00006273

KAUSHAL SHAH
Chief Financial Officer

ANIL SARDANA
Managing Director and
Chief Executive Officer
DIN : 00006867

JALADHI SHUKLA
Company Secretary

Place : Ahmedabad
Date : 10th May, 2018

Notes to Financial Statements for the year ended 31st March, 2018

1 Corporate information

Adani Transmission Limited ("The Company") is a limited company incorporated in India. It's Ultimate Holding Entity is S. B. Adani Family Trust (SBAFT).

The Company along with it's subsidiaries is one of the largest power transmission companies operating in the private sector in India, based on operational circuit kilometres of transmission lines. The group establish, commission, operate and maintain Transmission Systems. The group's operational projects are located in the states of Gujarat, Maharashtra, Rajasthan and Haryana. The Group's main source of revenue is electricity transmission tariffs. Further, the group is also developing additional projects in Rajasthan, Chhattisgarh, Madhya Pradesh and Maharashtra.

The Company also deals as a trader in Agro commodoties.

The Company is a public limited company incorporated and domiciled in India and has its registered office at Adani House, Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad 380 009, Gujarat, India. The Company has its primary listings on the BSE Limited and NSE India Limited, in India.

2 Significant accounting policies

a Basis of Preparation

These financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Effective 1st April, 2016, the Company has adopted all the Indian Accounting Standards (referred to as "Ind AS") notified under the companies (Indian accounting standards) Rules, 2015 and the adoption was carried out in accordance with Ind AS 101 First time adoption of Indian Accounting Standards, with 1st April, 2015 as the transition date. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

The Function currency of the Company is Indian Rupee(INR). The financial statements are presented in INR and all values are rounded to the nearest Crores (Transactions below ₹50,000.00 denoted as ₹0.00), unless otherwise indicated.

Amounts for the year ended March 31, 2017 and as at March 31, 2017 were audited by predecessor auditors.

b Business combinations and Goodwill

Acquisitions of businesses 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 Company, liabilities incurred by the Company to the former owners of the acquiree and the equity interests issued by the Company in exchange for control of the acquiree. Acquisition-related costs added to the investment. 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.

c Current versus Non Current Classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

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

Notes to Financial Statements for the year ended 31st March, 2018

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

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

d Foreign Currency

In preparing the financial statements of the Company, transactions in currencies other than the entity's functional currency are recognised at the rate of exchange prevailing on the date of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated.

Exchange differences on monetary items are recognised in the Statement of Profit and Loss in the period in which they arise except for:

(i) exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings; and

(ii) exchange differences on transactions entered into in order to hedge certain foreign currency risks (see note 2(q) below for hedging accounting policies).

e Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The specific recognition criteria described below must also be met before revenue is recognised:

(i) Income from Services

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

(ii) Sale of Goods

Revenue from sale of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

> The Company has transferred to the buyer the significant risks and rewards of ownership of the goods;

> The amount of revenue can be measured reliably; and

> It is probable that the economic benefits associated with the transaction will flow to the Company

Notes to Financial Statements for the year ended 31st March, 2018

(iii) Dividend and Interest income

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

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and amount of the income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate the exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

f Taxation

Tax on Income comprises current tax and deferred tax. These are recognised in the 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.

i) Current Tax :

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

ii) Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

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

Notes to Financial Statements for the year ended 31st March, 2018

g Property, Plant and Equipment (PPE)

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated.

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

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

Depreciation is recognised based on the cost of assets (other than freehold land) 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. 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

Estimated useful lives of assets are as follows:-

Type of Assets	Useful lives
Plant and Equipment	3-15 Years
Furniture and Fixtures	10 Years
Office Equipment	5 Years
Computer Equipment	3 Years
Vehicles	8-10 Years

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

h Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and any accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal.

i Impairment of tangible and intangible assets other than goodwill

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 losses (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 Financial Statements for the year ended 31st March, 2018

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 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 the Statement Profit and Loss.

j Borrowing Costs

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

All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.

k Inventories

Inventories are stated at the lower of weighted average cost or net realisable value. Costs include all non-refundable duties and all charges incurred in bringing the goods to their present location and condition. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

l Employee benefits

Defined benefit plans

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees through Group Gratuity Scheme of Life Insurance Corporation of India. The Company accounts for the liability for the gratuity benefits payable in future based on an independent actuarial valuation carried out using Projected Unit Credit Method considering discounting rate relevant to Government Securities at the Balance Sheet Date.

Defined benefit costs in the nature of current and past service cost and net interest expense or income are recognized in the statement of profit and loss in the period in which they occur. Actuarial gains and losses on remeasurement is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur and is reflected immediately in retained earnings and not reclassified to profit or loss. Past service cost is recognised in the Statement of Profit and Loss in the period of a plan amendment.

Defined Contribution Plans

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.

Notes to Financial Statements for the year ended 31st March, 2018

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.

Short term employee benefits

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

m Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Rental income from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue.

Rental expense from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue.

n Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the financial asset or settle the financial liability takes place either:

> In the principal market for the asset or liability, or

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

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

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

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

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

> Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Notes to Financial Statements for the year ended 31st March, 2018

> Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

> Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

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

o **Financial instruments**

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

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

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

(A) Financial assets

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

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.

1) Classification of financial assets

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

(a) The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and

(b) The contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For the impairment policy on financial assets measured at amortised cost, Refer note 2(o)(6).

.

Notes to Financial Statements for the year ended 31st March, 2018

All other financial assets are subsequently measured at fair value.

2) Effective interest method

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

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

3) Financial assets at cost

Investment in subsidiaries are measured at cost as per Ind AS 27 - Separate Financial Statements.

4) Financial assets at Fair Value through Profit & Loss (FVTPL)

Investments in equity instruments other than investments in subsidiaries are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Other financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in Statement of Profit and Loss.

5) Derecognition of financial assets

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

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

6) Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, trade receivables and other contractual rights to receive cash or other financial asset.

Expected credit losses rate the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. The Company estimates cash flows by considering all contractual terms of the financial instrument through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instruments has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

Notes to Financial Statements for the year ended 31st March, 2018

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

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

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

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

7) Foreign exchange gains and losses

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

For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in Statement of Profit and Loss.

(B) Financial liabilities and equity instruments

1) 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.

2) 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.

3) Financial liabilities

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

4) Financial liabilities at FVTPL

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

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

Notes to Financial Statements for the year ended 31st March, 2018

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

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

Fair values are determined in the manner described in Refer note 2(n)

5) Financial liabilities at amortised cost

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

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and 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.

6) Foreign exchange gains and losses

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

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

7) Derecognition of Financial Liability

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

p Derivative financial instruments

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, interest rate swaps and cross currency swaps. Further details of derivatives financial instruments are disclosed in note 41.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in the Statement of Profit and Loss immediately.

Notes to Financial Statements for the year ended 31st March, 2018

q Hedge Accounting

The Company designates certain hedging instruments, which includes derivatives and non-derivatives in respect of foreign currency risk, as cash flow hedges.

At the inception of the hedge relationship, the entity 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 Company 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

The Company designates derivative contracts or non derivative financial assets / liabilities as hedging instruments to mitigate the risk of movement in interest rates and foreign exchange rates for foreign exchange exposure on highly probable future cash flows attributable to a recognised asset or liability or forecast cash transactions. When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in the cash flow hedging reserve being part of other comprehensive income. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in the Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the underlying transaction occurs. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the Statement of Profit and Loss upon the occurrence of the underlying transaction.

r Cash & Cash Equivalents

Cash comprises cash on hand and demand deposit with banks (with an original maturity of three months or less from the date of creation). Cash equivalents are short-term balances that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

s Cash Flow Statement

Cash flows are reported using the indirect method, where by profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

t Provision, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

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

Notes to Financial Statements for the year ended 31st March, 2018

Contingent liability

A possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise are disclosed as contingent liability and not provided for. Such liability is not disclosed if the possibility of outflow of resources is remote.

Contingent Assets

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

Contingent assets are not recognised but disclosed only when an inflow of economic benefits is probable.

u **Earnings Per Share**

Basic earnings per equity share is computed by dividing the net profit/(loss) attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period.

Diluted earnings per equity share is computed by adjusting the figures used in the determination of basic EPS to take into account:

(a) After tax effect of interest and other financing costs associated with dilutive potential equity shares.

(b) The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

3 Critical accounting judgements and key sources of estimation uncertainty

The application of the Company's accounting policies as described in Note 2, in the preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. The estimates and assumptions are based on historical experience and other factors that are considered to be relevant.

The estimates and underlying assumptions are reviewed on an ongoing basis and any revisions thereto are recognized in the period in which they are revised or in the period of revision and future periods if the revision affects both the current and future periods. Actual results may differ from these estimates which could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

3.1 Property, plant and equipment[1]

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.

3.2 Impairment of financial assets

Investments made / Intercorporate deposits ("ICDs") given to subsidiaries[2]

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

3.3 Taxation

Deferred tax assets[2]

Notes to Financial Statements for the year ended 31st March, 2018

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

3.4 Fair value measurement of financial instruments[2]

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 46.

3.5 Defined benefit plans and other long-term employee benefits[2]

The present value of obligations under defined benefit plan and other long term employment benefits is determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual development in the future. These include the determination of the discount rate, future salary escalations, attrition rate and mortality rates etc. Due to the complexities involved in the valuation and its long term nature, these obligations are 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 42.

1 Critical accounting judgments
2 Key sources of estimation uncertainties

4 Standards issud but not effective

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective. The Ministry of Corporate Affairs("MCA") has issued certain amendments to Ind AS through (Indian Accounting Standards) Amendment Rules, 2018. These amendments maintain convergence with IFRS by incorporating amendments issued by International Accounting Standards Board(IASB) into Ind AS and has amended the following standards:

1. Ind AS 115-Revenue from Contract with Customers

2. Ind AS 21-The effect of changes in foreign exchanges rates

3. Ind AS 12-Income Taxes

These amendments are effective for annual periods beginning on or after 1st April, 2018.

The Company is assessing the potential effect of the amendments on its financial statements. The Company will adopt these amendments, if applicable, from their applicability date.

Notes to Financial Statements for the year ended 31st March, 2018

5. Property, Plant and Equipment

(₹ in Crores)

Description of Assets	Tangible Assets						
	Land (Free hold)	Plant and Equipment	Furniture and Fixtures	Office Equipment	Computer Equipment	Vehicles	Total
I. Gross Carrying Value							
Balance as at 1st April,2016	**0.04**	**0.41**	**0.07**	**0.07**	**0.00**	**0.14**	**0.73**
Additions during the Year	0.00	-	-	0.00	0.01	-	0.01
Disposals during the Year	-	-	-	-	-	-	-
Balance as at 31st March,2017	**0.04**	**0.41**	**0.07**	**0.07**	**0.01**	**0.14**	**0.74**
Additions during the Year	-	-	-	-	-	-	-
Disposals during the Year	-	-	-	-	-	-	-
Balance as at 31st March,2018	**0.04**	**0.41**	**0.07**	**0.07**	**0.01**	**0.14**	**0.74**
II. Accumulated depreciation							
Balance as at 1st April,2016	**-**	**0.02**	**0.00**	**0.01**	**0.00**	**0.00**	**0.03**
Depreciation for the year	-	0.03	0.00	0.01	0.00	0.01	0.05
Eliminated on disposal of assets	-	-	-	-	-	-	-
Balance as at 31st March,2017	**-**	**0.05**	**0.00**	**0.02**	**0.00**	**0.01**	**0.08**
Depreciation for the year	-	0.03	0.01	0.02	0.00	0.02	0.08
Eliminated on disposal of assets	-	-	-	-	-	-	-
Balance as at 31st March,2018	**-**	**0.08**	**0.01**	**0.04**	**0.00**	**0.03**	**0.16**

(₹ in Crores)

Description of Assets	Land (Free hold)	Plant and Equipment	Furniture and Fixtures	Office Equipment	Computer Equipment	Vehicles	Total
Net Carrying Value :							
As at 31st March, 2017	**0.04**	**0.36**	**0.07**	**0.05**	**0.01**	**0.13**	**0.66**
As at 31st March,2018	**0.04**	**0.33**	**0.06**	**0.03**	**0.01**	**0.11**	**0.58**

(Figures below ₹50,000.00 denoted as ₹0.00)

For charge created on aforesaid assets, Refer note 22

Notes to Financial Statements for the year ended 31st March, 2018

6. Non Current Financial Assets - Investments

(₹ in Crores)

Particulars	As at 31st March, 2018	As at 31st March, 2017
(a) Investments in Equity Instruments - Unquoted		
Investments in wholly owned Subsidiary Companies (Face value of ₹10 each)		
11,00,50,000 (31.03.2017 : 11,00,50,000) Equity Shares of Adani Transmission (India) Limited of ₹10 each	343.10	343.10
70,75,00,000 (31.03.2017 : 70,75,00,000) Equity Shares of Maharashtra Eastern Grid Power Transmission Company Limited of ₹10 each	903.50	903.50
4,40,00,000 (31.03.2017 : 50,000) Equity Shares of Sipat Transmission Limited of ₹10 each	44.00	0.05
9,11,00,000 (31.03.2017 : 4,00,50,000) Equity Shares of Raipur - Rajnandgaon-Warora Transmission Limited of ₹10 each	91.10	40.05
6,20,00,000 (31.03.2017 : 2,00,00,000) Equity Shares of Chhattisgarh-WR Transmission Limited of ₹10 each	62.00	20.00
49,99,999 (31.03.2017 : 24,99,999) Equity Shares of Adani Transmission (Rajasthan) Limited of ₹10 each	5.00	2.50
50,000 (31.03.2017 : 50,000) Equity Shares of North Karanapura Transco Limited of ₹10 each	0.05	0.05
89,40,000 (31.03.2017 : 89,40,000) Equity Shares of Maru Transmission Service Company Limited of ₹10 each	8.94	8.94
52,30,000 (31.03.2017 : 52,30,000) Equity Shares of Aravali Transmission Service Company Limited of ₹10 each	5.23	5.23
70,00,000 (31.03.2017 : Nil) Equity Shares of Hadoti Power Transmission Service Limited of ₹10 each	7.00	-
70,00,000 (31.03.2017 : Nil) Equity Shares of Barmer Power Transmission Service Limited of ₹10 each	7.00	-
60,00,000 (31.03.2017 : Nil) Equity Shares of Thar Power Transmission Service Limited of ₹10 each	6.00	-
1,00,00,000 (31.03.2017 : Nil) Equity Shares of Western Transco Power Limited of ₹10 each	11.84	-
1,00,00,000 (31.03.2017 : Nil) Equity Shares of Western Transmission (Gujarat) Limited of ₹10 each	13.01	-
10,000 (31.03.2017 : Nil) Equity Shares of Fatehgarh-Bhadla Transmission Limited of ₹10 each	0.01	-
Total (a)	**1,507.78**	**1,323.42**
(b) Investments in Convertible Preference Shares - Unquoted		
Investments in wholly owned Subsidiary Companies (Face value of ₹10 each)		
75,65,31,269 (31.03.2017 : 1,42,50,00,000) Preference Shares of Adani Transmission (India) Limited of ₹10 each	756.53	1,425.00
87,87,50,000 (31.03.2017 : 1,01,15,30,000) Preference Shares of Maharashtra Eastern Grid Power Transmission Company Limited of ₹10 each	878.75	1,011.53
Total (b)	**1,635.28**	**2,436.53**

Notes to Financial Statements for the year ended 31st March, 2018

6. Non Current Financial Assets - Investments (Cont..)

(₹ in Crores)

Particulars	As at 31st March, 2018	As at 31st March, 2017
(c) Investments in 0% Compulsory Convertible Debentures (CCD) - Unquoted		
Investments in wholly owned Subsidiary Companies (Face value of ₹100 each)		
1,31,62,122 (31.03.2017 : Nil) CCD of Sipat Transmission Limited of ₹100 each	131.62	-
2,59,10,517 (31.03.2017 : Nil) CCD of Raipur-Rajnandgaon-Warora Transmission Limited of ₹100 each	259.11	-
1,85,71,898 (31.03.2017 : Nil) CCD of Chhattisgarh-WR Transmission Limited of ₹100 each	185.72	-
31,57,031 (31.03.2017 : Nil) CCD of North Karanapura Transco Limited of ₹100 each	31.57	-
18,33,972 (31.03.2017 : Nil) CCD of Hadoti Power Transmission Service Limited of ₹100 each	18.34	-
9,08,020 (31.03.2017 : Nil) CCD of Barmer Power Transmission Service Limited of ₹100 each	9.08	-
4,19,272 (31.03.2017 : Nil) CCD of Thar Power Transmission Service Limited of ₹100 each	4.19	-
Total (c)	**639.63**	**-**
Total (a + b+c)	**3,782.69**	**3,759.95**
Aggregate carrying value of unquoted investments		
Investment in Equity Instruments	1,507.78	1,323.42
Investment in Preference Shares	1,635.28	2,436.53
Investment in Compulsory Convertible Debentures	639.63	-
Total	**3,782.69**	**3,759.95**

Note

Number of Equity shares/CCD pledged with Lenders against borrowings by the parent company and its subsidiaries are as per below :

Particulars	Number of Shares Pledged	
	As at 31st March, 2018	As at 31st March, 2017
Subsidiary Companies		
Maharashtra Eastern Grid Power Transmission Company Limited	70,74,99,994	70,74,99,994
Adani Transmission (India) Limited	11,00,49,994	11,00,49,994
Maru Transmission Service Company Limited	66,15,594	26,82,000
Aravali Transmission Service Company Limited	38,70,194	15,69,000
Raipur – Rajnandgaon – Warora Transmission Limited	4,43,95,500	25,500
Chhattisgarh – WR Transmission Limited	3,06,00,000	25,500
Sipat Transmission Limited	2,24,40,000	25,500
Adani Transmission (Rajasthan) Limited	26,50,000	12,75,000
Hadoti Power Transmission Service Limited	69,99,994	-
Barmer Power Transmission Service Limited	69,99,994	-
Thar Power Transmission Service Limited	59,99,994	-
Western Transco Power Limited	51,00,000	-
Western Transmission (Gujarat) Limited	81,00,000	-

Notes to Financial Statements for the year ended 31st March, 2018

6. Non Current Financial Assets - Investments (Cont..)

Particulars	Number of Shares to be Pledged	
	As at 31st March, 2018	As at 31st March, 2017
Subsidiary Companies		
Raipur – Rajnandgaon – Warora Transmission Limited	20,65,500	-
Chhattisgarh – WR Transmission Limited	10,20,000	-

Particulars	Number of CCD Pledged	
	As at 31st March, 2018	As at 31st March, 2017
Subsidiary Companies		
Hadoti Power Transmission Service Limited	18,33,972	-
Barmer Power Transmission Service Limited	9,08,020	-
Thar Power Transmission Service Limited	4,19,272	-

7. Non Current Financial Assets - Loans

(Unsecured, considered good)

(₹ in Crores)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Loans to Related Parties (Refer Note 48)	4,567.93	5,515.58
Debt instruments carried at FVTPL: (Unquoted)		
0.01% Compulsorily Convertible Preference Shares in wholly owned subsidiary companies:		
10,00,000 (31.03.2017 : Nil) Preference Shares of Western Transco Power Limited of ₹10 each	2.87	-
10,00,000 (31.03.2017 : Nil) Preference Shares of Western Transmission (Gujarat) Limited of ₹10 each	1.75	-
Total	**4,572.55**	**5,515.58**

Notes:

1) 5,10,000 (31.03.2017 : Nil) Preference shares of Western Transco Power Limited has been pledged.
2) Charges has been created on loans given to wholly owned subsidiaries namely (i) Adani Transmission (India) Limited of ₹2,084.18 Crores (31.03.2017 : ₹2,374.24 Crores) and (ii) Maharashtra Eastern Grid Power Transmission Company Limited of ₹2,367.90 Crores (31.03.2017 : ₹3,030.66 Crores)

8. Non Current Financial Assets - Others

(Unsecured, Considered Good)

(₹ in Crores)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Security Deposit	0.03	0.03
Share Application Money given to subsidiaries - Pending for Allotment (Refer Note 48)	4.00	-
Others	6.69	-
Total	**10.72**	**0.03**

For charges created on aforesaid assets, Refer note 22

Notes to Financial Statements for the year ended 31st March, 2018

9. Income Tax Assets (Net)

(₹ in Crores)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Advance Income Tax (Net of provision of ₹1.03 Crores (31.03.2017 : ₹1.03 Crores)	10.69	7.17
Total	**10.69**	**7.17**

10. Non Current Assets - Others

(Unsecured, Considered Good)

(₹ in Crores)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Advance For Acquisition (Refer Note 39)	2,602.00	-
Group Gratuity Fund (Includes contribution of subsidiaries)	1.30	0.82
Total	**2,603.30**	**0.82**

For charges created on aforesaid assets, Refer note 22

11. Inventories

(Valued at lower of Cost and Net Realisable Value)

(₹ in Crores)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Stores & spares	3.03	4.69
Total	**3.03**	**4.69**

For charges created on aforesaid assets, Refer note 22

12. Current Financial Assets - Investments

(₹ in Crores)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Un-Quoted Investments		
Nil Units (31.03.2017 : 44,94,301.23) JM High Liquidity Fund - Direct Growth plan	-	20.01
Nil Units (31.03.2017 :1,43,015.34) DSP Blackrock Liquidity Fund - Direct Growth plan	-	33.26
Nil Units (31.03.2017 : 7,482.70 Units) IDFC Cash Fund - Direct Growth plan	-	1.48
Total	**-**	**54.75**
Aggregate book value of un-quoted investments	-	54.75
Aggregate market value of un-quoted investments	-	54.75

For charges created on aforesaid assets, Refer note 22

13. Trade Receivables

(Unsecured)

(₹ in Crores)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Considered Good	29.34	111.05
Total	**29.34**	**111.05**

Notes to Financial Statements for the year ended 31st March, 2018

14. Cash and Cash equivalents

(₹ in Crores)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Balances with banks		
In current accounts	210.08	1.94
Fixed Deposits (with original maturity for three months or less)	298.34	-
(Lodged Against Bank Guarantee and Debt Service Reserve Account) **Total**	**508.42**	**1.94**

For charges created on aforesaid assets, Refer note 22

15. Bank balance other than Cash and Cash equivalents

(₹ in Crores)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Balances held as Margin Money	11.03	19.59
Fixed Deposits (with original maturity for more than three months)	-	316.50
(Lodged Against Bank Guarantee and Debt Service Reserve Account) **Total**	**11.03**	**336.09**

For charges created on aforesaid assets, Refer note 22

16. Current Financial Assets - Loans

(Unsecured, Considered Good)

(₹ in Crores)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Loans to Related Parties (Refer Note 48)	106.02	608.07
Loans to Employees	-	0.03
Total	**106.02**	**608.10**

For charges created on aforesaid assets, Refer note 22

17. Current Financial Assets - Others

(Unsecured, Considered Good)

(₹ in Crores)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Interest receivable	596.12	374.83
Derivative instruments designated in hedge accounting relationship	0.10	-
Advance to Related Party (Refer Note 48)	8.34	-
Others	-	2.03
Total	**604.56**	**376.86**

For charges created on aforesaid assets, Refer note 22

18. Other Current Assets

(Unsecured, Considered Good)

(₹ in Crores)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Advance to Suppliers	0.81	1.55
Balances with Government authorities	2.92	0.06
Prepaid Expenses	0.02	0.02
Advance to Employees	-	0.02
Total	**3.75**	**1.65**

Notes to Financial Statements for the year ended 31st March, 2018

19. Equity Share Capital

(₹ in Crores)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Authorised Share Capital		
1,50,00,00,000 (As at 31st March 2017 1,10,00,00,000) Equity shares of ₹10 each	1,500.00	1,100.00
Total	**1,500.00**	**1,100.00**
Issued, Subscribed and Fully paid-up Equity shares		
1,09,98,10,083 (As at 31st March 2017 - 1,09,98,10,083) Equity shares of ₹10 each fully paid up.	1,099.81	1,099.81
Total	**1,099.81**	**1,099.81**

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

Equity Shares

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	No. Shares	(₹in Crores)	No. Shares	(₹in Crores)
At the beginning of the Year	1,09,98,10,083	1,099.81	1,09,98,10,083	1,099.81
Issued during the year	-	-	-	-
Outstanding at the end of the year	**1,09,98,10,083**	**1,099.81**	**1,09,98,10,083**	**1,099.81**

b. Terms/rights attached to equity shares

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

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

Particulars	As at 31st March, 2018	As at 31st March, 2017
Company has issued and allotted fully paid up equity shares of ₹10 Each, to the equity shareholders of Adani Enterprises Limited ("AEL") pursuant to the Composite Scheme of Arrangement	**1,09,98,10,083**	**1,09,98,10,083**

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

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	No. Shares	% holding in the class	No. Shares	% holding in the class
Equity shares of ₹10 each fully paid				
Shri Gautam S. Adani / Shri Rajesh S. Adani (on behalf of S.B. Adani Family Trust)	62,11,97,910	56.48%	62,11,97,910	56.48%
Adani Tradeline LLP (Formally known as Parsa Kente Rail Infra LLP)	9,94,91,719	9.05%	9,94,91,719	9.05%
	72,06,89,629	**65.53%**	**72,06,89,629**	**65.53%**

Notes to Financial Statements for the year ended 31st March, 2018

20. Unsecured Perpetual Securities

(₹ in Crores)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Opening Balance	-	-
Issued during the year	1,848.63	-
Closing Balance	**1,848.63**	**-**

During the year, the Company raised ₹1,800.00 Crores through issue of Unsecured Perpetual Securities (the "Securities"). These Securities are perpetual in nature with no maturity or redemption and are callable only at the option of the Company. The Company can infuse the equity into its greenfield subsidiaries prior to any obligation to make payment under this Securities, further the Company can make the payment to the equity share holders or return of equity (share buy back) prior to any obligation to make payment under this Securities. The distribution on these Securities are 11.80% with a reset provision after a period of every 5 (five) years. The distribution on the Securities may be deferred at the option of the Company, if during the six months preceding the relevant distribution payment date, the Company has made no payment on, or redeemed or repurchased, any securities ranking pari passu with, or junior to the instrument. As these Securities are perpetual in nature and ranked senior only to the 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.

21. Other Equity

(₹ in Crores)

Particulars		As at 31st March, 2018	As at 31st March, 2017
a. Capital Reserve (Refer note (i) below)			
Opening Balance		11.47	-
Add : Capital Reserve on Acquisition		-	11.47
Closing Balance	**Total (a)**	**11.47**	**11.47**
b. Effective portion of cashflow Hedge (Refer note (ii) below)			
Opening Balance		(143.35)	-
Effective portion of cash flow hedge for the year		(42.65)	(143.35)
Closing Balance	**Total (b)**	**(186.00)**	**(143.35)**
c. General Reserve (Refer note (iii) below)		1,220.60	1,220.60
	Total (c)	**1,220.60**	**1,220.60**
d. Retained Earnings (Refer note (iv) below)			
Opening Balance		(67.54)	(71.55)
Add : Profit / (Loss) for the year		(24.63)	3.85
Other comprehensive income arising from remeasurement of Defined Benefit Plans		(0.06)	0.16
Distribution on Unsecured Perpetual Securities		(49.51)	-
	Total (d)	**(141.74)**	**(67.54)**
	Total (a + b + c + d)	**904.33**	**1,021.18**

Notes:

i) Capital Reserve of ₹11.47 Crores were created due to acquisition of 100% stake in Maru Transmission Service Company Limited and 100% stake in Aravali Transmission Service Company Limited in the financial year 2016-17.

ii) The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on changes in fair value of the designated portion of the hedging instruments that are recognised and accumulated under the heading of cash flow hedging reserve will be reclassified to profit or loss only when the hedged transaction affects the profit or loss, or included as a basis adjustment to the non-financial hedged item.

iii) During the financial year 2015-16, General reserve of ₹1,220.60 Crores was created pursuant to the demerger of transmission undertaking of Adani Enterprises Limited into the Company.

iv) Retained earnings represents the amount that can be distributed by the Company as dividends considering the requirements of the Companies Act, 2013. No dividends are distributed given the accumulated losses incurred by the Company.

Notes to Financial Statements for the year ended 31st March, 2018

22. Non Current Financial Liabilities -Borrowings

(₹ in Crores)

Secured	Non-current		Current	
	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017
Bonds				
9.10% INR Bonds (Masala Bond)	367.69	439.57	75.00	50.00
4.00% USD Bonds	3,186.24	3,162.93	-	-
Non Convertible Debentures				
9.25% Non Convertible Debentures	149.34	148.76	-	-
9.35% Non Convertible Debentures	362.60	361.60	-	-
9.45% Non Convertible Debentures	148.81	647.82	499.86	-
9.70% Non Convertible Debentures	-	-	-	250.00
9.85% Non Convertible Debentures	1,249.14	1,247.96	-	-
10.25% Non Convertible Debentures	747.50	746.83	-	-
Total	**6,211.32**	**6,755.47**	**574.86**	**300.00**
Amount disclosed under the head "Other current financial liabilities" (Refer note 27)	-	-	(574.86)	(300.00)
Net amount	**6,211.32**	**6,755.47**	**-**	**-**

Notes:

Security

The above INR Bonds (Masala Bond), USD Bonds and NCDs (Non Convertible Debentures) are secured by way of first ranking pari passu charge in favour of the Security trustee (for the benefit of the Bond/Debenture holders):

a. mortgage of land situated at Sanand.
b. hypothecation of all the assets (movable and immovable) including current assets of the Company.
c. pledge over 100% shares of Adani Transmission (India) Limited (ATIL) and Maharashtra Eastern Grid Power Transmission Company Limited (MEGPTCL), both are wholly owned subsidiaries of the Company.
d. accounts and receivables of ATIL and MEGPTCL and also the operating cash flows, book debts, loans and advances, commissions, dividends, interest income, revenues present and future of ATIL and MEGPTCL.

Terms of Repayment

(i) INR Bonds (Masala Bond) aggregating ₹450.00 Crores (31st March 2017 ₹500.00 Crores) are redeemable by quarterly structured payments from financial year 2018 to financial year 2022.
(ii) USD Bonds aggregating ₹3,258.75 Crores (31st March, 2017 - ₹3,242.50 Crores) are redeemable by bullet payment in financial year 2026.
(iii) INR NCDs (Non Convertible Debentures) aggregating to ₹3,165.00 Crores, (31st March, 2017 - ₹3,415.00 Crores) are redeemable at different maturities from financial year 2018 to financial year 2022.

23. Non Current Financial Liabilities - Others

(₹ in Crores)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Derivative instruments designated in hedge accounting relationship	279.03	246.36
Total	**279.03**	**246.36**

Notes to Financial Statements for the year ended 31st March, 2018

24. Provisions

(₹ in Crores)

Particulars	Non-current		Current	
	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017
Provision for Employee Benefits (Refer Note 42)	0.20	0.21	0.10	0.29
Total	**0.20**	**0.21**	**0.10**	**0.29**

25. Current Financial Liabilities - Borrowings

(₹ in Crores)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Unsecured Borrowings		
From Related Party (Refer Note 48)	319.24	177.11
Commercial Papers	691.41	743.17
Total	**1,010.65**	**920.28**

26. Trade Payables

(₹ in Crores)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Trade Payables		
- Micro and Small Enterprises (Refer Note below)	-	-
- Other than Micro and Small Enterprises	8.63	11.04
Total	**8.63**	**11.04**

There are no Micro, Small and Medium Enterprises, to whom the Company owes dues (including interest on outstanding dues), which are outstanding as at the Balance Sheet date. The above information has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

27. Current Financial Liabilities - Others

(₹ in Crores)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Current maturities of long-term borrowings (Secured) (Refer Note 22)	574.86	300.00
Interest accrued but not due on borrowings	289.61	347.03
Derivative instruments designated in hedge accounting relationship	15.97	71.58
Payable on purchase of propety, plant and equipment	0.21	0.24
Others	0.19	0.20
Total	**880.84**	**719.05**

28. Other Current Liabilities

(₹ in Crores)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Statutory liabilities	3.13	5.64
Others	0.01	0.01
Total	**3.14**	**5.65**

Notes to Financial Statements for the year ended 31st March, 2018

29. Revenue from Operations

(₹ in Crores)

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Sale of Services	19.37	53.97
Sale of Traded Goods	815.78	755.53
Other Operating Revenue	0.14	0.15
Total	**835.29**	**809.65**
Details of Sale of Traded Goods		
Agro commodities	**815.78**	**755.53**

30. Other Income

(₹ in Crores)

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Interest Income		
- Bank	10.87	8.69
- Other	760.59	786.17
Income from Mutual Funds	3.57	2.89
Sale of Scrap	-	0.71
Liabilities no longer required written back	-	0.19
Total	**775.03**	**798.65**

31. Purchase of Traded Goods

(₹ in Crores)

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Purchase of Traded Goods	815.61	755.40
Total	**815.61**	**755.40**
Details of Purchase of Traded Goods		
Agro commodities	**815.61**	**755.40**

32. Employee Benefit Expenses

(₹ in Crores)

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Salaries, Wages and Bonus	5.46	11.92
Contribution to Provident and Other Funds (Refer note 42)	0.28	0.82
Employee Welfare Expenses	0.33	0.70
Total	**6.07**	**13.44**

33. Finance costs

(₹ in Crores)

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Interest Expenses	617.05	667.87
Bank Charges & Other Borrowing Costs	6.55	20.62
Loss on Derivatives Contracts & Exchange rate difference (net)	170.56	130.25
Total	**794.16**	**818.74**

Notes to Financial Statements for the year ended 31st March, 2018

34. Other Expenses

(₹ in Crores)

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Stores and Spares	1.76	0.43
Service charges	1.91	2.88
Repairs and Maintenance - Others	0.02	0.46
Rent	0.21	0.47
Rates and Taxes	0.02	0.04
Legal & Professional Expenses	12.18	6.62
Directors' Sitting Fees	0.09	0.07
Payment to Auditors (Refer note below)	0.16	0.14
Communication Expenses	0.05	0.26
Travelling & Conveyance Expenses	0.37	1.72
Miscellaneous Expenses	2.26	2.70
Total	**19.03**	**15.79**

Payment to auditors

(₹ in Crores)

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
As auditor:		
Statutory Audit Fees	0.15	0.02
Tax Audit Fees	0.00	0.00
Others	0.01	0.12
	0.16	**0.14**

35. Income Tax

(₹ in Crores)

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Income Tax Expenses		
Current Tax :		
Current Income Tax Charge (MAT)	-	1.03
	-	**1.03**
Accounting profit / (loss) before tax	(24.63)	4.88
Income tax using the company's domestic tax rate @ 34.608%	(8.52)	1.69
Tax Effect of :		
i) Incremental depreciation / allowance allowable on assets	0.00	(0.01)
ii) Provisions disallowed	(0.16)	(0.18)
iii) Current year losses for which no Deferred Tax Asset is created	8.68	(1.50)
Tax provisions :		
Current tax for the year (MAT)	-	1.03
Income tax recognised in statement of profit and loss at effective rate **Total**	**-**	**1.03**

Unrecognised deductible temporary differences, unused tax losses and unused tax credits

Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised are attributable to the following :

(₹ in Crores)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Unused tax credits	0.80	0.80
Unused tax losses (Revenue in nature) and Unabsorbed depreciation	30.29	21.67

Notes to Financial Statements for the year ended 31st March, 2018

36. Earnings per share (EPS)

Particulars		For the year ended 31st March, 2018	For the year ended 31st March, 2017
Basic and Diluted EPS - From Total Operations			
Profit/ (Loss) after tax	(₹ in Crores)	(24.63)	3.85
Less: Distribution on Unsecured Perpetual Securities	(₹ in Crores)	(49.51)	-
Profit/ (Loss) attributable to equity shareholders	(₹ in Crores)	(74.14)	3.85
Weighted average number of equity shares outstanding during the year	No.	1,09,98,10,083	1,09,98,10,083
Nominal Value of equity share	₹	10	10
Basic and Diluted EPS	₹	**(0.67)**	**0.03**

37. Contingent liabilities and commitments :

(₹ in Crores)

Particulars	As at 31st March, 2018	As at 31st March, 2017
(i) Contingent liabilities :	-	-
(ii) Commitments :	-	-
Estimated amount of contracts remaining to be executed on capital account and not provided for		
	-	-

38 (a) The Company has acquired 100% Equity Share Capital of three SPV Companies namely, Hadoti Power Transmission Service Limited w.e.f. 11th August, 2017, Barmer Power Transmission Service Limited (BPTSL) w.e.f. 4th August, 2017 and Thar Power Transmission Service Limited (TPTSL) w.e.f. 4th August, 2017 from Rajasthan Rajya Vidyut Prasaran Nigam Limited (RVPN).

The Company has acquired 100% Equity Share Capital of two Companies, namely, Western Transco Power Limited (WTPL) and Western Transmission (Gujarat) Limited (WTGL) w.e.f. 31st October,2017 from Reliance Infrastructure Limited (R-Infra). Pursuant to the acquisitions, the figures for the current year ended 31st March, 2018 are not fully comparable with the figures of corresponding previous year.

During the year, the Company has acquired 100% equity share capital of SPV 'Fatehgarh-Bhadla Transmission Limited' (FBTL) from PFC Consulting Limited (PFCCL) w.e.f. 14th March, 2018. FBTL was formed by PFCCL to establish transmission system for ultra mega solar park in Fatehgarh district, Jaisalmer, Rajasthan. The Company has acquired it from PFCCL pursuant to tariff based competitive bidding process carried out by PFCCL. With this purchase, FBTL has become a wholly owned subsidiary of the Company.

38 (b) Company have acquired 74% Equity Shares of Maru Transmission Service Company Limited (MTSCL) and Aravali Transmission Service Company Limited (ATSCL) w.e.f. 6th October, 2016 from GMR Energy Limited. The balance 26% of Equity Shares of MTSCL & ATSCL are pledged in favour of the Company and the same will also get transferred after fulfilment of certain regulatory requirements and completion of lock-in period. As per the agreement, during the lock-in period, the Company will be the beneficial owner of all the rights and accretions in connection with the pledged shares. Accordingly, the Company has determined that it has "in-substance" ownership of the pledged shares and it has consolidated financial statements of MTSCL and ATSCL as having 100% interest.

39 During the current year 2017-18, the Company signed a binding Share Purchase Agreement (SPA) with Reliance Infrastructure Limited (R-Infra) to acquire R-Infra's integrated business of generation, transmission and distribution of power for Mumbai city, subject to regulatory and other customary approvals, which are under process. Estimated purchase consideration (comprising of base sale shares consideration and other contingent consideration) as agreed between the parties is to be decided in terms of the SPA. Pursuant to the SPA, with the support of the promoters, the Company has given a advance of ₹2,602 Crores to R-Infra's for which the Company has right to set off the same against the purchase consideration. As an approval process, MERC has scheduled public hearing on 14th June, 2018. Pending regulatory and other approvals, no impact has been given to the said acquisition in these financial statements.

Notes to Financial Statements for the year ended 31st March, 2018

40 Operating Lease

The Company's significant leasing arrangements, other than land, are in respect of office premises, taken on lease. The arrangements range between 11 months and 2 years generally and are usually renewable by mutual consent on mutually agreeable terms. Under these arrangements, generally refundable interest free deposits have been given. The Company has not entered into any material financial lease. The Company does not have any non-cancellable lease.

41 The Company has taken various derivatives to hedge its bonds and interest thereon. The outstanding position of derivative instruments are as under:

Nature	Purpose	As at 31st March, 2018		As at 31st March, 2017	
		Foreign Currency (USD in Million)	(₹in Crores)	Foreign Currency (USD in Million)	(₹in Crores)
i) Principal only swaps	Hedging of foreign currency bond principal liability	320.00	2,085.60	320.00	2,075.20
ii) Forward covers	Hedging of foreign currency bond principal liability	180.00	1,173.15	180.00	1,167.30
iii) Options	Hedging of foreign currency bond interest liability	10.00	65.18	20.00	129.70

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

42 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:

(₹ in Crores)

Particulars	As at 31st March, 2018	As at 31st March, 2017
i). Reconciliation of Opening and Closing Balances of defined benefit obligation		
Present Value of Defined Benefit Obligations at the beginning of the Year	0.65	2.10
Current Service Cost	0.05	0.12
Interest Cost	0.05	0.17
Re-measurement (or Actuarial) (gain) / loss arising from:		
- Change in demographic assumptions	-	(0.00)
- Change in financials assumptions	0.02	(0.11)
- Experience variance (i.e. Actual experience vs assumptions)	0.01	(0.06)
Acquisition Adjustment	(0.16)	(1.53)
Benefits paid	(0.25)	(0.04)
Present Value of Defined Benefit Obligations at the end of the Year	0.37	0.65
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	1.48	0.05
Investment Income	0.11	0.00

Notes to Financial Statements for the year ended 31st March, 2018

42 As per Ind AS 19 "Employee Benefits" (contd..)

(₹ in Crores)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Contributions	0.20	1.50
Benefits paid	(0.09)	(0.08)
Return on plan assets, excluding amount recognised in net interest expenses	(0.03)	(0.00)
Fair Value of Plan assets at the end of the Year	1.67	1.48
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	0.37	0.65
Fair Value of Plan assets at the end of the Year	1.67	1.48
Net Asset / (Liability) recognized in balance sheet as at the end of the year	1.30	0.82
iv). Composition of Plan Assets		
100% of Plan Assets are administered by LIC		
v). Gratuity Cost for the Year		
Current service cost	0.05	0.12
Interest cost	0.05	0.17
Expected return on plan assets	(0.11)	(0.00)
Actuarial Gain / (Loss)	0.03	0.00
Net Gratuity cost recognised in the statement of Profit and Loss	0.02	0.29
vi). Other Comprehensive Income		
Actuarial (gains) / losses		
change in demographic assumptions	-	(0.00)
change in financial assumptions	0.02	(0.11)
experience variance (i.e. Actual experiences assumptions)	0.01	(0.06)
Return on plan assets, excluding amount recognised in net interest expense	0.03	0.00
Components of defined benefit costs recognised in other comprehensive income	0.06	(0.16)
vii). Actuarial Assumptions		
Discount Rate (per annum)	7.80%	7.60%
Annual Increase in Salary Cost	8.00%	7.00%
Attrition Rate	8.00%	11.09%
Mortality Rates as given under Indian Assured Lives Mortality (2006-08) Ultimate Retirement Age 58 Years	100.00%	100.00%

viii). The Company has defined benefit plans for Gratuity to eligible employees, the contributions for which are made to Life Insurance Corporation of India who invests the funds as per Insurance Regulatory Development Authority guidelines.

ix). Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase, attrition rate 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:

(₹ in Crores)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Defined Benefit Obligation (Base)	0.37	0.65

Notes to Financial Statements for the year ended 31st March, 2018

42 As per Ind AS 19 "Employee Benefits" (contd..)

(₹ in Crores)

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%)	0.39	0.34	0.68	0.63
(% change compared to base due to sensitivity)	6.70%	-6.10%	4.50%	-4.10%
Salary Growth Rate (- / + 1%)	0.34	0.39	0.63	0.68
(% change compared to base due to sensitivity)	-6.20%	6.70%	-4.20%	4.50%
Attrition Rate (- / + 50%)	0.37	0.36	0.66	0.65
(% change compared to base due to sensitivity)	1.90%	-1.80%	0.30%	-0.50%
Mortality Rate (- / + 10%)	0.36	0.36	0.65	0.65
(% change compared to base due to sensitivity)	0.00%	0.00%	0.00%	0.00%

x). Asset Liability Matching Strategies

The Company has purchased insurance policy, which is basically a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance Company, as part of the policy rules, makes payment of all gratuity outgoes happening during the year (subject to sufficient 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).

xi). Effect of Plan on Entity's Future Cash Flows

a) Funding arrangements and Funding Policy

The Company has purchased an insurance policy to provide for payment of gratuity to the employees of the group. 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):	(₹ in Crores)
1 year	0.03
2 to 5 years	0.13
6 to 10 years	0.44
More than 10 years	0.05

xii). The Company has defined benefit plans for Gratuity to eligible employees of the group, 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 2017-18.

The actuarial liability for compensated absences (including Sick Leave) as at the year ended 31st March 2018 is ₹0.30 Crores (31st March 2017 is ₹0.50 Crores).

Notes to Financial Statements for the year ended 31st March, 2018

42 As per Ind AS 19 "Employee Benefits" (contd..)

(b) Defined Contribution Plan

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

(₹ in Crores)

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Employer's Contribution to Provident Fund	0.20	0.47
Employer's Contribution to Superannuation Fund	0.01	0.01

43. The details of loans and advances of the Company outstanding at the end of the year, in terms of regulation 53 (F) read together with para A of Schedule V of SEBI (Listing Obligation and Disclosure Regulation, 2015).

Name of the Company	Outstanding amount		Maximum amount outstanding during the year	
	As at 31st March, 2018 (₹ in Crores)	As at 31st March, 2017 (₹ in Crores)	2017-18 (₹ in Crores)	2016-17 (₹ in Crores)
Maharashtra Eastern Grid Power Transmission Company Limited	2,367.90	3,030.66	3,031.16	5,451.28
Adani Transmission (India) Limited	2,084.18	2,374.24	2,374.24	2,779.26
Sipat Transmission Limited	3.98	166.72	3.98	166.72
Raipur–Rajnandgaon–Warora Transmission Limited	11.07	214.56	15.17	232.11
Chhattisgarh–WR Transmission Limited	4.35	184.98	4.35	196.36
Aravali Transmission Service Company Limited	32.19	49.64	53.12	49.64
Adani Transmission (Rajasthan) Limited	35.78	13.29	43.61	13.29
North Karanpura Transco Limited	22.04	28.52	22.04	28.52
Maru Transmission Services Company Limited	16.13	61.04	116.04	61.04
Hadoti Power Transmission Service Limited	3.05	-	9.81	-
Barmer Power Transmission Service Limited	12.34	-	18.30	-
Thar Power Transmission Service Limited	13.41	-	18.69	-
Western Transco Power Limited	61.74	-	141.50	-
Western Transmission (Gujarat) Limited	5.79	-	189.00	-
	4,673.95	**6,123.65**		

Notes to Financial Statements for the year ended 31st March, 2018

44 Financial Instruments and Risk Overview

(a) Capital Management

The Company's objectives when managing capital is to safeguard continuity and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth. The Company's overall strategy remains unchanged from previous year.

The Company sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments.

The funding requirements are met through a mixture of equity, internal fund generation, borrowings. The Company's policy is to use borrowings to meet anticipated funding requirements. The Company monitors capital on the basis of the net debt to equity ratio.

(₹ in Crores)

Particulars	31st March, 2018	31st March, 2017
Total Borrowings	7,796.83	7,975.75
Less: Cash and bank balances	519.45	338.03
Less: Current Investments	-	54.75
Net Debt(A)	7,277.38	7,582.97
Total Equity (B)	3,852.77	2,120.99
Gearing Ratio : (A)/(B)	1.89	3.58

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

Notes to Financial Statements for the year ended 31st March, 2018

(b) Financial Risk Management Objectives

The Company's principal financial liabilities comprise borrowings, trade and other payables, The main purpose of these financial liabilities is to finance the Company's operations/projects .The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

In the ordinary course of business, the Company is mainly exposed to risks resulting from exchange rate fluctuation (currency risk), interest rate movements (interest rate risk) collectively referred as Market Risk, Credit Risk, Liquidity Risk and other price risks such as equity price risk. The Company's senior management oversees the management of these risks. It manages its exposure to these risks through derivative financial instruments by hedging transactions. It uses derivative instruments such as Principal only Swaps, Interest rate swaps, foreign currency future options and foreign currency forward contract to manage these risks. These derivative instruments reduce the impact of both favorable and unfavorable fluctuations. The Company's risk management activities are subject to the management, direction and control of Central Treasury Team of the Group under the framework of Risk Management Policy for Currency and Interest rate risk as approved by the Board of Directors of the Company. The Group's central treasury team ensures appropriate financial risk governance framework for the Company through appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. It is the Group's policy that no trading in derivatives for speculative purposes may be undertaken.

The decision of whether and when to execute derivative financial instruments along with its tenure can vary from period to period depending on market conditions and the relative costs of the instruments. The tenure is linked to the timing of the underlying exposure, with the connection between the two being regularly monitored. The Company is exposed to losses in the event of non-performance by the counterparties to the derivative contracts. All derivative contracts are executed with counterparties that, in our judgment, are creditworthy. The outstanding derivatives are reviewed periodically to ensure that there is no inappropriate concentration of outstanding to any particular counterparty.

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

Market risk

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

1) Interest rate risk

The company is exposed to changes in market interest rates due to financing, investing and cash management activities. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates and period of borrowings. However, during the year and as at period end the Company does not have any borrowings with floating interest rates. Hence, the company is not exposed to any interest rate risk.

2) 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. Accordingly, as at period end the Company does not have any unhedged outstanding foreign exposure and hence the Company is not exposed to any foreign currency risk as at period end.

Notes to Financial Statements for the year ended 31st March, 2018

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a loss to the company. The Company has adopted the policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial losses from default, and generally does not obtain any collateral or other security on trade receivables.

The carrying amount of financial assets recorded in the financial statements represents the Company's maximum exposure to credit risk.

Liquidity risk

The Company monitors its risk of shortage of funds using cash flow forecasting models. These models consider the maturity of its financial investments, committed funding and projected cash flows from operations. The Company's objective is to provide financial resources to meet its business objectives in a timely, cost effective and reliable manner and to manage its capital structure. A balance between continuity of funding and flexibility is maintained through the use of various types of borrowings.

The table below analysis derivative and non-derivative financial liabilities of the Company into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

(₹ in Crores)

As at 31st March, 2018	Less than 1 year	1-5 years	More than 5 years	Total
Borrowings (Including current maturities)	1,585.51	3,025.08	3,186.24	7,796.83
Trade Payables	8.63	-	-	8.63
Derivative Liabilities	15.97	-	279.03	295.00
Other Financial Liabilities	290.01	-	-	290.01

(₹ in Crores)

As at 31st March, 2017	Less than 1 year	1-5 years	More than 5 years	Total
Borrowings (Including current maturities)	1,220.28	3,592.54	3,162.93	7,975.75
Trade Payables	11.04	-	-	11.04
Derivative Liabilities	71.58	-	246.36	317.94
Other Financial Liabilities	347.47	-	-	347.47

45 Amendments to Ind AS 7 Statement of Cash Flows: Disclosure Initiative

The amendments require entities to provide disclosure of changes in their liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes (such as foreign exchange gains or losses). The Company has provided the information for current period.

Changes in liabilities arising from financing activities

(₹ in Crores)

Particulars	1st April, 2017	Cash Flows	Foreign Exchange Management	Other	31st March, 2018
Long-term Borrowings (Including Current Maturities of Long Term Debt)	7157.50	(300.00)	16.25	-	6873.75
Short term Borrowings	937.11	82.13	-	-	1019.24
Unsecured Perpetual securities	-	1849.51	-	(0.88)	1848.63
Distribution on Unsecured Perpetual Securities	-	(49.51)	-	-	(49.51)
Interest accrued but not due on borrowings	347.03	(878.21)	-	820.79	289.61
TOTAL	**8441.64**	**703.92**	**16.25**	**819.91**	**9981.72**

Notes to Financial Statements for the year ended 31st March, 2018

46 Fair Value Measurement

The carrying value of financial instruments by categories as on 31st March, 2018:

(₹ in Crores)

Particulars	Fair Value through Other Comprehensive Income	Fair Value through Profit or Loss	Amortised Cost	Total
Financial Assets				
Investments in unquoted equity shares of Subsidiaries	-	-	3,782.69	3,782.69
Trade Receivables	-	-	29.34	29.34
Cash and Cash Equivalents	-	-	508.42	508.42
Bank Balances other than Cash and Cash Equivalents	-	-	11.03	11.03
Loans	-	-	4,678.57	4,678.57
Derivatives instruments	(0.07)	0.17	-	0.10
Other Financial Assets	-	-	615.18	615.18
Total	**(0.07)**	**0.17**	**9,625.23**	**9,625.33**
Financial Liabilities				
Borrowings (Including current maturities)	-	-	7,796.83	7,796.83
Trade Payables	-	-	8.63	8.63
Derivatives instruments	186.07	108.93	-	295.00
Other Financial Liabilities	-	-	290.01	290.01
Total	**186.07**	**108.93**	**8,095.47**	**8,390.47**

The carrying value of financial instruments by categories as on 31st March, 2017:

(₹ in Crores)

Particulars	Fair Value through Other Comprehensive Income	Fair Value through Profit or Loss	Amortised Cost	Total
Financial Assets				
Investments in unquoted equity shares of Subsidiaries	-	-	3,759.95	3,759.95
Investments in Mutual Funds	-	54.75	-	54.75
Trade Receivables	-	-	111.05	111.05
Cash and Cash Equivalents	-	-	1.94	1.94
Bank Balances other than Cash and Cash Equivalents	-	-	336.09	336.09
Loans	-	-	6,123.68	6,123.68
Other Financial Assets	-	-	376.89	376.89
Total	**-**	**54.75**	**10,709.60**	**10,764.35**
Financial Liabilities				
Borrowings (Including current maturities)	-	-	7,975.75	7,975.75
Trade Payables	-	-	11.04	11.04
Derivatives instruments	143.35	174.59	-	317.94
Other Financial Liabilities	-	-	347.47	347.47
Total	**143.35**	**174.59**	**8,334.26**	**8,652.20**

Notes to Financial Statements for the year ended 31st March, 2018

47. Fair Value hierarchy

(₹ in Crores)

Particulars	As at 31st March, 2018	As at 31st March, 2017
	Level 2	Level 2
Assets		
Investments in unquoted Mutual Funds measured at FVTPL	-	54.75
Loans	-	-
Derivative Instruments	0.10	-
Total	0.10	54.75
Liabilities		
Derivative Instruments	295.00	317.94
Total	295.00	317.94

48. Related party disclosures :

As per Ind As 24. Disclosure of transaction with related parties are given below:

> Ultimate Holding Entity	S. B. Adani Family Trust (SBAFT)
> Subsidiary Company	Adani Transmission (India) Limited Maharashtra Eastern Grid Power Transmission Company Limited Sipat Transmission Limited Raipur – Rajnandgaon – Warora Transmission Limited Chhattisgarh – WR Transmission Limited Adani Transmission (Rajasthan) Limited North Karanpura Transco Limited Maru Transmission Services Company Limited Aravali Transmission Services Company Limited Hadoti Power Transmission Service Limited.(w.e.f. 11th August, 2017) Barmer Power Transmission Service Limited.(w.e.f. 4th August, 2017) Thar Power Transmission Service Limited.(w.e.f. 4th August, 2017) Western Transco Power Limited.(w.e.f. 31st October, 2017) Western Transmission (Gujarat) Limited.(w.e.f. 31st October, 2017) Fatehgarh-Bhadla Transmission Limited (w.e.f. 14th March, 2018)
> Key Managerial Persons	Mr. Gautam S. Adani, Chairman Mr. Laxmi Narayana Mishra, Whole-time Director (w.e.f. 4th April, 2017 & Resigned w.e.f. 2nd May, 2018) Mr. Kaushal Shah, Chief Financial Officer Mr. Jaladhi Shukla, Company Secretary Mr. Deepak Bhargava, Whole Time Director (Resigned w.e.f. 31st March, 2017) Mr. Anil Sardana, Managing Director and Chief Executive Officer (w.e.f.10th May, 2018)
>Entities under Common Control	Adani Agri Fresh Limited Adani Enterprises Limited Adani Green Energy Limited Adani Infra (India) Limited Adani Power (Mundra) Limited Adani Power Maharashtra Limited Adani Power Rajasthan Limited Adani Wilmar Limited Adani Infrastructure Management Services Limited Adani Institute of Infrastructure Management Belvedere Golf and Country Club Private Limited Adani Township & Real Estate Company Private Limited

Notes to Financial Statements for the year ended 31st March, 2018

48 Related party disclosures : (contd..)

(₹ in Crores)

Nature of Transaction	Name of Related Party	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Services Provided	Maharashtra Eastern Grid Power Transmission Company Limited	14.49	49.13
	Adani Transmission (India) Limited	1.45	4.35
	Adani Infrastructure Management Services Limited	0.32	-
	Western Transco Power Limited	2.59	-
	Western Transmission (Gujarat) Limited	0.52	-
Sale of Goods	Adani Wilmar Limited	109.77	494.04
	Chhattisgarh–WR Transmission Limited	0.15	-
Purchase of Goods	Adani Wilmar Limited	677.36	-
Interest income	Maharashtra Eastern Grid Power Transmission Company Limited	365.28	434.35
	Adani Transmission (India) Limited	286.72	294.68
	Sipat Transmission Limited	0.11	12.74
	Raipur–Rajnandgaon–Warora Transmission Limited	0.40	20.28
	Chhattisgarh–WR Transmission Limited	0.07	16.10
	Adani Transmission (Rajasthan) Limited	3.14	0.42
	North Karanpura Transco Limited	0.58	0.94
	Aravali Transmission Service Company Limited	4.75	2.65
	Maru Transmission Services Company Limited	5.81	3.26
	Hadoti Power Transmission Service Limited	0.18	-
	Barmer Power Transmission Service Limited	0.41	-
	Thar Power Transmission Service Limited	0.42	-
	Western Transco Power Limited	4.75	-
	Western Transmission (Gujarat) Limited	5.15	-
Interest expenses	Adani Agri Fresh Limited	-	8.60
	Adani Infra (India) Limited	32.68	48.81
Interest on Fair Value of CCPS	Western Transco Power Limited	0.09	-
	Western Transmission (Gujarat) Limited	0.06	-
Distribution on Unsecured Perpetual Securities	Adani Infra (India) Limited	49.51	-
Reimbursement of the expenses	Adani Institute of Infrastructure Management	0.01	-
Business promotion expenses	Belvedere Golf and Country Club Private Limited	0.00	-
	Adani Township & Real Estate Company Private Limited	0.00	-

Notes to Financial Statements for the year ended 31st March, 2018

48. Related party disclosures : (contd..)

Loan Given	Maharashtra Eastern Grid Power Transmission Company Limited	46.43	1,106.70
	Adani Transmission (India) Limited	243.82	2,653.49
	Sipat Transmission Limited	3.98	121.78
	Raipur–Rajnandgaon–Warora Transmission Limited	15.17	151.93
	Chhattisgarh–WR Transmission Limited	4.35	135.53
	Adani Transmission (Rajasthan) Limited	33.00	23.84
	North Karanpura Transco Limited	22.04	38.72
	Aravali Transmission Service Company Limited	10.23	49.64
	Maru Transmission Services Company Limited	63.32	61.04
	Hadoti Power Transmission Service Limited	12.00	-
	Barmer Power Transmission Service Limited	20.29	-
	Thar Power Transmission Service Limited	20.36	-
	Western Transco Power Limited	150.59	-
	Western Transmission (Gujarat) Limited	196.39	-
Loan received back	Adani Transmission (India) Limited	533.88	1,065.21
	Chhattisgarh–WR Transmission Limited	14.00	28.59
	Maharashtra Eastern Grid Power Transmission Company Limited	709.19	801.67
	Adani Transmission (Rajasthan) Limited	10.50	10.55
	North Karanpura Transco Limited	0.00	10.20
	Raipur-Rajnandgaon-Warora Transmission Limited	51.05	41.30
	Sipat Transmission Limited	43.95	1.42
	Aravali Transmission Service Company Limited	27.69	-
	Maru Transmission Services Company Limited	108.23	-
	Barmer Power Transmission Service Limited	7.95	-
	Hadoti Power Transmission Service Limited	8.95	-
	Thar Power Transmission Service Limited	6.95	-
	Western Transco Power Limited	88.85	-
	Western Transmission (Gujarat) Limited	190.60	-
Compulsorily Convertible Debentures issued	Sipat Transmission Limited	131.62	-
	Raipur-Rajnandgaon-Warora Transmission Limited	259.11	-
	North Karanpura Transco Limited	31.57	-
	Chhattisgarh–WR Transmission Limited	185.72	-
	Hadoti Power Transmission Service Limited	18.34	-
	Barmer Power Transmission Service Limited	9.08	-
	Thar Power Transmission Service Limited	4.19	-
Unsecured perpetual securities issued	Adani Infra (India) Limited	1,848.63	-
Loan taken	Adani Infra (India) Limited	778.73	892.04
Loan repaid	Adani Agri Fresh Limited	-	235.40
	Adani Infra (India) Limited	636.60	1,030.15

Notes to Financial Statements for the year ended 31st March, 2018

48. Related party disclosures : (contd..)

(₹ in Crores)

Nature of Transaction	Name of Related Party	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Purchase/Subscription of Investment	Adani Transmission (Rajasthan) Limited	2.50	2.45
	Aravali Transmission Service Company Limited	-	5.23
	Chhattisgarh-WR Transmission Limited	42.00	19.95
	Maru Transmission Services Company Limited	-	8.94
	North Karanpura Transco Limited	-	0.05
	Raipur-Rajnandgaon-Warora Transmission Limited	51.05	40.00
	Barmer Power Transmission Service Limited	7.00	-
	Hadoti Power Transmission Service Limited	7.00	-
	Sipat Transmission Limited	43.95	-
	Thar Power Transmission Service Limited	6.00	-
	Western Transco Power Limited	11.84	-
	Western Transmission (Gujarat) Limited	13.01	-
	Fatehgarh-Bhadla Transmission Limited	0.01	-
Share Application Money	Hadoti Power Transmission Service Limited	2.00	-
	Barmer Power Transmission Service Limited	1.00	-
	Thar Power Transmission Service Limited	1.00	-
Remuneration	Mr. Deepak Bhargava	-	1.83
	Mr. Laxmi Narayana Mishra*	1.00	NA
	Mr. Kaushal Shah	1.15	1.00
Redemption of Redeemable Preference Shares	Adani Transmission (India) Limited	668.47	-
	Maharashtra Eastern Grid Power Transmission Company Limited	132.78	-
Employee Balance transfer	Adani Power Limited	-	0.14
	Adani Power Maharashtra Limited	-	0.06
	Adani Enterprises Limited	-	0.03
	Maharashtra Eastern Grid Power Transmission Company Limited	0.29	2.16
	Chhattisgarh-WR Transmission Limited	-	0.00
	Adani Infra (India) Limited	-	0.23
	Adani Infrastructure Management Services Limited	0.01	-
	Adani Power (Mundra) Limited	0.04	-
	Adani Power Rajasthan Limited	-	0.02
	Adani Transmission (India) Limited	-	1.28
	Adani Green Energy Limited	-	0.06

* Received Salary from Maharashtra Eastern Grid Power Transmission Company Limited (MEGPTCL) in the capacity as an employee of MEGPTCL.

Notes to Financial Statements for the year ended 31st March, 2018

48. Related party disclosures : (contd..)

(₹ in Crores)

Closing Balance	Name of Related Party	As at 31st March, 2018	As at 31st March, 2017
Loans Payable	Adani Infra (India) Limited	319.24	177.11
Loans Receivable	Maharashtra Eastern Grid Power Transmission Company Limited	2,367.90	3,030.66
	Adani Transmission (India) Limited	2,084.18	2,374.24
	Sipat Transmission Limited	3.98	166.72
	Raipur–Rajnandgaon–Warora Transmission Limited	11.07	214.56
	Chhattisgarh–WR Transmission Limited	4.35	184.98
	Aravali Transmission Service Company Limited	32.19	49.64
	Adani Transmission (Rajasthan) Limited	35.78	13.29
	North Karanpura Transco Limited	22.04	28.52
	Maru Transmission Services Company Limited	16.13	61.04
	Hadoti Power Transmission Service Limited	3.05	-
	Barmer Power Transmission Service Limited	12.34	-
	Thar Power Transmission Service Limited	13.41	-
	Western Transco Power Limited	61.74	-
	Western Transmission (Gujarat) Limited	5.79	-
Interest Accrued but Not Due	Adani Infra (India) Limited	25.39	65.05
Interest Receivable	Sipat Transmission Limited	12.84	12.74
	Raipur–Rajnandgaon–Warora Transmission Limited	20.67	20.27
	Chhattisgarh–WR Transmission Limited	16.17	16.10
	Adani Transmission (India) Limited	64.97	175.50
	Maharashtra Eastern Grid Power Transmission Company Limited	366.63	141.93
	Aravali Transmission Service Company Limited	7.13	2.38
	Adani Transmission (Rajasthan) Limited	3.53	0.42
	North Karanpura Transco Limited	1.49	0.92
	Maru Transmission Services Company Limited	8.72	2.93
	Hadoti Power Transmission Service Limited	0.16	-
	Barmer Power Transmission Service Limited	0.36	-
	Thar Power Transmission Service Limited	0.38	-
	Western Transco Power Limited	4.27	-
	Western Transmission (Gujarat) Limited	4.64	-
Account Payable	Maharashtra Eastern Grid Power Transmission Company Limited	2.29	2.21
	Adani Transmission (India) Limited	1.29	1.30
	Adani Green Energy Limited	-	0.06
	Adani Power Maharashtra Limited	-	0.06

Notes to Financial Statements for the year ended 31st March, 2018

48. Related party disclosures : (contd..)

(₹ in Crores)

Closing Balance	Name of Related Party	As at 31st March, 2018	As at 31st March, 2017
Accounts Receivable	Adani Transmission (India) Limited	8.77	36.22
	Maharashtra Eastern Grid Power Transmission Company Limited	7.22	41.98
	Adani Enterprises Limited	0.01	0.03
	Adani Infra (India) Limited	-	0.23
	Adani Power Limited	-	0.13
	Adani Power Rajasthan Limited	-	0.02
	Adani Infrastructure Management Services Limited.	0.38	-
	Adani Power (Mundra) Limited	0.04	-
	Western Transco Power Limited	2.80	-
	Western Transmission (Gujarat) Limited	0.56	-
	Fatehgarh-Bhadla Transmission Limited	8.34	-
Share Application pending allotment	Hadoti Power Transmission Service Limited	2.00	-
	Barmer Power Transmission Service Limited	1.00	-
	Thar Power Transmission Service Limited	1.00	-
Unsecured Perpetual Securities	Adani Infra (India) Limited	1,848.63	-

(Transaction below ₹50,000 denoted as ₹0.00)

49. Other Disclosures

(i) Previous year figures are regrouped / reclassified wherever necessary to correspond with the current years classification / disclosure.

(ii) The Financial Statements for the year ended 31st March, 2018 have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on 10th May, 2018.

As per our attached report of even date

For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm Registration Number : 117366W/W-100018

GAURAV J. SHAH
Partner
Membership No.35701

Place : Ahmedabad
Date : 10th May, 2018

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

GAUTAM S. ADANI
Chairman
DIN : 00006273

KAUSHAL SHAH
Chief Financial Officer

ANIL SARDANA
Managing Director and
Chief Executive Officer
DIN: 00006867

JALADHI SHUKLA
Company Secretary

Place : Ahmedabad
Date : 10th May, 2018

Independent Auditor's Report

To The Members Of Adani Transmission Limited

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of Adani Transmission Limited (hereinafter referred to as "the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), comprising the Consolidated Balance Sheet as at March 31, 2018, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement, the Consolidated Statement of Changes in Equity, for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Parent's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Parent, as aforesaid.

Auditor's Responsibility

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

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

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

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below is sufficient and appropriate to

provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of the other auditors on separate financial statements of the subsidiaries referred to below in the Other Matters paragraph, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Ind AS and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2018, and their consolidated profit, consolidated total comprehensive income, their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

Other Matters

(a) We did not audit the financial statements of 12 subsidiaries, whose financial statements reflect total assets of ₹ 4,167.69 Crores as at March 31, 2018, total revenues of ₹ 225.14 Crores and net cash inflows amounting to ₹ 48.45 Crores for the year ended on that date, as considered in the consolidated Ind AS financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

(b) We did not audit the financial statements of 1 subsidiary, whose financial statements reflect total assets of ₹ 8.39 Crores as at March 31, 2018, total revenues of ₹ Nil and net cash inflows amounting to ₹ 0.07 Crores for the year ended on that date, as considered in the consolidated Ind AS financial statements. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, this financial statements are not material to the Group.

Our opinion on the consolidated Ind AS financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on consideration of the report of other auditors on separate financial statements and the other financial information of subsidiaries incorporated in India, referred in the Other Matters paragraph above we report, to the extent applicable, that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.

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

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

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

(e) On the basis of the written representations received from the directors of the Parent as on March 31, 2018 taken on record by the Board of Directors of the Parent and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies, is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate

Report in "Annexure A", which is based on the auditors' reports of the Parent, and subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies, for the reasons stated therein.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group.

ii. Provision has been made in the consolidated Ind AS financial statements, as required under the applicable law or Indian accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Parent and its subsidiary companies incorporated in India.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

(Gaurav J. Shah)
(Partner)
(Membership No. 35701)

Place: Ahmedabad
Date: May 10, 2018

Annexure "A" to the Independent Auditor's Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2018, we have audited the internal financial controls over financial reporting of Adani Transmission Limited (hereinafter referred to as "Parent") and its subsidiary companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained and the audit evidence obtained by other auditors of the subsidiary companies, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of Parent and its subsidiary companies, which are companies incorporated in India.

Meaning of Internal Financial Controls Over Financial Reporting

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

recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of other auditors referred to in the Other Matters paragraph below, Parent and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the criteria for internal financial control over financial reporting established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to 12 subsidiary companies, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matter.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

(Gaurav J. Shah)
(Partner)
(Membership No. 35701)

Place: Ahmedabad
Date: May 10, 2018

Consolidated Balance Sheet

as at 31st March 2018

(₹ in Crores)

Particulars	Note	As at 31st March, 2018	As at 31st March, 2017
ASSETS			
Non-current assets			
Property, Plant and Equipment	5.1	8,970.46	9,532.61
Capital Work-in-Progress	5.2	2,352.79	1,342.64
Goodwill		320.56	320.34
Other Intangible Assets	5.1	0.22	0.28
Financial Assets			
(i) Other Financial Assets	6	1,124.15	9.02
Income Tax Assets (Net)	7	19.40	22.95
Other Non-current Assets	8	2,728.21	206.24
Total Non-current Assets		**15,515.79**	**11,434.08**
Current Assets			
Inventories	9	35.34	38.66
Financial Assets			
(i) Investments	10	-	105.00
(ii) Trade Receivables	11	257.83	189.56
(iii) Cash and Cash Equivalents	12	609.09	13.36
(iv) Bank Balances other than (iii) above	13	56.40	379.82
(v) Loans	14	0.11	0.17
(vi) Other Financial Assets	15	761.21	632.32
Other Current Assets	16	29.69	18.09
Total Current Assets		**1,749.67**	**1,376.98**
Total Assets		**17,265.46**	**12,811.06**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	17	1,099.81	1,099.81
Unsecured Perpetual Securities	18	1,848.63	-
Other Equity	19	3,108.05	1,846.72
Total Equity		**6,056.49**	**2,946.53**
Liabilities			
Non-current Liabilities			
Financial Liabilities			
(i) Borrowings	20	8,594.56	7,729.08
(ii) Other Financial Liabilities	21	281.64	246.65
Provisions	22	3.55	4.62
Deferred Tax Liabilities (Net)	23	1.23	-
Total Non-current Liabilities		**8,880.98**	**7,980.35**
Current Liabilities			
Financial Liabilities			
(i) Borrowings	24	1,010.65	931.28
(ii) Trade Payables	25	39.49	27.15
(iii) Other Financial Liabilities	26	1,259.14	910.13
Other Current Liabilities	27	13.29	13.29
Provisions	22	1.34	2.33
Current Tax Liabilities	28	4.08	-
Total Current Liabilities		**2,327.99**	**1,884.18**
Total Equity and Liabilities		**17,265.46**	**12,811.06**

See accompanying notes forms part of the consolidated financial statements

As per our attached report of even date

For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm Registration Number : 117366W/W-100018

GAURAV J. SHAH
Partner
Membership No.35701

Place : Ahmedabad
Date : 10th May, 2018

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

GAUTAM S. ADANI
Chairman
DIN : 00006273

KAUSHAL SHAH
Chief Financial Officer

ANIL SARDANA
Managing Director and
Chief Executive Officer
DIN : 00006867

JALADHI SHUKLA
Company Secretary

Place : Ahmedabad
Date : 10th May, 2018

Consolidated Statement of Profit and Loss

for the year ended 31st March 2018

(₹ in Crores)

Particulars	Note	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Income			
Revenue from Operations	29	3,944.48	2,875.71
Other Income	30	110.71	22.10
Total Income		**4,055.19**	**2,897.81**
Expenses			
Purchase of Traded Goods	31	815.61	755.40
Employee Benefit Expenses	32	42.25	45.91
Finance Costs	33	885.63	904.01
Depreciation and Amortisation Expense	5.1	579.41	569.25
Other Expenses	34	260.61	91.31
Total Expenses		**2,583.51**	**2,365.88**
Profit Before tax		**1,471.68**	**531.93**
Tax Expense:			
Current Tax	35	327.51	115.50
Deferred Tax	23	494.24	144.81
Less : Deferred Assets for Deferred Tax Liabilities		(493.01)	(144.81)
		328.74	**115.50**
Profit After Tax	**Total A**	**1,142.94**	**416.43**
Other Comprehensive Income			
(a) Items that will not be reclassified to Profit or Loss			
- Remeasurement of Defined Benefit Plans [(Tax- ₹ Nil (Previous year- ₹ Nil)]		0.31	0.75
(b) Items that may be reclassified to Profit or Loss			
- Effective portion of gains and losses on designated portion of hedging instruments in a cash flow hedge [(Tax- ₹ Nil (Previous year- ₹ Nil)]		(25.91)	(157.83)
Other Comprehensive Income for the year (Net of Tax)	**Total B**	**(25.60)**	**(157.08)**
Total Comprehensive Income for the year	**Total (A+B)**	**1,117.34**	**259.35**
Profit for the year attributable to			
Owners of the Company		1,142.94	416.43
Non-controlling interests		-	-
		1,142.94	**416.43**
Total Comprehensive Income for the year attributable to			
Owners of the Company		1,117.34	259.35
Non-controlling interests		-	-
		1,117.34	**259.35**
Earnings Per Share (EPS) (in ₹)			
(Face Value ₹10 Per Share)			
Basic & Diluted Earnings Per Share	36	9.94	3.79

See accompanying notes forms part of the consolidated financial statements

As per our attached report of even date

For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm Registration Number : 117366W/W-100018

GAURAV J. SHAH
Partner
Membership No.35701

Place : Ahmedabad
Date : 10th May, 2018

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

GAUTAM S. ADANI
Chairman
DIN : 00006273

KAUSHAL SHAH
Chief Financial Officer

ANIL SARDANA
Managing Director and
Chief Executive Officer
DIN : 00006867

JALADHI SHUKLA
Company Secretary

Place : Ahmedabad
Date : 10th May, 2018

Statement of Consolidated Cash Flow

for the year ended 31st March 2018

(₹ in Crores)

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
A. Cash flow from operating activities		
Profit Before Tax	1,471.68	531.93
Adjustments for:		
Depreciation and Amortisation Expense	579.41	569.25
Income from Mutual Funds	(12.00)	(8.70)
Finance Costs	885.63	904.01
Liabilities no longer required written back	-	(0.34)
Interest Income	(96.83)	(11.83)
Operating profit before working capital changes	**2,827.89**	**1,984.32**
Changes in Working Capital:		
(Increase) / Decrease in Operating Assets :		
Employee Loans, Other Financial Assets and Other Assets	49.40	376.62
Inventories	3.32	(14.79)
Trade Receivables	(25.40)	9.05
Increase / (Decrease) in Operating Liabilities :		
Trade Payables	12.34	3.77
Other Financial Liabilities, Other Liabilities and Provision	(350.24)	3.83
Cash generated from operations	**2,517.31**	**2,362.80**
Tax paid (net)	(319.88)	(174.05)
Net cash from operating activities (A)	**2,197.43**	**2,188.75**
B. Cash flow from investing activities		
Payment of Capital expenditure on Property, Plant and Equipment, including Capital Advance and Capital Work in Progress	(961.40)	(1,359.87)
Acquisition of Subsidaries	(25.01)	(89.52)
Advance for Business Acquisition	(2,602.00)	-
Net (Purchase) / proceeds in / from Mutual Funds	117.00	(76.48)
Bank deposits / Margin money withdrawn / (placed)(net)	355.27	(237.56)
Investment in Service Concession Arrangements	(109.50)	(6.40)
Interest Received	15.10	9.05
Net cash flow used in investing activities (B)	**(3,210.54)**	**(1,760.78)**

Statement of Consolidated Cash Flow

for the year ended 31st March 2018

(₹ in Crores)

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
C. Cash flow from financing activities		
Proceeds from Long-term borrowings	2,714.83	8,471.43
Repayment of Long-term borrowings	(2,045.39)	(6,273.06)
Proceeds from Short-term borrowings	3,262.73	5,370.32
Repayment of Short-term borrowings	(3,191.60)	(7,309.91)
Distribution on Unsecured Perpetual Securities	(49.51)	-
Proceeds from issue of Unsecured Perpetual Securities	1,849.51	-
Finance cost	(950.51)	(713.31)
Net cash from / (used in) financing activities (C)	**1,590.06**	**(454.53)**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	**576.95**	**(26.56)**
Cash and cash equivalents at the beginning of the year	**13.36**	**9.12**
Cash and cash equivalents received on account of acquisition of transmission business	18.78	30.80
Cash and cash equivalents at the end of the year (Refer note 12)	**609.09**	**13.36**

1 The Consolidated Cash Flow Statement has been prepared under the Indirect method as set out in Ind AS 7 "Cash Flow Statements".

2 Disclosure under Para 44A as set out in Ind AS 7 on cash flow statements under Companies (Indian Accounting Standards) Rules, 2017 (as amended) is given as per note 44.

3 Previous year's figures have been regrouped wherever necessary, to conform to this year's classification.

See accompanying notes forms part of the consolidated financial statements

As per our attached report of even date

For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm Registration Number : 117366W/W-100018

GAURAV J. SHAH
Partner
Membership No.35701

Place : Ahmedabad
Date : 10th May, 2018

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

GAUTAM S. ADANI
Chairman
DIN : 00006273

KAUSHAL SHAH
Chief Financial Officer

ANIL SARDANA
Managing Director and
Chief Executive Officer
DIN : 00006867

JALADHI SHUKLA
Company Secretary

Place : Ahmedabad
Date : 10th May, 2018

Consolidated Statement of Changes in Equity

for the year ended 31st March 2018

A. Equity Share Capital

Particulars	No. Shares	(₹ in Crores)
Balance as at 1st April, 2016	**1,09,98,10,083**	**1,099.81**
i) Issue of shares during the year	-	-
Balance as at 31st March, 2017	**1,09,98,10,083**	**1,099.81**
i) Issue of shares during the year	-	-
Balance as at 31st March, 2018	**1,09,98,10,083**	**1,099.81**

B. Other Equity

For the year ended 31st March, 2017

(₹ in Crores)

Particulars	Reserves and Surplus				Item of other comprehensive income	Total
	Capital Reserve	General Reserve	Retained Earnings	Capital Redemption Reserve	Effective portion of cashflow Hedge	
Balance as at 1st April, 2016	-	1,220.60	351.40	-	-	1,572.00
Profit for the year	-	-	416.43	-	-	416.43
Other Comprehensive Income for the year (Net of Tax)	-	-	0.75	-	(157.83)	(157.08)
On Account of Acquisition	15.37	-	-	-	-	15.37
Balance as at 31st March, 2017	**15.37**	**1,220.60**	**768.58**	**-**	**(157.83)**	**1,846.72**

Consolidated Statement of Changes in Equity

for the year ended 31st March 2018

For the year ended 31st March, 2018

(₹ in Crores)

Particulars	Reserves and Surplus				Item of other comprehensive income	Total
	Capital Reserve	General Reserve	Retained Earnings	Capital Redemption Reserve	Effective portion of cashflow Hedge	
Balance as at 1st April, 2017	15.37	1,220.60	768.58	-	(157.83)	1,846.72
Profit for the year	-	-	1,142.94	-	-	1,142.94
Other comprehensive income for the year (Net of Tax)	-	-	0.31	-	(25.91)	(25.60)
Distribution on Unsecured Perpetual Securities	-	-	(49.51)	-	-	(49.51)
Transfer to Capital Redemption Reserve (CRR) on redemption of Optionally Convertible Redeemable Preference Shares	-	-	(801.25)	-	-	(801.25)
Transfer from Retained Earning on redemption of Optionally Convertible Redeemable Preference Shares	-	-	-	801.25	-	801.25
Additional Capital Reserve During the year	193.50	-	-	-	-	193.50
Balance as at 31st March, 2018	**208.87**	**1,220.60**	**1,061.07**	**801.25**	**(183.74)**	**3,108.05**

See accompanying notes forms part of the consolidated financial statements

As per our attached report of even date

For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm Registration Number : 117366W/W-100018

GAURAV J. SHAH
Partner
Membership No.35701

Place : Ahmedabad
Date : 10th May, 2018

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

GAUTAM S. ADANI
Chairman
DIN : 00006273

KAUSHAL SHAH
Chief Financial Officer

ANIL SARDANA
Managing Director and
Chief Executive Officer
DIN : 00006867

JALADHI SHUKLA
Company Secretary

Place : Ahmedabad
Date : 10th May, 2018

Notes to Consolidated Financial Statements

for the year ended 31st March 2018

1 Corporate information

Adani Transmission Limited ("The Company") is a public limited company incorporated and domiciled in India. It's ultimate holding/controlling entity is S. B. Adani Family Trust (SBAFT), having its registered office at Adani House, Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad 380 009, Gujarat, India. The Company and its fifteen subsidiaries (together referred to as "the Group") is incorporated to carry on the business of establishing, commissioning, setting up, operating and maintaining electric power transmission systems and to acquire in any manner power transmission systems/networks. The Group is providing transmission service in India spreading in Gujarat, Rajasthan, Maharahstra and Haryana. The group is also developing additional projects in India spreading in Rajasthan, Maharahstra,Chhatishgarh, Jharkhand,Bihar and Madhya Pradesh.

During the year, the Group has successfully acquired six transmission companies.

The Group also deals as a trader in Agro commodities. The Group gets synergetic benefit of the integrated value chain of Adani group.

2 Significant accounting policies

2.1 Basis of Preparation

These consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Effective 1st April, 2016, the Group has adopted all the Indian Accounting Standards (referred to as "Ind AS") notified under the companies (Indian accounting standards) Rules, 2015 and the adoption was carried out in accordance with Ind AS 101 First time adoption of Indian Accounting Standards, with 1st April, 2015 as the transition date. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

The functional currency of the group is Indian Rupee(INR). The Consolidated financial statements are presented in INR and all values are rounded to the nearest Crores (Transactions below ₹ 50,000.00 denoted as ₹ 0.00), unless otherwise indicated.

Amounts for the year ended March 31, 2017 and as at March 31, 2017 were audited by predecessor auditors.

2.2 Basis of consolidation

The consolidated financial statements incorporate the consolidated financial statements of the Company and entities (including structured entities) controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

Notes to Consolidated Financial Statements

for the year ended 31st March 2018

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders:
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company looses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated Statement of Profit and Loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the consolidated financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The list of Companies included in consolidation, relationship with Adani Transmission Limited and it's shareholding therein is as under: The reporting date for all the entities is 31st March, 2018

Sr. No.	Name of Company	Country of Incorporation	Relationship	Shareholding as on 31st March 2018	Shareholding as on 31st March 2017
1	Adani Transmission (India) Limited (ATIL)	India	Subsidiary	100%	100%
2	Maharashtra Eastern Grid Power Transmission Company Limited (MEGPTCL)	India	Subsidiary	100%	100%
3	Sipat Transmission Limited (STL)	India	Subsidiary	100%	100%
4	Raipur-Rajnandgaon-Warora Transmission Limited (RRWTL)	India	Subsidiary	100%	100%
5	Chhattisgarh-WR Transmission Limited (CWRTL)	India	Subsidiary	100%	100%
6	Adani Transmission (Rajasthan) Limited (ATRL)	India	Subsidiary	100%	100%
7	North Karanpura Transco Limited (NKTL) (w.e.f. 8th July, 2016)	India	Subsidiary	100%	100%
8	Maru Transmission Service Company Limited (MTSCL) (w.e.f. 6th October, 2016) (Refer note 52)	India	Subsidiary	100%	100%
9	Aravali Transmission Service Company Limited (ATSCL) (w.e.f. 6th October, 2016) (Refer note 52)	India	Subsidiary	100%	100%
10	Hadoti Power Transmission Service Limited (HPTSL) (w.e.f. 11th August, 2017)	India	Subsidiary	100%	Not Applicable

Notes to Consolidated Financial Statements

for the year ended 31st March 2018

Sr. No.	Name of Company	Country of Incorporation	Relationship	Shareholding as on 31st March 2018	Shareholding as on 31st March 2017
11	Barmer Power Transmission Service Limited (BPTSL) (w.e.f. 04th August, 2017)	India	Subsidiary	100%	Not Applicable
12	Thar Power Transmission Service Limited (TPTSL) (w.e.f. 04th August, 2017)	India	Subsidiary	100%	Not Applicable
13	Western Transco Power Limited (WTPL) (w.e.f. 31st October, 2017)	India	Subsidiary	100%	Not Applicable
14	Western Transmission (Gujarat) Limited (WTGL) (w.e.f. 31st October, 2017)	India	Subsidiary	100%	Not Applicable
15	Fatehgarh-Bhadla Transmission Limited (FBTL) (w.e.f. 14th March, 2018)	India	Subsidiary	100%	Not Applicable

2.3 Summary of significant accounting policies

(a) Property, plant and equipment

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

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

Depreciation is recognised based on the cost of assets (other than land) less their residual values over their useful lives.

i) Depreciation in respect of assets related to electricity transmission business covered under Part B of Schedule II of the Companies Act, 2013, has been provided on the straight line method at the rates using the methodology as notified by the respective regulators.

ii) In respect of other, depreciation on fixed assets is calculated on straight-line method (SLM) basis using the rates arrived on the basis on useful life as specified in Schedule II of the Companies Act, 2013. 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.

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.

Estimated useful lives of assets are as follows:-

Type of Assets	Useful lives
Building	25-30 Years
Plant and Equipment	3-25 Years
Furniture and Fixtures	10-15 Years
Office Equipment	5-15 Years
Computer Equipment	3 - 6 Years
Vehicles	10 Years
Computer Software	5 Years

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

Notes to Consolidated Financial Statements

for the year ended 31st March 2018

(b) Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and any accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal.

i) **Computer software**

Computer software are stated at cost, less accumulated amortisation and impairments, if any.

ii) **Amortisation method and useful life**

The Group amortizes computer software using the straight-line method over the period of 5 years.

(c) Impairment of tangible and intangible assets other than goodwill

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 losses (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash- generating units for which a reasonable and consistent allocation basis can be identified.

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

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit 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 Statement of Profit or Loss.

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

Notes to Consolidated Financial Statements

for the year ended 31st March 2018

All other assets are classified as non-current.

A liability is current when:

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

The Group classifies all other liabilities as non-current.
Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

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

(e) Cash & Cash Equivalents

Cash comprises cash on hand and demand deposit with banks (with an original maturity of three months or less from the date of creation). Cash equivalents are short-term balances that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

(f) Cash Flow Statement

Cash flows are reported using the indirect method, where by profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

(g) Financial Instruments

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

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

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

(A) Financial assets

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

Notes to Consolidated Financial Statements

for the year ended 31st March 2018

i) Classification of financial assets

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

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

For the impairment policy on financial assets measured at amortised cost, refer note (v) below.

All other financial assets are subsequently measured at fair value.

ii) Effective interest method

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

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

iii) Financial assets at fair value through profit & loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Group irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.Other financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in the Statement of Profit and Loss.

iv) Derecognition of financial assets

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

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

v) Impairment of financial assets

The Group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, trade receivables and other contractual rights to receive cash or other financial asset.

Notes to Consolidated Financial Statements

for the year ended 31st March 2018

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. The Group estimates cash flows by considering all contractual terms of the financial instrument through the expected life of that financial instrument.

The Group measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on financial instruments has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that will results if default occurs within the 12 months after the reporting date and this, are not cash shortfalls that are predicted over the next 12 months.

If the Group measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Group again measures the loss allowance based on 12-month expected credit losses.

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

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

vi) Foreign exchange gains and losses

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

For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in Statement of Profit and Loss.

(B) Financial liabilities and equity instruments

i) 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.

ii) 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.

Notes to Consolidated Financial Statements

for the year ended 31st March 2018

iii) Financial liabilities

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

iv) Financial liabilities at FVTPL

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

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

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

Fair values are determined in the manner described in note 2 (m) below

v) Financial liabilities at amortised cost

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

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and 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.

vi) Foreign exchange gains and losses

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

vii) Derecognition of Financial Liability

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

Notes to Consolidated Financial Statements

for the year ended 31st March 2018

(h) Derivative financial instruments

The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, interest rate swaps and cross currency swaps. Further details of derivatives financial instruments are disclosed in note 39 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 statement of profit and loss immediately.

(i) Hedge Accounting

The Group designates certain hedging instruments, which includes derivatives and non-derivatives in respect of foreign currency risk, as cash flow hedges.

At the inception of the hedge relationship, the entity 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

The Group designates derivative contracts or non derivative financial assets / liabilities as hedging instruments to mitigate the risk of movement in interest rates and foreign exchange rates for foreign exchange exposure on highly probable future cash flows attributable to a recognised asset or liability or forecast cash transactions. When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in the cash flow hedging reserve being part of other comprehensive income. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in the Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognised in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the underlying transaction occurs. The cumulative gain or loss previously recognised in the cash flow hedging reserve is transferred to the Statement of Profit and Loss upon the occurrence of the underlying transaction.

(j) Inventories

Inventories are stated at the lower of weighted average cost or net realisable value. Costs include all non-refundable duties and all charges incurred in bringing the goods to their present location and condition. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

(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 interests issued by the Group in exchange of control of the acquiree. Acquisition related costs are recognised in the Statement of Profit and Loss as incurred.

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 Statement of Profit and Loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Notes to Consolidated Financial Statements

for the year ended 31st March 2018

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) Foreign currencies

In preparing the financial statements of the Group, transactions in currencies other than the entity's functional currency are recognised at the rate of exchange prevailing on the date of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated.

Exchange differences on monetary items are recognised in the Statement of Profit and Loss in the period in which they arise except for:

(i) exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings; and

(ii) exchange differences on transactions entered into in order to hedge certain foreign currency risks (see note 2 (i) for hedging accounting policies).

(m) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the financial asset or settle the financial liability takes place either:

(i) In the principal market for the asset or liability; or

(ii) In the absence of a principal market, in the most advantageous market for the asset or liability.

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

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

(i) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities;

(ii) Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and

(iii) Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of

Notes to Consolidated Financial Statements

for the year ended 31st March 2018

the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

(n) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The specific recognition criteria described below must also be met before revenue is recognised:

i) **Income from Services:**

- Revenue are recognised immediately when the service is provided. The Group collects the tax on behalf of the government and therefore, these are not economic benefits flowing to the Group. Hence they are excluded from revenue.
- Transmission income is accounted for based on tariff orders notified by respective regulatory authorities.
- The transmission system incentive / disincentive is accounted for based on certification of availability by respective Regional Power Committee.
- Delayed payment charges, interest on delayed payment for transmission charges and carrying cost are recognised on accrual basis.
- Service concession arrangements (SCA) :

With respect to SCA, revenue and costs are allocated between those relating to construction services and those relating to operation and maintenance services, and are accounted for separately. Consideration received or receivable is allocated by reference to the relative fair value of services delivered when the amounts are separately identifiable. The infrastructure used in a concession are classified as an intangible asset or a financial asset, depending on the nature of the payment entitlements established in the SCA.

When the amount of consideration under the arrangement for the provision of public services is substantially fixed by a contract, the Group recognises the consideration for construction services at its fair value as a financial asset and is classified as ""financial asset under service concession arrangements"". When the demand risk is with Group, then, to the extent that the Group has a right to charge the user of infrastructure facility, the Group recognises the consideration for construction services at its fair value, as an intangible asset. The Group accounts for such intangible asset in accordance with the provisions of Ind AS 38. When the amount of consideration under the arrangement comprises -

- fixed charges based on Annual Capacity and
- variable charges based on Actual utilisation of capacity

then, the Group recognises the consideration for construction services at its fair value, as the ""financial asset under service concession arrangement"" to the extent present value of fixed payment to be received discounted at incremental borrowing rate and the residual portion is recognised as an intangible asset.

- **Infrastructure is under project phase, the treatment of income is as follows:**

  Revenues relating to construction contracts which are entered into with government authorities for the construction of the infrastructure necessary for the provision of services are measured, at the fair value of the consideration received or receivable. Revenue from service concession arrangements is recognised based on the fair value of construction work performed at the reporting date.

Notes to Consolidated Financial Statements

for the year ended 31st March 2018

- **Infrastructure is in operation, the treatment of income is as follows:**

  Finance income over financial asset after consideration of fixed transmission charges is recognised using effective interest method. Variable transmission charges revenue is recognised in the period when the service is provided. Revenues relating to construction contracts which are entered into with government authorities for the construction of the infrastructure necessary for the provision of services are measured at the fair value of the consideration received or receivable. Revenue from service concession arrangements is recognised based on the fair value of construction work performed at the reporting date.

(ii) **Sale of Goods:**

Revenue from sale of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- the Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the amount of revenue can be measured reliably; and
- it is probable that the economic benefits associated with the transaction will flow to the Group.

(iii) **Dividend and Interest income:**

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

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and amount of the income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate the exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

(o) Borrowing costs

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

(p) Employee benefits

i) **Defined benefit plans:**

The Group has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees through Group Gratuity Scheme of Life Insurance Corporation of India. The Group accounts for the liability for the gratuity benefits payable in future based on an independent actuarial valuation carried out using Projected Unit Credit Method considering discounting rate relevant to Government Securities at the Balance Sheet Date. Defined benefit costs in the nature of current and past service cost and net interest expense or income are recognised in the Statement of Profit and Loss in the period in which they occur. Actuarial gains and losses on remeasurement is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur and is reflected immediately in retained earnings and not reclassified to profit or loss. Past service cost is recognised in Statement of Profit and Loss in the period of a plan amendment.

ii) **Defined contribution plan:**

Retirement Benefits in the form of Provident Fund and Family Pension Fund which are defined contribution schemes are charged to the statement of profit and loss for the period in which the contributions to the respective funds accrue.

Notes to Consolidated Financial Statements

for the year ended 31st March 2018

iii) **Compensated Absences:**

Provision for Compensated Absences and its classifications between current and non-current liabilities are based on independent actuarial valuation. The actuarial valuation is done as per the projected unit credit method as at the reporting date.

iv) **Short term employee benefits:**

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

(q) Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Rental income from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Group's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue.

Rental expense from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue.

(r) Taxation

Tax on Income comprises current tax and deferred tax. These are recognised in the 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.

i) **Current tax**

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

ii) **Deferred tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

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

Notes to Consolidated Financial Statements

for the year ended 31st March 2018

CERC/ MERC tarrif norms provide the recovery of Income Tax from the beneficiaries by way of grossing up the return on equity based on effective for the financial year shall be based on the actual tax paid during the year on the transmission income. Accordingly, deferred tax liabilitiy provided during the period which is fully recoverable from beneficiaries and known as ""deferred assets for deferred tax liabilities"". The same will be recovered when the related deferred tax liability forms a part of current tax.

(s) Earnings per share

Basic earnings per equity share is computed by dividing the net profit/(loss) attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period.

Diluted earnings per equity share are computed by adjusting the figures used in the determination of basic EPS to take into account:

- After tax effect of interest and other financing costs associated with dilutive potential equity shares.
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(t) Provisions, Contingent Liabilities and Contingent Assets.

i) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

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

ii) Contingent liability

A possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise are disclosed as contingent liability and not provided for. Such liability is not disclosed if the possibility of outflow of resources are remote.

iii) Contingent assets

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent assets are not recognised but disclosed only when an inflow of economic benefits is probable.

3 Significant accounting judgements, estimates and assumptions

Critical accounting judgements and key sources of estimation uncertainty

The application of the group accounting policies as described in Note 2, in the preparation of the consolidated 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.

Notes to Consolidated Financial Statements

for the year ended 31st March 2018

The estimates and underlying assumptions are reviewed on an ongoing basis and any revisions thereto are recognised in the period in which they are revised or in the period of revision and future periods if the revision affects both the current and future periods. Actual results may differ from these estimates which could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

3.1 Regulatory matters

i) Regulatory deferral accounts[1]

Ind AS - 114 "Regulatory Deferral Accounts" permits the Group to apply the requirements of this standard in its first Ind AS financial statements if and only if it conducts rate-regulated activities and recognised amounts that qualify as regulatory deferral account balances in its financial statements in accordance with its previous GAAP. As the Group had consistently elected not to recognise the regulatory deferral balances in its previous GAAP, the requirement of IND AS 114 does not apply to the Group.

3.2 Property, plant and equipment:

i) Depreciation rates, depreciation method and residual value of property, plant and equipment[1]

Depreciation is recognised based on the cost of assets (other than land) less their residual values over their useful lives.

i) Depreciation in respect of assets related to electricity transmission business covered under Part B of Schedule II of the Companies Act, 2013, has been provided on the straight line method at the rates using the methodology as notified by the respective regulators.

ii) In respect of other, depreciation on fixed assets is calculated on straight-line method (SLM) basis using the rates arrived on the basis on useful life as specified in Schedule II of the Companies Act, 2013. 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.

iii) Estimated useful life of Plant and Machinery is from 3 to 25 years

ii) Impairment of property plant and equipment[2]

At the end of each reporting period, the Group reviews the carrying amounts of its property, plant and equipment 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).

3.3 Taxation:

i) Current tax[1]

The Group has treated certain expenditure as being deductible for tax purposes. However, the tax legislation in relation to this expenditure is not clear and the Group has applied their judgement and interpretation for the purpose taking their tax position.

ii) Deferred tax assets[2]

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

Notes to Consolidated Financial Statements

for the year ended 31st March 2018

Regulators tariff norms provide the recovery of Income Tax from the beneficiaries by way of grossing up the return on equity based on effective tax rate for the financial year shall be based on the actual tax paid during the year on the transmission income. Accordingly, deferred tax liability provided during the year which is fully recoverable from beneficiaries and known as "deferred assets fo deferred tax liabilities". The same will be recovered when the related deferred tax liability forms a part of current tax.

3.4 Fair value measurement of financial instruments[2]

In estimating the fair value of financial assets and financial liabilities, the Group uses market observable data to the extent available. Where such Level 1 inputs are not available, the Group establishes appropriate valuation techniques and inputs to the model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in Note 41.

3.5 Employee benefit plans:

Defined benefit plans and other long-term employee benefits[2]

The present value of obligations under defined benefit plan and other long term employment benefits is determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual development in the future. These include the determination of the discount rate, future salary escalations, attrition rate and mortality rates etc. Due to the complexities involved in the valuation and its long term nature, these obligations are 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.

[1] Critical accounting judgments

[2] Key sources of estimation uncertainties

4 Standards issued but not effective

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the consolidated financial statements are disclosed below. The Group intends to adopt these standards, if applicable, when they become effective. The Ministry of Corporate Affairs("MCA") has issued certain amendments to Ind AS through (Indian Accounting Standards) Amendment Rules, 2018. These amendments maintain convergence with IFRS by incorporating amendments issued by International Accounting Standards Board(IASB) into Ind AS and has amended the following standards:

1. Ind AS 115-Revenue from Contract with Customers

2. Ind AS 21-The effect of changes in foreign exchanges rates

3. Ind AS 12-Income Taxes

These amendments are effective for annual periods beginning on or after 1st April, 2018.

The Group is assessing the potential effect of the amendments on its financial statements. The Group will adopt these amendments, if applicable, from their applicability date

Notes to Consolidated Financial Statements

for the year ended 31st March 2018

5. Property, Plant and Equipment, Intangible Assets and Capital Work in Progress

5.1 Property, Plant and Equipment

(₹ in Crores)

Description of Assets	Tangible Assets								Intangible Assets	
	Land (Free hold)	Building	Plant and Equipment	Furniture and Fixtures	Office Equipment	Computer Equipment	Vehicles	Total	Computer Software	Total
I. Gross Carrying Value										
Balance as at 1st April, 2016	**79.27**	**86.83**	**10,134.64**	**1.85**	**3.29**	**0.04**	**0.24**	**10,306.16**	**-**	**-**
Additions	11.80	0.08	7.45	-	0.09	0.01	0.00	19.43	0.31	0.31
Disposals	-	-	-	-	-	-	-	-	-	-
Other Adjustment	-	-	(5.53)	-	-	-	-	(5.53)	-	-
Acquisitions through business combinations	-	-	341.40	0.01	0.00	0.01	-	341.42	-	-
Balance as at 31st March, 2017	**91.07**	**86.91**	**10,477.96**	**1.86**	**3.38**	**0.06**	**0.24**	**10,661.48**	**0.31**	**0.31**
Additions	0.44	0.33	13.95	0.04	0.80	0.74	0.02	16.32	-	-
Acquisitions through business combinations	-	0.44	0.14	0.02	0.17	0.11	-	0.88		
Disposals	-	-	-	-	-	-	-	-		-
Balance as at 31st March, 2018	**91.51**	**87.68**	**10,492.05**	**1.92**	**4.35**	**0.91**	**0.26**	**10,678.68**	**0.31**	**0.31**
II. Accumulated depreciation										
Balance as at 1st April, 2016	-	**2.96**	**556.35**	**0.11**	**0.21**	**0.01**	**0.01**	**559.65**	**-**	**-**
Depreciation and Amortisation Expense	-	2.99	565.85	0.12	0.23	0.01	0.02	569.22	0.03	0.03
Eliminated on disposal of assets	-	-	-	-	-	-	-	-	-	-
Balance as at 31st March, 2017	-	**5.95**	**1,122.20**	**0.23**	**0.44**	**0.02**	**0.03**	**1,128.87**	**0.03**	**0.03**
Depreciationand Amortisation Expense	-	3.30	575.52	0.13	0.25	0.12	0.03	579.35	0.06	0.06
Eliminated on disposal of assets	-	-	-	-	-	-	-	-		
Balance as at 31st March, 2018	-	**9.25**	**1,697.72**	**0.36**	**0.69**	**0.14**	**0.06**	**1,708.22**	**0.09**	**0.09**

(₹ in Crores)

Description of Assets	Tangible Assets								Intangible Assets	
	Land (Free hold)	Building	Plant and Equipment	Furniture and Fixtures	Office Equipment	Computer Equipment	Vehicles	Total	Computer Software	Total
Net Carrying Value :										
As at 31st March, 2017	**91.07**	**80.96**	**9,355.76**	**1.63**	**2.94**	**0.04**	**0.21**	**9,532.61**	**0.28**	**0.28**
As at 31st March, 2018	**91.51**	**78.43**	**8,794.33**	**1.56**	**3.66**	**0.77**	**0.20**	**8,970.46**	**0.22**	**0.22**

For charge created on aforesaid assets, refer note 20.

Notes to Consolidated Financial Statements

for the year ended 31st March 2018

5.2 Capital Work-In-Progress

(₹ in Crores)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Opening balance	**1,342.64**	**258.22**
Expenditure incurred during the year	836.75	1,006.40
Employee benefit expenses	3.47	2.51
Borrowing cost	111.22	59.75
Other expenses	74.59	23.70
Less: Capitalized during the year	(15.88)	(7.94)
Closing Balance	**2,352.79**	**1,342.64**

6 Non-current Financial Assets- Others

(Unsecured, considered good)

(₹ in Crores)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Financial Asset Under Service Concession Arrangement (SCA)	1,122.03	6.40
Security deposit	2.11	2.61
Balances held as Margin Money or security against borrowings	0.01	0.01
Total	**1,124.15**	**9.02**

For charges created on aforesaid assets refer note 20

7 Income Tax Assets (Net)

(₹ in Crores)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Advance Income Tax [Net of Provision ₹ 6.02 Crores (31st March, 2017 - ₹ 276.68 Crores.)]	19.40	22.95
Total	**19.40**	**22.95**

8 Others Non current Assets

(Unsecured, Considered Good)

(₹ in Crores)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Capital advances	81.98	179.96
Advances for acquisition (Refer Note 54)	2,602.00	-
Prepaid Lease Rent	44.22	26.24
Others	0.01	0.04
Total	**2,728.21**	**206.24**

9 Inventories

(At lower of Cost and Net Realisable Value)

(₹ in Crores)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Stores & spares	35.34	38.66
Total	**35.34**	**38.66**

For charge created on aforesaid assets, refer note 20

Notes to Consolidated Financial Statements

for the year ended 31st March 2018

10 Current Financial Assets - Investments

(₹ in Crores)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Unquoted Investments (fully paid)	-	
Nil Units (31st March, 2017 : 44,94,301.226 Units) JM High Liquidity Fund -Direct Growth plan	-	20.01
Nil Units (31st March, 2017 : 2,946.171 Units) Reliance Liquid Fund -Treasury Plan- Direct Growth plan	-	1.17
Nil Units (31st March, 2017 : 1,43,015.341 Units) DSP Blackrock Liquidity Fund-Direct Growth plan	-	33.26
Nil Units (31st March, 2017 : 7,482.697 Units) IDFC Cash Fund-Direct Growth plan	-	1.48
Nil Units (31st March, 2017 : 1,45,862.587 Units) Baroda Pioneer Liquid Fund Plan -Direct Growth plan	-	27.28
Nil Units (31st March, 2017 : 73,942.37 Units) LIC Nomura MF Liquid Fund - Direct Growth plan	-	21.80
Total	**-**	**105.00**
Aggregate book value of unquoted investments	-	**105.00**
Aggregate market value of unquoted investments	-	**105.00**

For charge created on aforesaid assets, refer note 20

11 Trade Receivables

(Unsecured)

(₹ in Crores)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Considered Good	257.83	189.56
Considered Doubtful	2.46	2.46
	260.29	**192.02**
Less : Provision for doubtful trade receivables	(2.46)	(2.46)
Total	**257.83**	**189.56**

For charge created on aforesaid assets, refer note 20

12 Cash and Cash Equivalents

(₹ in Crores)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Balances with banks		
In current accounts	300.50	13.36
Fixed Deposits (with original maturity for three months or less)	308.59	-
(Lodged against Bank gurantee and Debt service reserve account)		
Total	**609.09**	**13.36**

For charge created on aforesaid assets, refer note 20

Notes to Consolidated Financial Statements

for the year ended 31st March 2018

13 Bank Balance other than Cash and Cash Equivalents

(₹ in Crores)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Balances held as Margin Money	42.42	61.91
Fixed Deposit (with original maturity of more than 3 months)	13.98	317.91
(Lodged against Bank gurantee and Debt service reserve account)		
Total	**56.40**	**379.82**

For charge created on aforesaid assets, refer note 20

14 Current Financial Assets - Loans

(Unsecured, considered good)

(₹ in Crores)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Loans to employees	0.11	0.17
Total	**0.11**	**0.17**

For charge created on aforesaid assets, refer note 20

15 Current Financial Assets - Others

(Unsecured, considered good)

(₹ in Crores)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Interest receivable	84.91	3.18
Unbilled Revenue	596.41	595.65
Financial Asset Under Service Concession Agreement (SCA)	66.08	-
Security deposit	0.18	0.19
Derivative instruments designated in hedge accounting relationship	11.32	31.27
Others	2.31	2.03
Total	**761.21**	**632.32**

For charge created on aforesaid assets, refer note 20

16 Other Current Assets

(Unsecured, considered good)

(₹ in Crores)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Advance to Suppliers	9.35	10.92
Balances with Government authorities	13.11	2.37
Prepaid Lease Rent	2.35	2.06
Prepaid Expenses	4.80	2.52
Advance to Employees	0.08	0.22
Total	**29.69**	**18.09**

Notes to Consolidated Financial Statements

for the year ended 31st March 2018

17 Equity Share Capital

(₹ in Crores)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Authorised Share Capital		
1,50,00,00,000 (As at 31st March 2017-1,10,00,00,000) equity shares of ₹ 10 each	1,500.00	1,100.00
Total	**1,500.00**	**1,100.00**
Issued, Subscribed and Fully paid-up equity shares		
1,09,98,10,083 (As at 31st March 2017- 109,98,10,083) fully paid up equity shares of ₹ 10 each	1,099.81	1,099.81
Total	**1,099.81**	**1,099.81**

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

Equity Shares	As at 31st March, 2018		As at 31st March, 2017	
	No. Shares	(₹in Crores)	No. Shares	(₹in Crores)
At the beginning of the Year	1,09,98,10,083	1,099.81	1,09,98,10,083	1,099.81
Add: Issued during the year	-	-	-	-
Outstanding at the end of the year	**1,09,98,10,083**	**1,099.81**	**1,09,98,10,083**	**1,099.81**

b. Terms/rights attached to equity shares

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

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

Particulars	As at 31st March, 2018	As at 31st March, 2017
Company has issued and allotted fully paid up equity shares of ₹10 Each, to the equity shareholders of Adani Enterprises Limited ("AEL") pursuant to the Composite Scheme of Arrangement	**1,09,98,10,083**	**1,09,98,10,083**

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

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	No. Shares	% holding in the class	No. Shares	% holding in the class
Equity shares of ₹ 10 each fully paid				
Mr. Gautam S. Adani /Mr. Rajesh S. Adani (On behalf of S.B. Adani Family Trust)	62,11,97,910	56.48%	62,11,97,910	56.48%
Adani Tradeline LLP (Formally known as Parsa Kente Rail Infra LLP)	9,94,91,719	9.05%	9,94,91,719	9.05%
Total	**72,06,89,629**	**65.53%**	**72,06,89,629**	**65.53%**

Notes to Consolidated Financial Statements

for the year ended 31st March 2018

18 Unsecured Perpetual Securities

(₹ in Crores)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Opening Balance	-	-
Addition During the year	1,848.63	-
Closing Balance	**1,848.63**	**-**

During the year, the Company raised ₹1,800.00 Crores through issue of Unsecured Perpetual Securities (the "Securities"). These Securities are perpetual in nature with no maturity or redemption and are callable only at the option of the Company. The Company can infuse the equity into its greenfield subsidiaries prior to any obligation to make payment under this Securities, further the Company can make the payment to the equity share holders or return of equity (share buy back) prior to any obligation to make payment under this Securities. The distribution on these Securities are 11.80% with a reset provision after a period of every 5 (five) years. The distribution on the Securities may be deferred at the option of the Company, if during the six months preceding the relevant distribution payment date, the Company has made no payment on, or redeemed or repurchased, any securities ranking pari passu with, or junior to the instrument. As these Securities are perpetual in nature and ranked senior only to the 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

(₹ in Crores)

Particulars		As at 31st March, 2018	As at 31st March, 2017
a. Capital Reserve (Refer note (i) below			
Opening Balance		15.37	-
Add : Addition during the year		193.50	15.37
Closing Balance	**Total (a)**	**208.87**	**15.37**
b. Effective portion of cashflow Hedge (Refer note (ii) below)			
Opening Balance		(157.83)	-
Effective portion of cash flow hedge for the year		(25.91)	(157.83)
Closing Balance	**Total (b)**	**(183.74)**	**(157.83)**
c. General Reserve (Refer note (iii) below)		1,220.60	1,220.60
	Total (c)	**1,220.60**	**1,220.60**
d. Capital Redemption Reserve (Refer note (iv) below)			
Opening Balance		-	-
Transfer from Retained Earning on redemption of Optionally Convertible Redeemable Preference Shares		801.25	-
Closing Balance	**Total (d)**	**801.25**	**-**
e. Surplus in the Statement of Profit and Loss (Refer note (v) below)			
Opening Balance		768.58	351.40
Add : Profit for the year		1,142.94	416.43
Other comprehensive income arising from remeasurement of Defined Benefit Plans		0.31	0.75
Distribution on Unsecured Perpetual Securities		(49.51)	-
Transfer to Capital Redemption Reserve (CRR) on redemption of Optionally Convertible Redeemable Preference Shares		(801.25)	-
	Total (e)	**1,061.07**	**768.58**
	Total (a + b + c + d+e)	**3,108.05**	**1,846.72**

Notes to Consolidated Financial Statements

for the year ended 31st March 2018

i) Capital Reserve of ₹ 11.47 Crores was created due to acquisition of 100% stake in Maru Transmission Service Company Limited and 100% stake in Aravali Transmission Service Company Limited in the financial year 2016-17. Capital reserve of ₹ 193.5 Crores have been created on issuance of Complusory Convertible Preference Shares (CCPS) by wholly owned subsidiary companies namely Western Transco Power Limited and Western Transmission (Gujarat) Limited.

ii) The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on changes in fair value of the designated portion of the hedging instruments that are recognised and accumulated under the heading of cash flow hedging reserve will be reclassified to profit or loss only when the hedged transaction affects the profit or loss, or included as a basis adjustment to the non-financial hedged item.

iii) During the financial year 2015-16, General reserve of ₹ 1,220.60 Crores was created pursuant to the demerger of transmission undertaking of Adani Enterprises Limited into the Company.

iv) Capital redemption reserve of ₹ 801.25 Crores was created due to transfer on redemption of optionally convertible redeemable preference shares from retained earnings.

v) Retained earnings represents the amount that can be distributed by the Company as dividends considering the requirements of the Companies' Act, 2013. No dividend are distributed during the year by the Company.

20 Non current Financial Liabilities - Borrowings

(₹ in Crores)

Particulars	Non-current		Current	
	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017
Secured				
Bonds				
9.10% INR Bonds (Masala Bond)	367.69	439.57	75.00	50.00
4.00% USD Bonds	3,186.24	3,162.93	-	-
Term Loans				
From Banks				
Rupee loan	781.69	99.81	56.52	14.45
Foreign currency loan	204.74	215.40	175.48	-
From Financial Institutions	672.20	90.73	16.27	-
Trade Credits				
From Banks	724.61	567.66	-	-
Non convertible Debentures				
9.25% Non Convertible Debentures	149.34	148.76	-	-
9.35% Non Convertible Debentures	362.60	361.60	-	-
9.45% Non Convertible Debentures	148.81	647.82	499.86	-
9.70% Non Convertible Debentures	-	-	-	250.00
9.85% Non Convertible Debentures	1,249.14	1,247.97	-	-
10.25% Non Convertible Debentures	747.50	746.83	-	-
Total	**8,594.56**	**7,729.08**	**823.13**	**314.45**
Amount disclosed under the head "Other current liabilities" (Refer note 26)	-	-	(823.13)	(314.45)
Net amount	**8,594.56**	**7,729.08**	**-**	**-**

Notes to Consolidated Financial Statements

for the year ended 31st March 2018

Security

1 The above INR Bonds (Masala Bond), USD Bonds and NCDs (Non-Convertible Debentures) are secured by way of first ranking pari passu charge in favour of the Security trustee (for the benefit of the Bond/Debenture holders):

a. mortgage of land situated at Sanand.

b. hypothecation of all the assets (movable and immovable) including current assets of the respective Companies.

c. pledge over 100% shares of Adani Transmission (India) Limited (ATIL) and Maharashtra Eastern Grid Power Transmission Company Limited (MEGPTCL), both are wholly owned subsidiaries of the Company i.e. Adani Transmission Limited.

2 Accounts and receivables of ATIL and MEGPTCL and also the operating cash flows, book debts, loans and advances, commissions, dividends, interest income, revenues present and future of ATIL and MEGPTCL.

3 Rupee Term Loans, Foreign Currency Loans and Trade credits availed by the Group from various banks and financial institutions are secured by a pari passu charge on all present and future moveable and immoveable assets, receivables, project documentation, insurance contracts and rights of the respective entities.

Terms of Repayment

i) INR Bonds (Masala Bonds) aggregating ₹450.00 Crores (31st March, 2017 ₹500.00 Crores) are redeemable by quarterly structured payments from financial year 2018 to financial year 2022.

ii) USD Bonds aggregating ₹3,258.75 Crores (31st March 2017 - ₹3,242.50 Crores) are redeemable by bullet payment in financial year 2026.

iii) INR NCDs (Non-Convertible Debentures) aggregating to ₹3,165.00 Crores, (31st March, 2017 - ₹3,415.00 Crores) are redeemable at different maturities from financial year 2018 to financial year 2022.

iv) Trade credit (Foreign and Inland) from bank of ₹752.61 Crores (31st March, 2017 ₹591.75 Crores) carry interest rates ranging from 0.5% to 10%p.a. All the trade credits will be converted in to Rupee term loan as per the terms.

v) Rupee term loans from Banks of ₹772.96 Crores (31st March, 2017 ₹55.51 Crores) and Rupee Term Loan from Financial Institution of ₹689.35 Crores (31stMarch, 2017 ₹90.73 Crores) carry interest rates ranging from 8.10% to 11.75%. The loan is repayable in structured quarterly instalments starting from FY 2017-18.

vi) Rupee term loan from Banks aggregating to ₹69.30 Crores (31st March, 2017- ₹61.81 Crores) carries interest @ 9.35% (31st March, 2017 - Base rate Plus spread of 2.75%). The loan is repayable in 180 Monthly instalments commencing from 31st July 2017.

vii) Foreign Currency(FC) loan from Bank aggregating to ₹Nil (31st March, 2017- ₹215.40 Crores) carries an Interest @ LIBOR plus 4.5% per annum. The entire FC loan is convertible into Rupee term loan on the date falling 261 weeks after the date of first disbursement i.e. 9th May 2018. The loan is repayable in 39 quarterly instalments. The Entire FC loan was prepaid in current financial year.

viii) Foreign Currency loan from bank aggregating ₹218.70 Crores (31st March 2017: ₹Nil) carries an Interest @ 1.85% per annum. The entire FC loan is repayable in 19 quarterly instalments commencing from December 2017.

ix) Foreign Currency loan from Bank aggregating to ₹165.22 Crores (as at 31st March 2017- ₹ Nil) carries an Interest @ Libor + 1.25% per annum. The loan is repayable in bullet payment in June 2018.

Notes to Consolidated Financial Statements

for the year ended 31st March 2018

21 Non current Financial Liabilities - Others

(₹ in Crores)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Payable on purchase of Property, Plant and Equipment	2.61	0.29
Derivative instruments designated in hedge accounting relationship	279.03	246.36
Total	**281.64**	**246.65**

22 Provisions

(₹ in Crores)

Particulars	Non-current		Current	
	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017
Provision for Employee Benefits (Net)	3.55	4.62	1.34	2.33
Total	**3.55**	**4.62**	**1.34**	**2.33**

23 Deferred Tax Liabilities (net)

(₹ in Crores)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Deferred Tax Liabilities		
Timing difference between book and tax depreciation	639.05	144.81
Less :- Deferred Assets for deferred tax liabilities	(637.82)	(144.81)
Net deferred tax liabilities **Total**	**1.23**	-

CERC / MERC tariff norms provide the recovery of Income Tax from the beneficiaries by way of grossing up the return on equity based on effective tax rate for the financial year shall be based on the actual tax paid during the year on the transmission income. Accordingly, deferred tax liability provided during the period which is fully recoverable from beneficiaries and known as "deferred assets for deferred tax liabilities". The same will be recovered when the related deferred tax liability forms a part of current tax.

Notes to Consolidated Financial Statements

for the year ended 31st March 2018

24 Current Financial Liabilities - Borrowings

(₹ in Crores)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Secured Borrowings		
Trade Credits		
From Banks	-	11.00
	-	**11.00**
Unsecured Borrowings		
From Related Parties (Refer Note 40)	319.24	177.11
Commercial Papers	691.41	743.17
	1,010.65	**920.28**
Total	**1,010.65**	**931.28**

Foreign letter of credit from Banks aggregating to ₹ Nil (31st March, 2017- ₹ 11.00 Crores) secured / to be secured by subservient charge on current assets (charge on receivables, cash, bank accounts including TRA accounts etc.) as well as non-current assets (i.e. investments / loans in group companies or other entities) of the group and carry an interest rate of 1.00% - 2.50% p.a.

25 Trade Payables

(₹ in Crores)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Trade Payables		
Micro and Small Enterprises	-	-
Other than Micro and Small Enterprises	39.49	27.15
Total	**39.49**	**27.15**

The Disclosure in respect of the amounts payable to Micro and Small Enterprises have been made in the Consolidated Financial Statements based on the information received and available with the Group.

26 Current Financial Liabilities - Others

(₹ in Crores)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Current maturities of long-term borrowings (Secured) (Refer note 20)	823.13	314.45
Interest accrued but not due on borrowings	306.00	352.85
Payable on purchase of Property, Plant and Equipment	113.51	155.60
Book Overdraft	-	0.98
Derivative Instruments designated in hedge accounting relationship	16.50	86.05
Others	-	0.20
Total	**1,259.14**	**910.13**

Notes to Consolidated Financial Statements

for the year ended 31st March 2018

27 Other Current Liabilities

(₹ in Crores)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Statutory liabilities	7.94	9.78
Advance from Customers	5.35	1.89
Others	-	1.62
Total	**13.29**	**13.29**

28 Current Tax Liabilities

(₹ in Crores)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Current Tax [Net of Advance tax ₹ 602.21 Crores.(31st March, 2017 ₹ Nil)]	4.08	-
Total	**4.08**	**-**

29 Revenue from Operations

(₹ in Crores)

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Income from transmission line	2,967.51	2,113.13
Income under Service Concession Arrangement (SCA)	160.87	6.40
Sale of Traded Goods	815.78	755.53
Other Operating Revenue	0.32	0.65
Total	**3,944.48**	**2,875.71**
Details of Traded Goods		
Agro commodities	815.78	755.53

30 Other Income

(₹ in Crores)

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Interest Income		
Bank	13.87	10.87
Others	82.96	0.96
Income from Mutual Funds	12.00	8.70
Sale of Scrap	0.11	0.76
Liabilities no longer required written back	-	0.34
Miscellaneous Income	1.77	0.47
Total	**110.71**	**22.10**

Notes to Consolidated Financial Statements

for the year ended 31st March 2018

31 Purchase of Traded Goods

(₹ in Crores)

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Purchase of Traded Goods	815.61	755.40
Total	**815.61**	**755.40**
Details of Traded Goods		
Agro commodities	815.61	755.40

32 Employee Benefits Expense

(₹ in Crores)

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Salaries, Wages and Bonus	38.48	41.52
Contribution to Provident and Other Funds	2.63	3.30
Employee Welfare Expenses	1.14	1.09
Total	**42.25**	**45.91**

33 Finance costs

(₹ in Crores)

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Interest Expenses	673.04	708.61
Bank Charges & Other Borrowing Costs	16.58	46.63
Loss on Derivatives Contracts & Exchange rate difference (net)	196.01	148.77
Total	**885.63**	**904.01**

34 Other Expenses

(₹ in Crores)

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Stores and Spares	3.93	2.03
Electricity Expenses	5.39	8.36
Construction Cost Under Service Concession Arrangements	102.08	5.77
Repairs and Maintenance - Plant and Equipment	71.25	18.15
Repairs and Maintenance -Building	0.17	0.05
Repairs and Maintenance - Others	0.70	1.06
Rent	8.34	7.73
Rates and Taxes	0.55	0.33
Legal & Professional Expenses	41.43	23.04
Directors' Sitting Fees	0.13	0.11
Payment to Auditors (Refer note below)	0.35	0.19
Communication Expenses	1.09	0.54
Travelling & Conveyance Expenses	4.22	4.94
Insurance Expenses	2.23	1.78
Printing & Stationary Expense	0.26	0.22
Corporate Social Responsibility expenses (Refer note 51)	8.23	4.73
Miscellaneous Expenses	10.26	12.28
Total	**260.61**	**91.31**

Notes to Consolidated Financial Statements

for the year ended 31st March 2018

34 Other Expenses (contd..)

Payment to auditors

(₹ in Crores)

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
As auditor:		
Statutory Audit Fees	0.31	0.05
Tax Audit Fees	0.02	0.01
Others	0.02	0.13
Total	**0.35**	**0.19**

35 Income Tax

(₹ in Crores)

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Current Tax :		
In respect of current year	327.48	115.50
In respect of Previous year	0.03	-
Deferred Tax	494.24	144.81
Total	**821.75**	**260.31**
Accounting profit / (loss) before tax	1,471.68	531.93
Income tax using the company's domestic tax rate @ 34.608%	509.32	184.09
Tax Effect of :		
Income and Expenses not allowed under Income Tax		
i) Non deductible Expenses	16.20	4.11
ii) Provisions disallowed	(0.16)	(0.20)
iii) Effect of tax losses for which no deferred income tax was recognised	-	(42.21)
iv) Temporary Difference Reversing during 80IA	(0.63)	(2.75)
v) Change in estimate relating to prior year	75.63	-
vi) MAT Credit not recognised	211.69	114.52
vii) Others (Includes Tax at different rate)	9.67	2.75
Gross Tax	**821.72**	**260.31**
Deferred Assets for Deferred Tax Liabilities (Refer Note 2 (r)(ii))	**(493.01)**	**(144.81)**
Net Tax	**328.71**	**115.50**
Tax provisions :		
Current Tax: In respect of current year	327.48	115.50
Current Tax: In respect of Previous year	0.03	-
Net (DTL) / DTA recognised during the period	494.24	144.81
Deferred Assets for Deferred Tax Liabilities (Refer Note 2 (r)(ii))	(493.01)	(144.81)
Income tax recognised in statement of profit and loss at effective rate	**328.74**	**115.50**
Unrecognised deductible temporary differences, unused tax losses and unused tax credits		
Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised are attributable to the following :		
Unused tax credits	486.75	275.05
Unused tax losses (Revenue in nature) and Unabsorbed depreciation	30.29	21.67
	517.04	**296.72**

Notes to Consolidated Financial Statements

for the year ended 31st March 2018

36 Earnings per share (EPS)

Particulars		For the year ended 31st March, 2018	For the year ended 31st March, 2017
Basic and Diluted EPS - From Total Operations			
Profit after tax	(₹ in Crores)	1,142.94	416.43
Less: Distribution on Perpectual Securities	(₹ in Crores)	(49.51)	-
Profit attributable to equity shareholders	(₹ in Crores)	1,093.43	416.43
Weighted average number of equity shares	No.	1,09,98,10,083	1,09,98,10,083
Nominal Value of equity share	₹	10	10
Basic and Diluted EPS	₹	**9.94**	**3.79**

37 Contingent liabilities and Commitments

(₹ in Crores)

Particulars	As at 31st March, 2018	As at 31st March, 2017
(i) Contingent liabilities :		
Direct tax	1.01	0.11
Indirect tax	9.48	-
Total	**10.49**	**0.11**
(ii) Commitments :		
Estimated amount of contracts remaining to be executed on capital account and not provided for	367.38	562.94
Total	**367.38**	**562.94**

38 Operating Lease

The Group's significant leasing arrangements, other than land, are in respect of office premises, taken on lease. The arrangements range between 11 months and 2 years generally and are usually renewable by mutual consent on mutually agreeable terms. Under these arrangements, generally refundable interest free deposits have been given. The Group has not entered into any material financial lease. The Group does not have any non-cancellable lease. Leasing arrangements with respect to land range between 25 years to 99 years generally.

Notes to Consolidated Financial Statements

for the year ended 31st March 2018

39 a) The Group has taken various derivatives to hedge its foreign exposure. The outstanding position of exposure against variation in interest rate and foreign exchange rate are as under:

Nature	Purpose	As at 31st March, 2018		As at 31st March, 2017	
		(₹ in Crores)	Foreign Currency (in Million)	(₹ in Crores)	Foreign Currency (in Million)
i) Principal only swaps	Hedging of foreign currency borrowings principal liability	218.71	EUR 27.07		
		2085.60	USD 320.00	2,290.57	USD 353.21
ii) Forward covers	a) Hedging of foreign currency bond principal and foregin currency loan principal	1,338.37	USD 205.35	-	-
	b) Hedging of LC, Acceptances, Creditors and firm commitments	-	-	1,224.63	USD 188.84
iii) Options	a) Hedging of Interest liability on foreign currency borrowings	65.18	USD 10.00	129.70	USD 20.00
	b) Hedging of foreign currency Borrowing, Acceptances and Firm Commitments	284.78	USD 43.69	347.66	USD 53.61
(iv) Interest rate swaps	Hedging of interest rate on foreign currency borrowing liability	-	-	215.30	USD 33.20

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

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	(₹ in Crores)	Foreign Currency (in Million)	(₹ in Crores)	Foreign Currency (in Million)
(i) Interest accrued but not due	3.54	USD 0.54	1.06	USD 0.16
(ii) Import Creditors and Acceptances	1.45	USD 0.23	0.95	USD 0.15
	0.00	GBP 0.05	-	-
	0.00	EUR 0.04	-	-

Notes to Consolidated Financial Statements

for the year ended 31st March 2018

40 Related party disclosures :

As per the Ind AS 24, disclosure of transactions with related parties, are given below:

Name of related parties & description of relationship	
(A) Ultimate Holding Entity	S. B. Adani Family Trust (SBAFT)
(B) Key Management Personnel:	Mr. Gautam S. Adani, Chairman Mr. Laxmi Narayana Mishra, Whole-time Director (Appointed on 4th April, 2017 & Resigned on 2nd May, 2018) Mr. Deepak Bhargava, Whole-time Director (Resigned w.e.f. 31st March, 2017) Mr. Kaushal Shah, Chief Financial Officer Mr. Anil Sardana, Managing Director and Chief Executive Officer (w.e.f. 10th May, 2018) Mr. Jaladhi Shukla, Company Secretary
(C) Enterprises over which (A) or (B) above have significant influence :	Adani Infra (India) Limited Adani Power (Mundra) Limited Adani Power Maharashtra Limited Adani Green Energy Limited Adani Green Energy (Tamilnadu) Limited Adani Enterprises Limited Adani Power Rajasthan Limited Adani Agri Fresh Limited Adani Hospitals Mundra Private Limited Kamuthi Solar Power Limited Mundra Solar PV Limited Udupi Power Corporation Limited Adani wilmar Limited Adani Foundation Adani Finserve Private Limited Parampujya Solar Energy Private Limited Belvedere Golf and Country Club Private Limited Adani Township & Real Estate Company Private Limited Adani Infrastructure Management Services Limited Adani Properties Private Limited Adani Institute of Infrastructure Management

Notes to Consolidated Financial Statements

for the year ended 31st March 2018

40 Related party disclosures : (contd..)

(₹ in Crores)

Nature of Transaction	Name of Related Party	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Interest Expenses	Adani Infra (India) Limited	32.68	56.15
	Adani Agri Fresh Limited	-	8.60
Distribution on Unsecured Perpetual Securities	Adani Infra (India) Limited	49.51	-
Purchase of Goods	Adani Power Maharashtra Limited	0.16	-
	Adani Power Rajasthan Limited	0.16	0.30
	Adani Power (Mundra) Limited	0.03	-
	Adani Wilmar Limited	677.36	-
Purchase of Property, Plant and Equipment	Mundra Solar PV Limited	2.59	-
Service Income	Adani Infrastructure Management Services Limited	0.32	-
Professional Fees	Adani Enterprises Limited	8.20	11.12
	Adani Finserve Private Limited	2.51	-
Rent Expense	Adani Enterprises Limited	-	0.10
	Adani Power (Mundra) Limited	0.12	0.09
	Adani Wilmar Limited	0.05	-
	Adani Properties Private Limited	0.14	-
Loan Taken	Adani Infra (India) Limited	778.73	892.04
Loan Repaid	Adani Infra (India) Limited	636.60	1,407.26
	Adani Agri Fresh Limited	-	235.40
Employee Transfer	Adani Power (Mundra) Limited	0.01	0.29
	Adani Power Maharashtra Limited	0.16	0.25
	Adani Enterprises Limited	0.07	0.06
	Adani Infra (India) Limited	0.19	0.43
	Adani Power Rajasthan Limited	0.01	0.11
	Adani Green Energy Limited	-	0.06
	Adani Hospitals Mundra Private Limited	-	0.00
	Mundra Solar PV Limited	0.02	0.20
	Udupi Power Corporation Limited	0.02	0.02
	Parampujya Solar Energy Private Limited	0.00	-
	Adani Infrastructure Management Services Limited	3.32	-
Sale of Goods	Adani Wilmar Limited	109.77	494.04
Sale of Stores & Spares	Kamuthi Solar Power Limited	-	0.01
Land Purchase	Adani Green Energy (Tamilnadu) Limited	-	0.02
	Kamuthi Solar Power Limited	0.06	-
CSR Expenditure	Adani Foundation	2.25	4.46
Reimbursement of Expense	Adani Institute of Infrastructure Management	0.01	-
Remuneration	Mr. Deepak Bhargava	-	1.83
	Mr. Kaushal Shah	1.15	1.00
	Mr. Laxmi Narayana Mishra	1.00	NA
Unsecured Perpetual securities issued	Adani Infra (India) Limited	1,848.63	-
Business Promotion Expenses	Belvedere Golf and Country Club Private Limited	0.00	-
	Adani Township & Real Estate Company Private Limited	0.00	-
O&M Agreement Charge	Adani Infrastructure Management Services Limited	49.71	-

Notes to Consolidated Financial Statements

for the year ended 31st March 2018

40 Related party disclosures : (contd..)

(₹ in Crores)

Closing Balance	Name of Related Party	As at 31st March, 2018	As at 31st March, 2017
Balance Payable	Adani Enterprises Limited	6.76	0.33
	Adani Power Maharashtra Limited	0.16	0.06
	Adani Green Energy Limited	-	0.06
	Mundra Solar PV Limited	0.22	0.20
	Adani Wilmar Limited	0.01	-
	Adani Infrastructure Management Services Limited	17.75	-
	Parampujya Solar Energy Private Limited	0.00	-
	Adani Power Mundra Limited	0.03	-
	Adani Township & Real Estate Company Private Limited	0.00	-
	Adani Finserve Private Limited	2.71	-
Balance Receivable	Adani Power Mundra Limited	-	0.26
	Adani Power Maharashtra Limited	-	0.19
	Kamuthi Solar Power Limited	-	0.00
	Adani Infra (India) Limited	0.19	0.43
	Adani Enterprises Limited	-	0.34
	Adani Power Rajasthan Limited	0.01	0.11
	Udupi Power Corporation Limited	-	0.02
	Adani Infrastructure Management Services Limited	0.38	-
Loan Payable	Adani Infra (India) Limited	319.24	177.11
Interest accrued but not due	Adani Infra (India) Limited	26.27	65.93
Unsecured Perpetual Securities	Adani Infra (India) Limited	1,848.63	-

41 Fair Value Measurement :

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

(₹ in Crores)

Particulars	Fair Value through Other Comprehensive Income	Fair Value through Profit or Loss	Amortised Cost	Total
Financial Assets				
Trade Receivables	-	-	257.83	257.83
Cash and Cash Equivalents	-	-	609.09	609.09
Bank Balances other than Cash and Cash Equivalents above	-	-	56.40	56.40
Loans	-	-	0.11	0.11
Derivative Instruments	2.20	11.43	-	13.63
Other Financial Assets	-	-	1,871.73	1,871.73
Total	**2.20**	**11.43**	**2,795.16**	**2,808.79**
Financial Liabilities				
Borrowings (Including current maturities)	-	-	10,428.34	10,428.34
Derivative Instrument	185.93	109.60	-	295.53
Other Financial Liabilities	-	-	422.12	422.12
Trade Payables	-	-	39.49	39.49
Total	**185.93**	**109.60**	**10,889.95**	**11,185.48**

Notes to Consolidated Financial Statements

for the year ended 31st March 2018

41 Fair Value Measurement (contd..)

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

(₹ in Crores)

Particulars	Fair Value through Other Comprehensive Income	Fair Value through Profit or Loss	Amortised Cost	Total
Financial Assets				
Investments	-	105.00	-	105.00
Trade Receivables	-	-	189.56	189.56
Cash and Cash Equivalents	-	-	13.36	13.36
Bank Balances other than Cash and Cash Equivalents	-	-	379.82	379.82
Loans	-	-	0.17	0.17
Derivative Assets	(0.71)	34.01	-	33.30
Other Financial Assets	-		608.04	608.04
Total	**(0.71)**	**139.01**	**1,190.95**	**1,329.25**
Financial Liabilities				
Borrowings (Including current maturities)	-	-	8,974.81	8,974.81
Derivative Instrument	157.13	175.28	-	332.41
Other Financial Liabilities	-	-	509.92	509.92
Trade Payables	-	-	27.15	27.15
Total	**157.13**	**175.28**	**9,511.88**	**9,844.29**

42 Fair Value hierarchy :

(₹ in Crores)

Particulars	31st March, 2018	31st March, 2017
	Level 2	Level 2
Assets		
Investments	-	105.00
Derivative Assets	13.63	33.30
Total	**13.63**	**138.30**
Liabilities		
Derivative Liabilities	295.53	332.41
Total	**295.53**	**332.41**

43 Capital Management

The Company's objectives when managing capital is to safeguard continuity and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth. The Company's overall strategy remains unchanged from previous year.

The Company sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments.

The funding requirements are met through a mixture of equity, internal fund generation, borrowings. The Company's policy is to use borrowings to meet anticipated funding requirements. The Company monitors capital on the basis of the net debt to equity ratio. No changes were made in the objectives, policies or processes for managing capital during the years ended as at 31st March, 2018 and as at 31st March, 2017.

Notes to Consolidated Financial Statements

for the year ended 31st March 2018

43 Capital Management (contd..)

(₹ in Crores)

Particulars	31st March, 2018	31st March, 2017
Total Borrowings	10,428.34	8,974.82
Less: Cash and bank balances	665.49	393.18
Less: Current Investments	-	105.00
Net Debt(A)	9,762.85	8,476.64
Total Equity (B)	6,056.49	2,946.53
Gearing Ratio : (A)/(B)	1.61	2.88

44 Amendments to Ind AS 7 Statement of Cash Flows: Disclosure Initiative

The amendments require entities to provide disclosure of changes in their liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. The Group has provided the information for current period.

Changes in liabilities arising from financing activities

(₹ in Crores)

Particulars	1st April, 2017	Cash Flows	Foreign Exchange Management	Acquistion	Other	31st March, 2018
Long-term Borrowings (Including Current Maturities of Long Term Debt)	8,172.70	669.44	6.82	659.90	33.07	9,541.93
Short term Borrowings	931.32	71.13	-	8.20	-	1,010.65
Unsecured perpectual securities	-	1,849.51	-		(0.88)	1,849.63
Interest accrued but not due on borrowings	352.85	(950.51)	-		903.66	306.00
Distribution on Unsecured perpectual Securities	-	(49.51)	-			(49.51)
Total	**9,456.87**	**1,590.06**	**6.82**	**668.10**	**935.85**	**12,658.70**

45 Financial Risk Management Objectives

The Group's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations/projects .The Group's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

In the ordinary course of business, the Group is mainly exposed to risks resulting from exchange rate fluctuation (currency risk), interest rate movements (interest rate risk) collectively referred as Market Risk, Credit Risk, Liquidity Risk and other price risks such as equity price risk. The senior management oversees the management of these risks. It manages its exposure to these risks through derivative financial instruments by hedging transactions. It uses derivative instruments such as Principal only Swaps, Interest rate swaps, foreign currency future options and foreign currency forward contract to manage these risks. These derivative instruments reduce the impact of both favorable and unfavorable fluctuations.

The Group's risk management activities are subject to the management, direction and control of Central Treasury Team of the Group under the framework of Risk Management Policy for Currency and Interest rate risk as approved by the Board of Directors

Notes to Consolidated Financial Statements

for the year ended 31st March 2018

45 Financial Risk Management Objectives (contd..)

The Group's central treasury team ensures appropriate financial risk governance framework for the Group through appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. It is the Group's policy that no trading in derivatives for speculative purposes may be undertaken.

The decision of whether and when to execute derivative financial instruments along with its tenure can vary from period to period depending on market conditions and the relative costs of the instruments. The tenure is linked to the timing of the underlying exposure, with the connection between the two being regularly monitored. The Company is exposed to losses in the event of non-performance by the counterparties to the derivative contracts. All derivative contracts are executed with counterparties that, in our judgment, are creditworthy. The outstanding derivatives are reviewed periodically to ensure that there is no inappropriate concentration of outstanding to any particular counterparty.

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

Market risk

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

Interest rate risk

The Group is exposed to changes in market interest rates due to financing, investing and cash management activities. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates and period of borrowings. The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. The Group enters into interest rate swap contracts or interest rate future contracts to manage its exposure to changes in the underlying benchmark interest rates.

Interest rate sensitivity

The sensitivity analysis below have been determined based on the exposure to interest rates at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher / lower and all other variables were held constant, the Group's profit for the year ended March 31, 2018 would decrease / increase by ₹ 8.48 Crores(previous year ₹ 0.38 Crores). This is mainly attributable to interest rates on variable rate borrowings.

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.

A change of 1% in Foreign currency would have following impact on profit before tax

(₹ in Crores)

Particulars	For the Year 2017-18		For the Year 2016-17	
	1% Increase	1% Decrease	1% Increase	1% Decrease
Foregin Currency Sensitivity				
RUPEES / USD - (Increase) / Decrease	(0.01)	0.01	(0.00)	0.00
RUPEES / GBP - (Increase) / Decrease	(0.00)	0.00	-	-
RUPEES / EUR - (Increase) / Decrease	(0.00)	0.00	-	-

Notes to Consolidated Financial Statements

for the year ended 31st March 2018

45 Financial Risk Management Objectives (contd..)

Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a loss to the Group. The Group has adopted the policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial losses from default, and generally does not obtain any collateral or other security on trade receivables.

The carrying amount of financial assets recorded in the financial statements represents the Group's maximum exposure to credit risk. Since the Group is an ISTS licensees, the responsibility for billing and collection on behalf of the Group lies with the CTU/STU. Based on the fact that the collection by CTU/STU is from Designated ISTS Customers (DICs) which in majority of the cases are state government organisations and further based on an analysis of the past trends of recovery, the management is of the view that the entire receivables are fully recoverable. Accordingly, the Group does not recognize any impairment loss on its receivables.

Liquidity risk

The Group monitors its risk of shortage of funds using cash flow forecasting models. These models consider the maturity of its financial investments, committed funding and projected cash flows from operations. The Group's objective is to provide financial resources to meet its business objectives in a timely, cost effective and reliable manner and to manage its capital structure. A balance between continuity of funding and flexibility is maintained through the use of various types of borrowings.

The table below analysis derivative and non-derivative financial liabilities of the Group into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

(₹ in Crores)

As at 31st March, 2018	Less than 1 year	1-5 years	Over 5 years	Total
Borrowings (Including current maturities)	1,833.78	3,623.32	4,971.24	10,428.34
Trade Payables	39.49	-	-	39.49
Derivative Liabilities	16.50	-	279.03	295.53
Other financial Liabilities	422.12	-	-	422.12

(₹ in Crores)

As at 31st March, 2017	Less than 1 year	1-5 years	Over 5 years	Total
Borrowings (Including current maturities)	1,245.73	4,566.15	3,162.93	8,974.81
Trade Payables	27.15	-	-	27.15
Derivative Liabilities	-	-	332.41	332.41
Other financial Liabilities	509.92	-	-	509.92

Notes to Consolidated Financial Statements

for the year ended 31st March 2018

46 Segment information:-Operating Segments

The reportable segments of the Group are trading activity and providing transmission line service. The segment are largely organised and managed separately according to the organisation structure that is designed based on the nature of service. Operating segments reported in a manner consistant with the internal reporting provided to the Chairman and Managing Director jointly regarded as the Chief Operating Decision Maker ("CODM"). Description of each of the reportable segments for all periods presented, is as under:-

i) Transmission

ii) Trading

The CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by operating segments. The CODM reviews revenue and gross profit at the performance indicator for all of the operating segments. The measurement of each segment's revenues, expenses and assets is consistent with the accounting policies that are used in preparation of the financial statements. Segment profit represents the profit before interest and tax. Information regarding the company's reportable segments is presented below

(₹ in Crores)

Particulars	Transmission	Trading	Eliminations	Total
1 Revenue				
External Sales	**3,128.70**	**815.78**	**-**	**3944.48**
	2,120.18	*755.53*	*-*	*2875.71*
Total Revenue	**3,128.70**	**815.78**	**-**	**3944.48**
	2,120.18	*755.53*	*-*	*2875.71*
2 Results				
Segment Results	**2,246.43**	**0.17**	-	**2246.60**
	1,413.71	*0.13*	*-*	*1413.83*
Unallocated Corporate Income (Net)				**110.71**
				22.10
Operating Profit				**2,357.31**
				1,435.94
Less: Finance Expense				**885.63**
				904.01
Profit before tax				**1,471.68**
				531.93
Current Taxes				**327.51**
				115.50
Deferred Tax				**1.23**
				-
Total Tax				**328.74**
				115.50
Profit after tax				**1,142.94**
				416.43
Less: Minority Interest				-
				-
Net profit				**1,142.94**
				416.43
3 Other Information				
Segment Assets	**16,279.41**	-	-	**16,279.41**
	11,992.54	*-*	*-*	*11,992.54*
Unallocated Corporate Assets				**986.05**

Notes to Consolidated Financial Statements

for the year ended 31st March 2018

46 Segment information:-Operating Segments (contd..)

(₹ in Crores)

Particulars	Transmission	Trading	Eliminations	Total
				818.52
Total Assets	**16,279.41**	**-**	**-**	**17,265.46**
	11,992.54	-	-	*12,811.06*
Segment Liabilities	**780.63**	-	-	**780.63**
	889.72	-	-	*889.72*
Unallocated Corporate Liabilities		-	-	**10,428.34**
		-	-	*8,974.81*
Total liabilities	**780.63**	**-**	**-**	**11,208.97**
	889.72	-	-	*9,864.53*
Depreciation /Amortisation	**579.41**	**-**	**-**	**579.41**
	569.25	-	-	*569.25*
Capital Expenditure	**1,026.53**	**-**	**-**	**1,026.53**
	1,098.23	-	-	*1,098.23*

Previous figures are given in italics

47 The Consolidated results for the year ended 31st March, 2018 are not comparable with the previous year, due to following:

Date of acquisition of Investment in Subsidiaries

Sr. No.	Name of the Entity	Year ended 31st March, 2018	Year ended 31st March, 2017
1	North Karanpura Transco Limited	-	8th July, 2016
2	Maru Transmission Service Company Limited	-	6th October, 2016
3	Aravali Transmission Service Company Limited	-	6th October, 2016
4	Hadoti Power Transmission Service Limited	11th August, 2017	-
5	Barmer Power Transmission Service Limited	4th August, 2017	-
6	Thar Power Transmission Service Limited	4th August, 2017	-
7	Western Transco Power Limited	31st October, 2017	-
8	Western Transmission (Gujarat) Limited	31st October, 2017	-
9	Fatehgarh-Bhadla Transmission Limited	14th March, 2018	-

48 Group has entered in to transmission agreement in the nature of Service Concession Arrangement (SCA) with Rajasthan Rajya Vidyut Prasaran Nigam Limited (RVPNL) and with Power Grid Corporation of India Limited (PGCIL). The agreement with RVPNL (Grantor) is to construct & operate an transmission system comprising a 400 KV Double Circuit transmission line from Suratgarh to Bikaner with a design capacity to transfer electricity equivalent to 1066 MW on Design, Built, Finance, Operate & Transfer (DBFOT) basis having contract for 25 years from the licence issued. The agreements with PGCIL (Grantor) is to construct & operate an transmission system comprising a 400 KV Double Circuit transmission line in Pune, Aurangabad, Solapur, Kolhapur, Parli, Karad, Lonikhand, Kalwa, Limbdi, Vadavi, Kansari, Rajgarh and Karamsad with a design capacity to transfer electricity equivalent to 3600 MW on Design, Built, Finance, Operate & Transfer (DBFOT) basis having contract for 25 years. The service concession arrangement provides an option for extension of the concession period. Upon completion of concession period or on termination of agreement, Transmission Lines will vest with the grantor free and clear of all emcumbrances. Financial assets is created on the basis of Present values of future Cash Flows. No intangible assets is created for this SCA accounting.

Notes to Consolidated Financial Statements

for the year ended 31st March 2018

Financial summary of above concession arrangement are given below:

(₹in Crores)

Sr. No.	Particulars	Transmission Lines	
		2017-18	2016-17
1	Revenue Recognised	160.87	6.40
2	Profit/(Loss) for the year	17.71	(0.43)

49 Additional information of net assets and share in profit or loss contributed by various entities as recognised under Schedule III of the Companies Act, 2013

Sr. No.	Particulars	As % of Consolidated Net Assets	₹ in Crores	As % of Consolidated Profit or Loss	₹ in Crores	As % of Consolidated Other Comprehensive Income	₹ in Crores	As % of Consolidated Total Comprehensive Income	₹ in Crores
1	Adani Transmission Limited	40.43%	3,852.77	-2.13%	(24.63)	166.97%	(42.71)	-5.97%	(67.34)
	Subsidiaries (Indian)								
2	Maharashtra Eastern Grid Power Transmission Company Limited	26.04%	2,481.11	20.08%	231.78	0.16%	(0.04)	20.53%	231.74
3	Adani Transmission (India) Limited	22.26%	2,121.17	82.93%	957.19	-1.59%	0.41	84.84%	957.60
4	Sipat Transmission Limited	1.80%	171.16	-0.22%	(2.50)	-12.65%	3.24	0.06%	0.73
5	Raipur-Rajnandagaon-Warora Transmission Limited	3.60%	343.51	-0.37%	(4.25)	-19.81%	5.07	0.07%	0.81
6	Chhattisgarh-WR Transmission Limited	2.56%	243.51	-0.17%	(1.95)	-12.16%	3.11	0.11%	1.16
7	Adani Transmission (Rajasthan) Limited	0.03%	2.64	-0.15%	(1.72)	-2.46%	0.63	-0.09%	(1.09)
8	North Karanpura Transco Limited	0.30%	28.87	-0.19%	(2.17)	-6.79%	1.74	-0.04%	(0.43)
9	Maru Transmission Service Company Limited	0.13%	12.70	-0.19%	(2.13)	-7.87%	2.00	-0.01%	(0.12)
10	Aravali Transmission Service Company Limited	-0.05%	(4.70)	-0.24%	(2.80)	-3.74%	0.95	-0.16%	(1.84)
11	Western Transco Power Limited	1.37%	131.36	0.12%	1.41	0.00%	-	0.12%	1.41
12	Western Transmission (Gujarat) Limited	0.95%	90.11	0.57%	6.57	0.00%	-	0.58%	6.57
13	Hadoti Power Transmission Service Limited	0.28%	27.11	-0.02%	(0.22)	0.00%	-	-0.02%	(0.22)
14	Barmer Power Transmission Service Limited	0.18%	16.92	-0.01%	(0.14)	0.00%	-	-0.01%	(0.14)
15	Thar Power Transmission Service Limited	0.12%	11.04	-0.01%	(0.14)	0.00%	-	-0.01%	(0.14)
16	Fatehgarh-Bhadla Transmission Limited	0.00%	0.01	-	-	-	-	-	-
	Total	**100.00%**	**9,529.29**	**100.00%**	**1,154.30**	**100.00%**	**(25.60)**	**100.00%**	**1,128.70**
	Less: Adjustment of Consolidation		**3,472.80**		**11.36**		**-**		**11.36**
	Consolidated Net Assets/ Profit after tax		**6,056.49**		**1,142.94**		**(25.60)**		**1,117.34**

Notes to Consolidated Financial Statements

for the year ended 31st March 2018

50 As per Ind AS 19 "Employee Benefits", the disclosures are given below.

(a) (i) 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.

The status of gratuity plan as required under Ind AS-19:

(₹ in Crores)

Particulars	As at 31st March, 2018	As at 31st March, 2017
i. Reconciliation of Opening and Closing Balances of defined benefit obligation		
Present Value of Defined Benefit Obligations at the beginning of the Year	4.15	2.56
Current Service Cost	0.50	1.05
Interest Cost	0.31	0.20
Re-measurement (or Actuarial) (gain) / loss arising from:		
- Change in demographic assumptions	(0.04)	0.09
- Change in financials assumptions	0.28	(1.72)
- Experience variance (i.e. Actual experience vs assumptions)	(0.57)	0.88
Acquisition Adjustment	(0.85)	1.35
Benefits paid	(0.38)	(0.26)
Net Actuarial loss / (gain) Recognised	-	-
Present Value of Defined Benefit Obligations at the end of the Year	**3.40**	**4.15**
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	1.48	0.05
Investment Income	0.11	0.00
Contributions	0.20	1.50
Benefits paid	(0.09)	(0.08)
Return on plan assets, excluding amount recognised in net interest expenses	(0.03)	(0.00)
Fair Value of Plan assets at the end of the Year	**1.67**	**1.47**
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	3.40	4.15
Fair Value of Plan assets at the end of the Year	1.66	1.48
Net Asset / (Liability) recognized in balance sheet as at the end of the year	**5.06**	**5.63**
iv. Composition of Plan Assets		
100% of Plan Assets are administered by LIC		
v. Gratuity Cost for the Year		
Current service cost	0.50	1.05
Interest cost	0.31	0.20
Expected return on plan assets	(0.11)	(0.00)
Actuarial Gain / (Loss)	0.03	0.00
Net Gratuity cost recognised in the Statement of Profit and Loss	**0.73**	**1.25**
vi. Other Comprehensive Income		
Actuarial (gains) / losses		
Change in demographic assumptions	(0.04)	(0.00)
Change in financial assumptions	0.28	(0.11)
Experience variance (i.e. Actual experiences assumptions)	(0.57)	(0.06)
Return on plan assets, excluding amount recognised in net interest expense	0.03	0.00
Components of defined benefit costs recognised in other comprehensive income	**(0.30)**	**(0.17)**
vii. Actuarial Assumptions		
Discount Rate (per annum)	7.80%	7.60%
Annual Increase in Salary Cost (per annum)	8.00%	7.00%

Notes to Consolidated Financial Statements

for the year ended 31st March 2018

50 As per Ind AS 19 "Employee Benefits", the disclosures are given below. (contd..)

(b) Sensitivity analysis

The sensitivity of the defined benefit obligations to changes in the weighted principal assumptions is:

Particulars	Change in assumption		Increase in assumption			Decrease in assumption		
	31st March, 2018	31st March, 2017	31st March, 2018 ₹ in Crores		31st March, 2017 ₹ in Crores	Year ended 31st March, 2018 ₹ in Crores		Year ended 31st March, 2017 ₹ in Crores
Discount rate	1.00%	1.00%	Decrease by	3.13	3.81	Increase by	3.70	4.54
Salary Growth Rate	1.00%	1.00%	Increase by	3.69	4.54	Decrease by	3.13	3.80
Attrition Rate	0.50%	0.50%	Decrease by	3.34	4.15	Increase by	3.46	4.13
Mortality Rate	10.00%	10.00%	Increase by	3.40	4.15	Decrease by	3.40	4.15

51 Corporate Social Responsibility

As per section 135 of the Companies Act, 2013, a corporate social responsibility (CSR) committee has been formed by the Group. The funds are utilized on the activities which are specified in Schedule VII of the Companies Act, 2013. The utilisation is done by way of contribution towards various activities.

(a) Gross amount as per the limits of Section 135 of the Companies Act, 2013. ₹ 8.19 Crores (Previous year : ₹ 4.69 Crores)

(b) Amount spent during the year ended 31st March, 2018 : ₹ 8.23 Crores. (Previous year : ₹ 4.73 Crores)

(₹ in Crores)

Sr. No.	Particulars	Amount Contributed	Amount yet to contribute	Total
(i)	Construction/acquisition of any assets	-	-	-
(ii)	On purpose other than (i) above	8.23	-	8.23

52 Company have acquired 74% Equity Shares of Maru Transmission Service Company Limited (MTSCL) and Aravali Transmission Service Company Limited (ATSCL) w.e.f. 6th October, 2016 from GMR Energy Limited. The balance 26% of Equity Shares of MTSCL & ATSCL are pledged in favour of the Company and the same will also get transferred after fulfilment of certain regulatory requirements and completion of lock-in period. As per the agreement, during the lock-in period, the Company will be the beneficial owner of all the rights and accretions in connection with the pledged shares. Accordingly, the Company has determined that it has "in-substance" ownership of the pledged shares and it has consolidated financial statements of MTSCL and ATSCL as having 100% interest.

53 During the year, Adani Transmission (India) Limited (ATIL), a wholly owned subsidiary of the parent Company received an order dated 3rd November, 2017 of Central Electricity Regulatory Commission (CERC) for (i) truing-up of the tariff for the period from the year 2009 to 2014 and (ii) for determination of tariff for the period from April, 2014 to March, 2019. Accordingly, based on the CERC order, during the year, the Group has recognised revenue from operations of ₹ 872.53 Crores for the period from October, 2013 to March, 2017. Under the circumstances, the figures for the current year are not comparable with the corresponding figures of the previous year, to that extent.

54 During the current year 2017-18, Adani Transmission Limited ("the Company") signed a binding Share Purchase Agreement (SPA) with Reliance infrastructure Limited (R-Infra) to acquire R-infra's integrated business of generation, transmission and distribution of power for Mumbai city, subject to regulatory and other customary approvals, which are under process. Estimated purchase consideration (comprising of base sale shares consideration and other contingent consideration) as agreed between the parties is to be decided in terms of the SPA. Pursuant to the SPA, with the support of the promoters, the Company has given a advance of ₹ 2,602 Crores to R-infra for which the Company has right to set off the same against the purchase consideration. As an approval process, MERC has scheduled public hearing on 14th June, 2018. Pending regulatory and other approvals, no impact has been given to the said acquisition in these financial statements.

Notes to Consolidated Financial Statements

for the year ended 31st March 2018

55 The Company has acquired 100% Equity Share Capital of three SPV Companies namely, Hadoti Power Transmission Service Limited w.e.f. 11th August, 2017, Barmer Power Transmission Service Limited (BPTSL) w.e.f. 4th August, 2017 and Thar Power Transmission Service Limited (TPTSL) w.e.f. 4th August, 2017 from Rajasthan Rajya Vidyut Prasaran Nigam Limited (RVPN).

The Company has acquired 100% Equity Share Capital of two Companies, namely, Western Transco Power Limited (WTPL) and Western Transmission (Gujarat) Limited (WTGL) w.e.f. 31st October,2017 from R-Infra. Pursuant to the acquisitions, the figures for the current year ended 31st March, 2018 are not fully comparable with the figures of corresponding previous year.

During the year, the Company has acquired 100% equity share capital of SPV 'Fatehgarh-Bhadla Transmission Limited' (FBTL) from PFC Consulting Limited (PFCCL) on 14th March, 2018. FBTL was formed by PFCCL to establish transmission system for ultra mega solar park in Fatehgarh district, Jaisalmer, Rajasthan. The company has acquired it from PFCCL pursuant to tariff based competitive bidding process carried out by PFCCL. With this purchase, FBTL has become a wholly owned subsidiary of the Company.

(a) Fair value of assets acquired and liabilities recognised at the date of acquisition :

(₹ in Crores)

Particulars	Hadoti Power Transmission Service Limited	Barmer Power Transmission Service Limited	Thar Power Transmission Service Limited	Western Transco Power Limited	Western Transco (Gujarat) Limited	Fatehgarh-Bhadla Transmission Limited
Assets						
Non-current assets						
Fixed assets						
Property, Plant and Equipment	-	-	-	0.47	0.41	-
Capital work-in-progress	-	-	-	-	-	6.86
Financial Assets : SCA	-	-	-	570.97	309.79	-
Other non-current assets	13.82	4.46	1.57	-	-	
	13.82	**4.46**	**1.57**	**571.44**	**310.20**	**6.86**
Current assets						
Trade Receivable	-	-	-	27.88	14.99	-
SCA Receivables	-	-	-	142.89	76.99	-
Cash balances	0.05	0.05	0.05	11.33	7.23	0.07
Bank balance	-	-	-	-	31.85	
Other financial assets	-	-	-	0.06	0.25	
Other current assets	0.41	0.11	0.04	0.17	0.44	1.10
	0.46	**0.16**	**0.09**	**182.33**	**131.74**	**1.17**
Total Assets (a)	**14.28**	**4.62**	**1.66**	**753.77**	**441.94**	**8.03**
Non-current liabilities						
Long term borrowing	-	-	-	452.86	-	-
	-	**-**	**-**	**452.86**	**-**	**-**
Current liabilities						
Short term borrowing	-	-	-	-	-	7.93
Trade Payables	-	-	-	-	-	-
Other financial liabilities	14.33	4.63	1.66	288.20	428.38	0.09
Short-term provisions	-	-	-	0.88	0.56	-
	14.33	**4.63**	**1.66**	**289.07**	**428.94**	**8.02**
Total Liabilities (b)	**14.33**	**4.63**	**1.66**	**741.94**	**428.94**	**8.02**
Net Assets (a-b)	**(0.05)**	**(0.01)**	**(0.00)**	**11.83**	**13.00**	**0.01**

Notes to Consolidated Financial Statements

for the year ended 31st March 2018

55 (contd..)

(b) Goodwill arising from acquisition :

(₹ in Crores)

Particulars	Hadoti Power Transmission Service Limited	Barmer Power Transmission Service Limited	Thar Power Transmission Service Limited	Western Transco Power Limited	Western Transco (Gujarat) Limited	Fatehgarh-Bhadla Transmission Limited
Consideration Paid	0.05	0.05	0.05	11.84	13.01	0.01
Less : Fair value of net assets (a-b)	(0.05)	(0.01)	(0.00)	11.83	13.00	0.01
Goodwill	**0.10**	**0.06**	**0.05**	**0.01**	**0.01**	**0.00**

(c) Net Cash outflow on acquisition

(₹ in Crores)

Particulars	Hadoti Power Transmission Service Limited	Barmer Power Transmission Service Limited	Thar Power Transmission Service Limited	Western Transco Power Limited	Western Transco (Gujarat) Limited	Fatehgarh-Bhadla Transmission Limited
Total Consideration paid during the year	0.05	0.05	0.05	11.84	13.01	0.01
Total	**0.05**	**0.05**	**0.05**	**11.84**	**13.01**	**0.01**

As if this companies where acquired on 1st April, 2017, the profitabilty would have been increased by ₹ 4.69 Crores as per below table :-

(₹ in Crores)

Particulars	Hadoti Power Transmission Service Limited	Barmer Power Transmission Service Limited	Thar Power Transmission Service Limited	Western Transco Power Limited	Western Transco (Gujarat) Limited	Fatehgarh-Bhadla Transmission Limited
Profitability Increase/(Decrease)	(0.08)	(0.04)	(0.04)	1.84	3.01	-

(d) Impact of acquisition on the results of the Group :

Included in the Statement of profit and loss before tax for the year ended 31st March, 2018 is ₹ 1.44 Crores and ₹ 5.28 Crores attributable to the acquisition of the WTPL & WTGL respectively. And also ₹ 0.00 Crores in Hadoti Power Transmission Service Ltd.,Barmer Power Transmission Service Ltd, Thar Power Transmission Service Ltd company and Fatehgarh-Bhadla Transmission Limited.

Notes to Consolidated Financial Statements

for the year ended 31st March 2018

55 (contd..)

(e) The results of these subsidiaries, after elimination of inter company transactions and balances, as included in the consolidated financial statements for the year ended March 31, 2018 are given below :

(₹ in Crores)

Particulars	As at 31st March, 2018					
	Hadoti Transmission Power Service Limited	Barmar Transmission Power Service Limited	Thar Transmission Power Service Limited	Western Transco Power Limited	Western Transmission (Gujarat) Limited	Fatehgarh-Bhadla Transmission Limited
ASSETS						
Non-current Assets						
Property, Plant and Equipment	0.02	0.01	0.02	0.47	0.43	-
Capital Work-in-Progress	39.71	41.15	33.13	-	-	7.23
Other Financial Assets	-	-	-	652.33	353.79	-
Income Tax Assets (net)	-	0.01	0.01	0.33	0.31	-
Other Non-current Assets	23.46	16.44	11.88	-	-	-
Total Non-current Assets	**63.19**	**57.61**	**45.04**	**653.13**	**354.53**	**7.23**
Current Assets						
Inventories						
Financial Assets						
- Trade Receivables	-	-	-	7.50	5.76	-
- Cash and Cash Equivalents	0.16	5.83	9.75	5.77	5.16	0.07
- Bank balance other than cash and cash equivalents	-	-	-	22.50	6.92	-
- Financial Assets - Others	0.00	0.00	0.00	54.77	31.46	-
Other Current Assets	0.64	0.49	0.53	0.01	0.17	1.10
Total Current Assets	**0.80**	**6.32**	**10.28**	**90.55**	**49.47**	**1.17**
Liabilities						
Non-current Liabilities						
Financial Liabilities						
- Borrowings	17.53	15.06	5.60	489.31	110.27	-
Total Non-current Liabilities	**17.53**	**15.06**	**5.60**	**489.31**	**110.27**	**-**
Current Liabilities						
Financial Liabilities						
- Borrowings	3.05	12.34	13.41	-	-	-
- Trade Payables	-	-	-	2.62	2.12	-
- Other Financial Liabilities	12.98	6.80	11.37	46.74	188.29	0.00
Other Current Liabilities	0.12	0.12	0.11	0.75	0.45	0.04
Total Current Liabilities	**16.15**	**19.26**	**24.89**	**50.11**	**190.86**	**0.04**

(₹ in Crores)

Particulars	For the Period					
	11th August, 2017 to 31st March, 2018	4th August, 2017 to 31st March, 2018	4th August, 2017 to 31st March, 2018	31st October, 2017 to 31st March, 2018	31st October, 2017 to 31st March, 2018	14th March, 2018 to 31st March, 2018
Total Revenue	-	-	-	35.35	18.76	-
Total Expenses	0.13	0.10	0.10	26.48	7.75	-
Profit / (Loss) before tax	**(0.13)**	**(0.10)**	**(0.10)**	**8.87**	**11.01**	**-**
Tax	-	-	-	1.87	1.72	-
Profit / (Loss) after tax	**(0.13)**	**(0.10)**	**(0.10)**	**7.00**	**9.28**	**-**

Notes to Consolidated Financial Statements

for the year ended 31st March 2018

56 Other Disclosures

(i) Previous year figures are regrouped / reclassified wherever necessary to correspond with the current years classification / disclosure

ii) The Consolidated Financial Statements for the year ended 31st March, 2018 have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on 10th May, 2018.

As per our attached report of even date

For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm Registration Number : 117366W/W-100018

GAURAV J. SHAH
Partner
Membership No.35701

Place : Ahmedabad
Date : 10th May, 2018

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

GAUTAM S. ADANI
Chairman
DIN : 00006273

KAUSHAL SHAH
Chief Financial Officer

ANIL SARDANA
Managing Director and
Chief Executive Officer
DIN : 00006867

JALADHI SHUKLA
Company Secretary

Place : Ahmedabad
Date : 10th May, 2018

Form No. AOC-I

Salient features of the financial statement of subsidiaries as per Companies Act, 2013

PART "A" : Subsidiaries

(₹ in Crores)

Sr. No.	Name of the Subsidiary	Reporting Period	Reporting Currency	Share Capital	Share Application Pending Allottment	Instrumental Entirely Equity in Nature	Reserves & Surplus[1]	Total Assets	Total Liabilities	Investments	Turnover	Profit/ (Loss) before Taxation	Provision for Taxation	Profit/ (Loss) after Taxation	Proposed Dividend	% of Shareholding
1	Adani Transmission (India) Limited	2017-18	INR	866.58	-	-	1,254.60	4,293.66	2,172.48	-	1,815.93	1,218.46	261.27	957.19	-	100%
2	Maharashtra Eastern Grid Power Transmission Company Limited	2017-18	INR	1,586.25	-	-	894.86	5,252.47	2,771.36	-	1,087.31	295.40	63.62	231.78	-	100%
3	Sipat Transmission Limited	2017-18	INR	44.00	-	131.62	(4.47)	501.85	330.70	-	-	(2.48)	0.02	(2.50)	-	100%
4	Raipur-Rajnandgaon-Warora Transmission Limited	2017-18	INR	91.10	-	259.11	(6.69)	998.40	654.89	-	-	(4.16)	0.10	(4.25)	-	100%
5	Chhattisgarh-WR Transmission Limited	2017-18	INR	62.00	-	185.72	(4.21)	779.02	535.51	-	-	(1.83)	0.12	(1.95)	-	100%
6	Adani Transmission (Rajasthan) Limited	2017-18	INR	5.00	-	-	(2.36)	136.07	133.43	-	-	(1.71)	0.01	(1.72)	-	100%[4]
7	North Karanpura Transco Limited	2017-18	INR	0.05	-	31.57	(2.75)	53.35	24.48	-	-	(2.15)	0.02	(2.17)	-	100%
8	Maru Transmission Service Company Limited	2017-18	INR	8.94	-	-	3.76	225.53	212.83	-	38.54	(2.13)	-	(2.13)	-	100%[3]
9	Aravali Transmission Service Company Limited	2017-18	INR	5.23	-	-	(9.93)	142.50	147.20	-	23.77	(2.80)	-	(2.80)	-	100%[3]
10	Western Transco Power Limited[2]	2017-18	INR	10.00	-	-	121.36	743.69	612.33	-	39.93	3.28	1.87	1.41	-	100%
11	Western Transmission (Gujarat) Limited[2]	2017-18	INR	10.00	-	-	80.11	404.01	313.90	-	22.37	8.29	1.72	6.57	-	100%
12	Hadoti Power Transmission Service limited[2]	2017-18	INR	7.00	2.00	18.34	(0.23)	63.99	36.89	-	-	(0.22)	-	(0.22)	-	100%
13	Barmer Power Transmission Service limited[2]	2017-18	INR	7.00	1.00	9.08	(0.16)	63.95	47.02	-	-	(0.14)	-	(0.14)	-	100%
14	Thar Power Transmission Service limited[2]	2017-18	INR	6.00	1.00	4.19	(0.15)	55.32	44.28	-	-	(0.14)	-	(0.14)	-	100%
15	Fatehgarh-Bhadla Transmission Limited[2]	2017-18	INR	0.01	-	-	(0.00)	7.23	7.22	-	-	-	-	-	-	100%

Form No. AOC-I

Salient features of the financial statement of subsidiaries as per Companies Act, 2013

PART "A" : Subsidiaries

1. Reserves & Surplus includes Other Comprehensive Income

2. Date of Acquisition by the company:

Western Transco Power Limited- 31st October, 2017

Western Transmission (Gujarat) Limited- 31st October, 2017

Hadoti Power Transmission Service limited- 11th August, 2017

Barmer Power Transmission Service limited- 04th August, 2017

Thar Power Transmission Service limited-04th August, 2017

Fatehgarh-Bhadla Transmission Limited- 14th March, 2018

3. 26% of equity shares of Maru Transmission Service Company Limited and Aravali Transmission Service Company Limited are pledged in favour of the company.

4. Rajasthan Rajya Vidyut Prasaran Nigam Limited is holding 1 (One) Equity Share of Adani Tranmission (Rajasthan) Limited pursuant to the provisions of the Shareholder's Agreement dated 21st October, 2016.

Name of the Subsidiaries which are yet to commence operations

Sr. No.	Name of the Subsidiary
1	Sipat Transmission Limited
2	Raipur-Rajnandgaon-Warora Transmission Limited
3	Chhattisgarh-WR Transmission Limited
4	Adani Transmission (Rajasthan) Limited
5	North Karanpura Transco Limited
6	Hadoti Power Transmission Service limited
7	Barmer Power Transmission Service limited
8	Thar Power Transmission Service limited
9	Fatehgarh-Bhadla Transmission Limited

Note: There are no associate companies or joint ventures companies within the meaning of Section 2(6) of the Companies Act, 2013. Hence, Part B relating to the same is not applicable.

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

GAUTAM S. ADANI
Chairman
DIN : 00006273

ANIL SARDANA
Managing Director and
Chief Executive Officer
DIN : 00006867

KAUSHAL SHAH
Chief Financial Officer

JALADHI SHUKLA
Company Secretary

Place : Ahmedabad
Date : 10th May, 2018

Notice

NOTICE is hereby given that the 5th Annual General Meeting of Adani Transmission Limited will be held on Tuesday, 7th August, 2018 at 10.30 a.m. at J.B. Auditorium, Ahmedabad Management Association, AMA Complex, ATIRA, Dr. Vikram Sarabhai Marg, Ahmedabad – 380 015 to transact the following businesses:

Ordinary Business:

1. To receive, consider and adopt the audited financial statements (including audited consolidated financial statements) for the financial year ended on 31st March, 2018 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.

3. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, M/s. Deloitte Haskins & Sells LLP, Chartered Accountants (Firm Registration No. 117366W/W-100018) be and is hereby appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of 10th AGM of the Company to be held in the year 2023 on such remuneration (including fees for certification) and reimbursement of out of pocket expenses for the purpose of audit as may be fixed by the Board of Directors of the Company, on the recommendation of the Audit Committee."

Special Business:

4. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT Mr. Anil Sardana (DIN: 00006867), who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Companies Act, 2013 (Act) and Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company liable to retire by rotation."

5. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

   "RESOLVED THAT in accordance with the provisions of Sections 196, 197, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and also subject to the approval of the Central Government, if required, the Company hereby accords its approval to the appointment of Mr. Anil Sardana (DIN: 00006867), as a Managing Director and Chief Executive Officer of the Company for a period of 5 (five) years w.e.f. 10th May, 2018 on the terms and conditions as set out in the Explanatory Statement attached hereto and forming part of this notice with a liberty to Board of Directors to alter and vary the terms and conditions of the said appointment as it may deem fit and as agreed by and between the Board of Directors and Mr. Anil Sardana.

   RESOLVED FURTHER THAT Mr. Anil Sardana shall not be paid any remuneration until otherwise decided so long as he functions as a Managing Director and Chief Executive Officer of the Company.

   RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary to give effect to this Resolution."

6. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

   "RESOLVED THAT pursuant to the provisions of Section 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 and subject to the necessary registration, approvals, consents, permissions and sanctions required, if any, by the jurisdictional Registrar of Companies, and 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 Company be and is hereby accorded for alteration of the Main Object Clause of the Memorandum of Association of the Company by inserting the following new clause after existing Sub Clause No. 2 of Clause III(A) therein :

3. To provide assets such as dark fibres, Right of Way, duct space and towers to the telecom service providers licensed U/S 4 of Indian Telegraph Act, 1885 on mutually agreed terms & conditions as also offering utility services related to Telecommunications, E-Security, Entertainment, Gas, Fibre connectivity, Water and adjunct services associated with electricity retail supply, to customers.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all 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 as may be suggested by the Registrar of Companies or such other Authority arising from or incidental to the said amendment."

7. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 42, 62 and all other applicable provisions, if any, of the Companies Act, 2013 and the rules framed thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force) (the "Companies Act"), the Foreign Exchange Management Act, 1999, as amended or restated ("FEMA"), the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended or restated (the "ICDR Regulations"), the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993, as amended or restated, the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations 2000, as amended or restated, and subject to all other applicable laws, statutes, rules, circulars, notifications, regulations and guidelines of the Government of India, the Securities and Exchange Board of India (the "SEBI"), the Reserve Bank of India (the "RBI"), the relevant stock exchanges where the equity shares of the Company are listed (the "Stock Exchanges") and all other appropriate statutory and regulatory authorities, as may be applicable or relevant, whether in India or overseas (hereinafter collectively referred to as the "Appropriate Authorities"), the enabling provisions of the Memorandum and Articles of Association of the Company, as amended, and the listing agreements entered into by the Company with the Stock Exchanges and subject to requisite approvals, consents, permissions and sanctions, if any, of the Appropriate Authorities and subject to such conditions and modifications as may be prescribed by any of them in granting any such approvals, consents, permissions, and sanctions (hereinafter referred as the "Requisite Approvals") which may be agreed to by the Board of Directors of the Company (hereinafter referred as the "Board" which term shall be deemed to include any committee constituted or to be constituted by the Board to exercise its powers including the powers conferred by this resolution, or any person(s) authorised by the Board or its committee for such purposes), consent of the Company be and is hereby accorded to the Board in its absolute discretion, to create, offer, issue and allot, from time to time in either one or more international offerings, in one or more foreign markets, in one or more tranches and/or in the course of one or more domestic offering(s) in India, such number of equity shares and/or any securities linked to, convertible into or exchangeable for equity shares including without limitation through Global Depository Receipts ("GDRs") and/or American Depository Receipts ("ADRs") and/or convertible preference shares and/or convertible debentures (compulsorily and/or optionally, fully and/or partly) and/or Commercial Papers and/or warrants with a right exercisable by the warrant holder to exchange or convert such warrants with equity shares of the Company at a later date simultaneously with the issue of non-convertible debentures and/or Foreign Currency Convertible Bonds ("FCCBs") and/or Foreign Currency Exchangeable Bonds ("FCEBs") and/or any other permitted fully and/or partly paid securities/ instruments/ warrants, convertible into or exchangeable for equity shares at the option of the Company and/or holder(s) of the security(ies) and/or securities linked to equity shares (hereinafter collectively referred to as "Securities"), in registered or bearer form, secured or unsecured, listed on

a recognized stock exchange in India or abroad whether rupee denominated or denominated in foreign currency, to such investors who are eligible to acquire such Securities in accordance with all applicable laws, rules, regulations, guidelines and approvals, through public issue(s), rights issue(s), preferential issue(s), private placement(s) and / or qualified institutional placement in terms of Chapter VIII of the SEBI (ICDR) Regulations or any combinations thereof, through any prospectus, offer document, offer letter, offer circular, placement document or otherwise, at such time or times and at such price or prices subject to compliance with all applicable laws, rules, regulations, guidelines and approvals, at a discount or premium to market price or prices in such manner and on such terms and conditions including as regards security, rate of interest, etc., as may be deemed appropriate by the Board in its absolute discretion, subject to compliance with all applicable laws, rules, regulations, guidelines and approvals, for an aggregate amount, not exceeding ₹5,000 Crores (Rupees Five Thousand Crores Only) or foreign currency equivalent thereof, at such premium as may from time to time be decided by the Board and the Board shall have the discretion to determine the categories of eligible investors to whom the offer, issue and allotment shall be made to the exclusion of all other categories of investors at the time of such offer, issue and allotment considering the prevailing market conditions and all other relevant factors and where necessary in consultation with advisor(s), lead manager(s), and underwriter(s) appointed by the Company.

RESOLVED FURTHER THAT without prejudice to the generality of the above, the issue(s) of Securities may, subject to compliance with all applicable laws, rules, regulations, guidelines and approvals, have all or any terms, or combination of terms, in accordance with domestic and/or international practice, including, but not limited to, conditions in relation to payment of interest, additional interest, premium on redemption, prepayment and any other debt service payments whatsoever and all other such terms as are provided in offerings of such nature including terms for issue of additional equity shares or variation of the conversion price of the Securities during the duration of the Securities.

RESOLVED FURTHER THAT in case of any offering of Securities, including without limitation any GDRs/ADRs/ FCCBs/FCEBs/other securities convertible into equity shares, consent of the shareholders be and is hereby given to the Board to issue and allot such number of equity shares as may be required to be issued and allotted upon conversion, redemption or cancellation of any such Securities referred to above in accordance with the terms of issue/offering in respect of such Securities and such equity shares shall rank pari passu with the existing equity shares of the Company in all respects, except as may be provided otherwise under the terms of issue/offering and in the offer document and/or offer letter and/or offering circular and /or listing particulars.

RESOLVED FURTHER THAT the Board be and is hereby authorised to engage, appoint and to enter into and execute all such agreement(s)/ arrangement(s)/ MoUs/ placement agreement(s)/ underwriting agreement(s)/ deposit agreement(s)/ trust deed(s)/ subscription agreement/ payment and conversion agency agreement/ any other agreements or documents with any consultants, lead manager(s), co-lead manager(s), manager(s), advisor(s), underwriter(s), guarantor(s), depository(ies), custodian(s), registrar(s), agent(s) for service of process, authorised representatives, legal advisors / counsels, trustee(s), banker(s), merchant banker(s) and all such advisor(s), professional(s), intermediaries and agencies as may be required or concerned in such offerings of Securities and to remunerate them by way of commission, brokerage, fees and such other expenses as it deems fit, listing of Securities in one or more Indian/ International Stock Exchanges, authorizing any director(s) or any officer(s) of the Company, severally, to sign for and on behalf of the Company offer document(s), arrangement(s), application(s), authority letter(s), or any other related paper(s)/documents(s), give any undertaking(s), affidavit(s), certification(s), declaration(s) including without limitation the authority to amend or modify such document(s).

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, consent of the members of the Company be and is hereby accorded to the Board to do all such acts, deeds, matters and/or things, in its absolute discretion and including, but not limited to finalization and approval of the preliminary as well as final document(s), determining the form, terms, manner of issue, the number of the Securities to be allotted, timing of the issue(s)/ offering(s) including the investors to whom the Securities are to be allotted, issue price, face value, number of equity shares or other securities upon conversion or redemption or cancellation of the Securities, premium or discount on issue /conversion/ exchange of Securities, if any, rate of interest, period of conversion or redemption, listing on one or more stock exchanges in India and / or abroad and any other terms and conditions of the issue, including any amendments or modifications to the terms of the Securities and any agreement or document (including without limitation, any amendment or modification, after the issuance of the Securities), the execution of various transaction

documents, creation of mortgage/charge in accordance with the provisions of the Companies Act and any other applicable laws or regulations in respect of any Securities, either on a pari passu basis or otherwise, fixing of record date or book closure and related or incidental matters as the Board in its absolute discretion deems fit and to settle all questions, difficulties or doubts that may arise in relation to the issue, offer or allotment of the Securities, accept any modifications in the proposal as may be required by the Appropriate Authorities in such issues in India and / abroad and subject to applicable law, for the utilization of the issue proceeds as it may in its absolute discretion deem fit without being required to seek any further consent or approval of the members or otherwise to the end and intent and that the members shall be deemed to have given their approval thereto for all such acts, deeds, matters and/or things, expressly by the authority of this resolution.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board is authorised on behalf of the Company to take all actions and to do all such deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient to the issue or allotment of aforesaid Securities and listing thereof with the stock exchange(s) as appropriate and to resolve and settle all questions and difficulties that may arise in the proposed issue, offer and allotment of any of the Securities, utilization of the issue proceeds and to do all acts, deeds and things in connection therewith and incidental thereto as the Board in its absolute discretion deem fit, without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Company and/or any agency or body authorised by the Company may, subject to compliance with all applicable laws, rules, regulations, guidelines and approvals, issue certificates and/or depository receipts including global certificates representing the Securities with such features and attributes as are prevalent in international and/or domestic capital markets for instruments of such nature and to provide for the tradability or transferability thereof as per the international and/or domestic practices and regulations, and under the forms and practices prevalent in such international and/or domestic capital markets.

RESOLVED FURTHER THAT the Company may enter into any arrangement with any agency or body for the issue, upon conversion of the Securities, of equity shares of the Company in registered or bearer form with such features and attributes as are prevalent in international capital markets for instruments of this nature and to provide for the tradability or free transferability thereof as per the international practices and/or domestic practices and regulations, and under the forms and practices prevalent in international and/or domestic capital markets.

RESOLVED FURTHER THAT the Securities may be redeemed and/or converted into and/or exchanged for the equity shares of the Company (or exchanged for equity shares of another company as permitted under applicable law), subject to compliance with all applicable laws, rules, regulations, guidelines and approvals, in a manner as may be provided in the terms of their issue.

RESOLVED FURTHER THAT in case of a Qualified Institutional Placement (QIP) pursuant to Chapter VIII of the SEBI (ICDR) Regulations, the allotment of eligible securities within the meaning of Chapter VIII of the SEBI (ICDR) Regulations shall only be made to Qualified Institutional Buyers (QIBs) within the meaning of Chapter VIII of the SEBI (ICDR) Regulations, such securities shall be fully paid-up and the allotment of such securities shall be completed within 12 months from the date of the resolution approving the proposed issue by the members of the Company or such other time as may be allowed by SEBI (ICDR) Regulations from time to time and that the securities be applied to the National Securities Depository Limited and/or Central Depository Services (India) Limited for admission of the eligible securities to be allotted as per Chapter VIII of the SEBI (ICDR) Regulations.

RESOLVED FURTHER THAT the relevant date for the purpose of pricing of the Securities by way of QIP/GDRs/ADRs/FCCBs/FCEBs or by way of any other issue(s) shall be the date as specified under the applicable law or regulation or it shall be the date of the meeting in which the Board decides to open the issue.

RESOLVED FURTHER THAT the Board and other designated officers of the Company be and are hereby severally authorised to make all filings including as regards the requisite listing application/ prospectus/ offer document/registration statement, or any draft(s) thereof, or any amendments or supplements thereof, and of any other relevant documents with the Stock Exchanges (in India or abroad), the RBI, the SEBI, the Registrar of Companies and such other authorities or institutions in India and/or abroad for this purpose and to do all such acts, deeds and things as may be

necessary or incidental to give effect to the resolutions above and the Common Seal of the Company be affixed wherever necessary.

RESOLVED FURTHER THAT such of these Securities as are not subscribed may be disposed off by the Board in its absolute discretion in such manner, as the Board may deem fit and as permissible by law.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of its powers conferred by this resolution on it, to any Committee of directors or the Managing Director or Directors or any other officer of the Company, in order to give effect to the above resolutions.

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in any of the foregoing resolutions are hereby approved, ratified and confirmed in all respects."

8. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 42, 71 and all other applicable provisions, if any, of the Companies Act, 2013 ("Act"), read with rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force) and pursuant to the provisions of SEBI (Issue and Listing of Debt Securities) Regulations, 2008 as amended from time to time and other applicable SEBI regulations and guidelines, the provisions of the Memorandum and Articles of Association of the Company and subject to such other applicable laws, rules and regulations and guidelines, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee which the Board may constitute to exercise its powers, including the powers conferred by this Resolution) for making offer(s) or invitation(s) to subscribe redeemable secured/ unsecured Non-Convertible Debentures (NCDs) but not limited to subordinated debentures, bonds, and/or other debt securities, etc., on a private placement basis, in one or more tranches, during the period of one year from the date of passing of the special resolution by the members, within the overall borrowing limits of the Company, as may be approved by the members from time to time.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to determine the terms of issue including the class of investors to whom NCDs are to be issued, time, securities to be offered, the number of NCDs, tranches, issue price, tenor, interest rate, premium/ discount, listing and to do all such acts and things and deal with all such matters and take all such steps as may be necessary and to sign and execute any deeds/ documents/ undertakings/ agreements/ papers/ writings, as may be required in this regard."

9. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 188 and all other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and in terms of applicable provisions of Listing Agreement executed with the Stock Exchanges, consent of the members be and is hereby accorded for ratification / approval of material related party transactions entered into by the Company with related party as set out in the explanatory statement annexed to the notice convening this meeting.

RESOLVED FURTHER THAT the Board of Directors thereof be and is hereby authorised to take all such steps as may be deemed necessary, proper or expedient to give effect to this resolution."

Date: 10th May, 2018 — For and on behalf of the Board

Place: Ahmedabad

Jaladhi Shukla
Company Secretary

Regd. Office:
"Adani House",
Near Mithakhali Six Roads,
Navrangpura, Ahmedabad - 380 009
Gujarat, India.
CIN : L40300GJ2013PLC077803

Notes:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. THE PROXY NEED NOT BE A MEMBER.**

   A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. **THE INSTRUMENT APPOINTING PROXY SHOULD HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

3. Information regarding appointment / re-appointment of Directors and Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of special businesses to be transacted are annexed hereto.

4. The Register of members and share transfer books of the Company will remain closed from Tuesday, 31st July, 2018 to Tuesday, 7th August, 2018 (both days inclusive) for the purpose of Annual General Meeting.

5. Shareholders seeking any information with regard to accounts are requested to write to the Company atleast 10 days before the meeting so as to enable the management to keep the information ready.

6. All documents referred to in the accompanying notice and explanatory statement will be kept open for inspection at the Registered Office of Company on all working days between 11.00 a.m. to 1.00 p.m. prior to date of Annual General Meeting.

7. Members are requested to bring their copy of Annual Report at the meeting.

8. Members holding the shares in physical mode are requested to notify immediately the change of their address and bank particulars to the R & T Agent of the Company. In case shares held in dematerialized form, the information regarding change of address and bank particulars should be given to their respective Depository Participant.

9. In terms of Section 72 of the Companies Act, 2013, nomination facility is available to individual shareholders holding shares in the physical form. The shareholders who are desirous of availing this facility, may kindly write to Company's R & T Agent for nomination form by quoting their folio number.

10. The route map showing directions to reach the venue of the fifth AGM is annexed.

11. Process and manner for members opting for voting through Electronic means:

    i. In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to offer the facility of voting through electronic means and the business set out in the Notice above may be transacted through such electronic voting. The facility of voting through electronic means is provided through the e-voting platform of Central Depository Services (India) Limited ("remote e-voting").

    ii. Members whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date i.e. 31st July, 2018, shall be entitled to avail the facility of remote e-voting as well as voting at the AGM. Any recipient of the Notice, who has no voting rights as on the Cut-off date, shall treat this Notice as intimation only.

    iii. A person who has acquired the shares and has become a member of the Company after the despatch of the Notice of the AGM and prior to the Cut-off date i.e. 31st July, 2018, shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or through the Poll Paper at the AGM by following the procedure mentioned in this part.

    iv. The remote e-voting will commence on Friday, 3rd August, 2018 at 9.00 a.m. and will end on Monday, 6th August, 2018 at 5.00 p.m. During this period, the members of the Company holding shares either in physical form or in demat form as on the Cut-off date i.e. Tuesday, 31st July, 2018, may cast their vote electronically. The members will not be able to cast their vote electronically beyond the date and time mentioned above and the remote e-voting module shall be disabled for voting by CDSL thereafter.

    v. Once the vote on a resolution is cast by the member, he/she shall not be allowed to change it subsequently or cast the vote again.

vi. The facility for voting through Poll Paper would be made available at the AGM and the members attending the meeting who have not already cast their votes by remote e-voting shall be able to exercise their right at the meeting through Poll Paper. The members who have already cast their vote by remote e-voting prior to the meeting, may also attend the Meeting, but shall not be entitled to cast their vote again.

vii. The voting rights of the members shall be in proportion to their share in the paid up equity share capital of the Company as on the Cut-off date i.e. Tuesday, 31st July, 2018.

viii. The Company has appointed CS Chirag Shah, Practising Company Secretary (Membership No. FCS: 5545; CP No: 3498), to act as the Scrutinizer for conducting the remote e-voting process as well as the voting through Poll Paper at the AGM, in a fair and transparent manner.

ix. The procedure and instructions for remote e-voting are, as follows:

Step 1: Open your web browser during the voting period and log on to the e-voting website: www.evotingindia.com.

Step 2: Now click on "Shareholders" to cast your votes.

Step 3: Now, fill up the following details in the appropriate boxes:

User-ID:

a. For CDSL: 16 digits beneficiary ID

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID

c. Members holding shares in physical form should enter the Folio Number registered with the Company.

Step 4: Next, enter the Image Verification as displayed and Click on Login.

Step 5: If you are holding shares in demat form and had logged on to then your existing password is to be used.

If you are a first time user follow the steps given below:

For members holding shares in demat form and physical form:

PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Attendance Slip indicated in the PAN field.
Dividend Bank Details **OR** Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in Step 3.

Step 6: After entering these details appropriately, click on "SUBMIT" tab.

Step 7: Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

Step 8: For members holding shares in physical form, the details can be used only for remote e-voting on the resolutions contained in this Notice.

Step 9: Click on EVSN of the Company.

Step 10: On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

Step 11: Click on the resolution file link if you wish to view the entire Notice.

Step 12: After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

Step 13 : You can also take print out of the voting done by you by clicking on "Click here to print" option on the Voting page.

Step 14: Instructions for Non – Individual Members and Custodians:

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com 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, user would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

x. Shareholders can also use Mobile app - "m-Voting" for e-voting. m-Voting app is available on IOS, Android & Windows based Mobile. Shareholders may log in to m-Voting using their e-voting credentials to vote for the company resolution(s).

xi. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.adanitransmission.com and on the website of CDSL i.e www.cdslindia.com within forty eight hours of the passing of the Resolutions at the 5th Annual General Meeting of the Company and shall also be communicated to the Stock Exchanges where the shares of the Company are listed.

xii. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

Contact Details:

Company	Adani Transmission Limited Regd. Office: "Adani House ", Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad-380 009, Gujarat, India CIN: L40300GJ2013PLC077803 E-mail ID: jaladhi.shukla@adani.com
Registrar and Transfer Agent	M/s. Link Intime India Private Limited 5th Floor, 506-508, Amarnath Business Centre – 1 (ABC-1), Beside Gala Business Centre, Off C. G. Road, Navrangpura, Ahmedabad – 380 009. Tel: +91-79-26465179 Fax : +91-79-26465179 E-mail: ahmedabad@linkintime.co.in
e-Voting Agency	Central Depository Services (India) Limited E-mail ID: helpdesk.evoting@cdslindia.com Phone : 022- 22723333 / 8588
Scrutinizer	CS Chirag Shah Practising Company Secretary E-mail ID: pcschirag@gmail.com

ANNEXURE TO NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

For Item Nos. 4 & 5:

The Board of Directors at its meeting held on 10th May, 2018 has appointed Mr. Anil Sardana as an Additional Director of the Company. According to the provisions of Section 161 of the Companies Act 2013, he holds office as Director only up to the date of the ensuing Annual General Meeting. As required under Section 160 of the Companies Act, 2013, a notice has been received from a member signifying its intention to propose the appointment of Mr. Anil Sardana as a Director of the Company.

On the recommendation of the Nomination & Remuneration Committee of the Company, the Board, at its meeting held on the 10th May, 2018, has appointed Mr. Anil Sardana as a Managing Director and Chief Executive Officer of the Company unanimously for a period of five years w.e.f. 10th May, 2018. Mr. Anil Sardana shall be retire by rotation and shall not draw any remuneration from the Company.

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.

Mr. Anil Sardana is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director.

The Board of Directors felt that it is in interest of the Company to avail services of Mr. Anil Sardana as a Managing Director and Chief Executive Officer of the Company.

Brief resume and other details of Mr. Anil Sardana are provided in annexure to the Notice pursuant to the provision of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

The Board of Directors recommends the said resolutions for your approval.

Mr. Anil Sardana is deemed to be interested in the said resolution as it relates to his appointment. None of the other Directors or key managerial personnel or their relatives is, in anyway, concerned or interested in the said resolution.

The explanatory statement together with accompanying notice may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Companies Act, 2013 in respect of appointment of Mr. Anil Sardana as a Managing Director of the Company.

For Item No. 6:

The Company is presently engaged in the business of establishing, commissioning, operating and maintaining electric power transmission systems. Your Company intends to ascertain and determine on the possible avenues of business opportunities with the ambition of expanding its telecom solutions to Telcos, Internet service providers and long distance communication operators in the country through OPGW fibers on transmission lines. The commercialization of the network shall be done through leasing out spare capacities to potential communication players in the country.

To this end, it is proposed to alter clause III (A) of the Company's Memorandum of Association, by inserting therein, after the present sub-clause (2) thereof, new sub-clause (3) set out in the text of the Special Resolution submitted with the Notice.

Having regard to the technical experience and financial resources of the Company, the Directors consider that the business activities set out in the Special Resolution are capable of being conveniently or advantageously combined with the business presently carried on by the Company, economically and efficiently.

The Directors consider that the proposed alteration would be in the best interests of the Members. The Members are therefore requested to approve the proposed alteration to the Memorandum of Association.

Section 13 of the Companies Act, 2013 requires a Special Resolution for the alteration of the Main Object Clause of the Memorandum of Association of the Company.

Pursuant to the provisions of Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, alteration of the Main Object Clause of the Memorandum of Association of the Company

can be transacted at a general meeting of the Company wherein the facility to members to vote by electronic means under section 108 is provided.

The Board of Directors recommend the resolution for the approval of members of the Company as a Special Resolution.

None of the Directors or any key managerial personnel or any relative of any of the Directors of the Company or the relatives of any key managerial personnel is, in anyway, concerned or interested in the above resolution.

For Item No. 7:

The Company proposes to have flexibility to infuse additional capital, to tap capital markets and to raise additional long term resources, if necessary in order to sustain rapid growth in the business, for business expansion and to improve the financial leveraging strength of the Company. The proposed resolution seeks the enabling authorization of the members to the Board of Directors to raise funds to the extent of ₹5,000 Crores (Rupees Five Thousand Crores Only) or its equivalent in any one or more currencies, in one or more tranches, in such form, on such terms, in such manner, at such price and at such time as may be considered appropriate by the Board (inclusive at such premium as may be determined) by way of issuance of equity shares of the Company ("Equity Shares") and/or any instruments or securities including Global Depository Receipts ("GDRs") and/or American Depository Receipts ("ADRs") and/or convertible preference shares and/ or convertible debentures (compulsorily and/or optionally, fully and/or partly) and/or non-convertible debentures (or other securities) with warrants, and/or warrants with a right exercisable by the warrant holder to exchange or convert such warrants with equity shares of the Company at a later date simultaneously with the issue of Foreign Currency Convertible Bonds ("FCCBs") and/or Foreign Currency Exchangeable Bonds ("FCEBs") and/or any other permitted fully and/or partly paid securities/instruments/ warrants, convertible into or exchangeable for equity shares at the option of the Company and/or holder(s) of the security(ies) and/or securities linked to equity shares (hereinafter collectively referred to as "Securities"), in registered or bearer form, secured or unsecured, listed on a recognized stock exchange in India or abroad whether rupee denominated or denominated in foreign currency by way of private placement or otherwise.

The Special Resolution also seeks to empower the Board of Directors to undertake a Qualified Institutional Placement (QIP) with Qualified Institutional Buyers (QIBs) as defined by SEBI under Issue of Capital and Disclosure Requirements Regulations, 2009. The Board of Directors may in their discretion adopt this mechanism as prescribed under Chapter VIII of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009. Further in case the Company decides to issue eligible securities within the meaning of Chapter VIII of the SEBI Regulations to Qualified Institutional Investors, it will be subject to the provisions of Chapter VIII of the SEBI Regulations as amended from time to time. The aforesaid securities can be issued at a price after taking into consideration the pricing formula prescribed in Chapter VIII of the SEBI (ICDR) Regulations. Allotment of securities issued pursuant to Chapter VIII of SEBI Regulations shall be completed within twelve months from the date of passing of the resolution under Section 42 and 62 of the Companies Act, 2013. This Special Resolution gives (a) adequate flexibility and discretion to the Board to finalise the terms of the issue, in consultation with the Lead Managers, Underwriters, Legal Advisors and experts or such other authority or authorities as need to be consulted including in relation to the pricing of the Issue which will be a free market pricing and may be at premium or discount to the market price in accordance with the normal practice and (b) powers to issue and market any securities issued including the power to issue such Securities in such tranche or tranches with/without voting rights or with differential voting rights.

The detailed terms and conditions for the issue of Securities will be determined in consultation with the advisors, and such Authority/Authorities as may be required to be consulted by the Company considering the prevailing market conditions and other relevant factors.

The consent of the shareholders is being sought pursuant to the provisions of Section 42, 62 and other applicable provisions of the Companies Act, 2013 and in terms of the provisions of the listing agreement executed by the Company with Stock Exchanges where the Equity Shares of the Company are listed. Since the resolution involves issue of Equity Shares to persons other than existing shareholders, special resolution in terms of Section 42 and 62 of the Companies Act, 2013 is proposed for your approval. The amount proposed to be raised by the Company shall not exceed ₹5,000 Crores (Rupees Five Thousand Crores Only).

The Equity shares, which would be allotted, shall rank in all respects pari passu with the existing Equity Shares of the Company, except as may be provided otherwise under the terms of issue/offering and in the offer document and/or offer letter and/or offering circular and/or listing particulars.

The Board of Directors recommends the said resolution for your approval.

None of the Directors or any key managerial personnel or any relative of any of the Directors of the Company or the relatives of any key managerial personnel is, in anyway, concerned or interested in the above resolution.

For Item No. 8:

As per the provisions of Section 42 of the Companies Act, 2013 ("Act") read with rules made thereunder a Company offering or making an invitation to subscribe to redeemable secured/ unsecured non-convertible debentures (NCDs) on a private placement basis is required to obtain the prior approval of the members by way of a Special Resolution. Such approval by a Special Resolution can be obtained once in a year for all the offers and an invitation for such debt securities to be made during the year.

It is proposed to offer or invite subscriptions for redeemable secured/ unsecured non-convertible debenture including subordinated debentures, bonds, and/ or other debt securities, etc., on a private placement basis, in one or more tranches, during the period of one year from the date of passing of the Special Resolution by the members, within the overall borrowing limits of ₹15,000 crore in excess of and in addition to the paid-up share capital and free reserves of the Company, as approved by the members in the Extraordinary General Meeting held on 12th February, 2015, with authority to the Board to determine the terms and conditions, including the issue price of the debt securities, interest, repayment, security or otherwise, as it may deem expedient and to do all such acts, deeds, matters and things in connection therewith and incidental thereto as the Board in its absolute discretion deems fit, without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of the Resolution. Accordingly, the approval of the members is being sought by way of a Special Resolution under Section 42 and other applicable provisions, if any of the Act and its rules there under.

The Board of Directors recommends the said resolution for your approval.

None of the Directors or any key managerial personnel or any relative of any of the Directors of the Company or the relatives of any key managerial personnel is, in anyway, concerned or interested in the above resolution.

For Item No. 9:

Pursuant to the provisions of Section 188 of the Companies Act, 2013 read with rules made thereunder and in terms of applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, consent of members by way of an ordinary resolution is required for ratification/ approval of material related party transactions entered into by the Company with related party.

The Company has entered into the following material related party transaction with the related party during the year under review:

(₹ in Crores)

Name of the Related Party	Nature of Relationship	Nature of transaction	Outstanding as at 31.03.2018
Adani Infra (India) Ltd.	Significant influence by KMP	Financial transactions	2,193.25

As per the SEBI Listing Regulations, all related parties of the Company shall abstain from voting on the said resolution.

The Board of Directors recommends the said resolution for your approval.

Mr. Gautam S. Adani and Mr. Rajesh S. Adani and their relatives are deemed to be concerned or interested in this resolution. None of the other Directors or key managerial personnel or their relatives is, in anyway, concerned or interested in the said resolution.

For and on behalf of the Board

Date : 10th May, 2018
Place : Ahmedabad

Jaladhi Shukla
Company Secretary

Regd. Office:
"Adani House",
Near Mithakhali Six Roads,
Navrangpura, Ahmedabad – 380 009
Gujarat, India.
CIN : L40300GJ2013PLC077803

ANNEXURE TO NOTICE

Details of Directors seeking Appointment / Re-appointment

Name of Director	Age, Date of Birth (No. of Shares held)	Qualification	Nature of expertise in specific functional areas	Name of the companies in which he holds directorship as on 31st March, 2018	Name of committees in which he holds membership/ chairmanship as on 31st March, 2018
Mr. Rajesh S. Adani (DIN: 00006322)	53 years 07. 12. 1964 [1 (One)])#	B.Com.	Mr Rajesh 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, personalized approach to the business and competitive spirit has helped towards the growth of the Group and its various businesses.	• Adani Enterprises Limited^^ • Adani Ports and Special Economic Zone Limited^^ • Adani Power Limited^^ • Adani Transmission Limited^^ • Adani Green Energy Limited • Adani Wilmar Limited • Adani Gas Limited • Adani Welspun Exploration Limited • Adani Finserve Private Limited • Adani Institute for Education and Research [Section 8 Company]	• Adani Enterprises Limited^^ o Corporate Social Responsibility Committee (Chairman) o Risk Management Committee (Chairman) o Stakeholders' Relationship Committee (Member) • Adani Ports and Special Economic Zone Limited^^ o Audit Committee (Member) o Stakeholders' Relationship Committee (Chairman) o Nomination & Remuneration Committee (Member) o Sustainability & Corporate Social Responsibility Committee (Chairman) o Risk Management Committee (Chairman) • Adani Power Limited^^ o Audit Committee (Member) o Stakeholders' Relationship Committee (Member) o Sustainability and Corporate Social Responsibility Committee (Chairman) o Risk Management Committee (Chairman) • Adani Transmission Limited^^ o Audit Committee (Member) o Stakeholders' Relationship Committee (Member) o Corporate Social Responsibility and Sustainability Committee (Chairman) o Risk Management Committee (Member) • Adani Gas Limited o Corporate Social Responsibility Committee (Member)

Details of Director seeking Appointment / Re-appointment (Contd...)

Name of Director	Age, Date of Birth (No. of Shares held)	Qualification	Nature of expertise in specific functional areas	Name of the companies in which he holds directorship as on 31st March, 2018	Name of committees in which he holds membership/ chairmanship as on 31st March, 2018
Mr. Anil Sardana* (DIN: 00006867)	59 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.	• Miraclefeet Foundation for Eliminating Clubfoot [Section 8 Company]	• Adani Transmission Limited^^ o Stakeholders' Relationship Committee (Member) o Corporate Social Responsibility and Sustainability Committee (Member) o Risk Management Committee (Chairman)

In Individual Capacity

* Details of directorship and membership/chairmanship of committees are as of 10th May, 2018.

^^Listed Companies

For other details such as number of meetings of the board attended during the year, remuneration drawn and relationship with other directors and key managerial personnel in respect of above directors, please refer to the Corporate Governance Report.

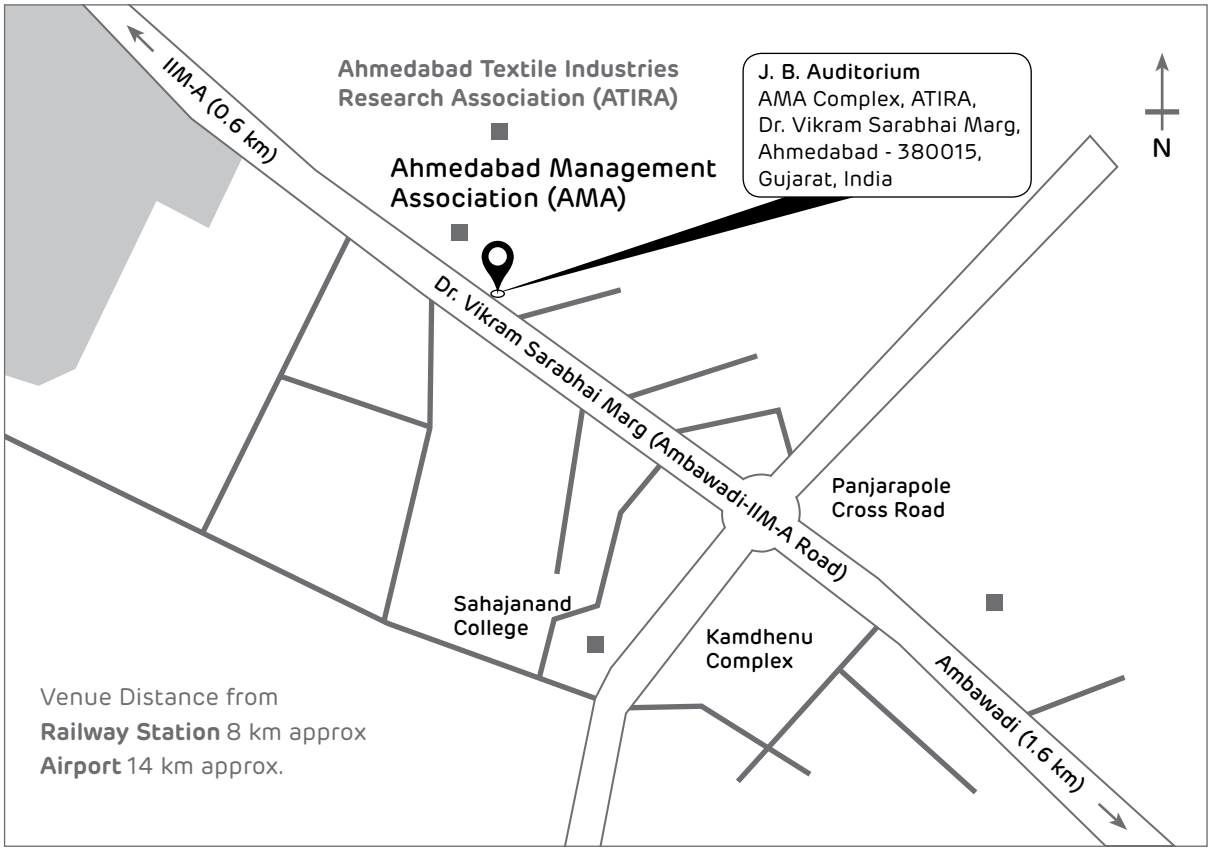
IMPORTANT COMMUNICATION TO MEMBERS

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the Companies and has issued circulars stating that service of notice / documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respects of electronics holding with the Depository through their concerned Depository Participants.

Route map to the venue of the 5th AGM to be held on Tuesday, 7th August, 2018

Venue : J. B. Auditorium, Ahmedabad Management Association, AMA Complex, ATIRA, Dr. Vikram Sarabhai Marg, Ahmedabad - 380015

Landmark: Opposite Indian Institute of Management, Ahmedabad



Adani Transmission Limited
Regd. Office: "Adani House" Nr. Mithakhali Six Roads,
Navrangpura, Ahmedabad-380 009, Gujarat, India
Website: www.adanitransmission.com
E-mail: info@adani.com
CIN: L40300GJ2013PLC077803

Form No. MGT-11

Proxy Form

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN : L40300GJ2013PLC077803
Name of the Company : Adani Transmission Limited
Registered office : "Adani House," Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad - 380 009, Gujarat, India

Name of the member(s)	:
Registered Address	:
Email ID	:
Folio No/Client ID	:
DP ID	:

I/We, being the member (s) of ..... shares of the above named Company, hereby appoint:

1. Name : _____
   Address : _____
   E-mail ID : _____
   Signature : _____, or failing him

2. Name : _____
   Address : _____
   E-mail ID : _____
   Signature : _____, or failing him

3. Name : _____
   Address : _____
   E-mail ID : _____
   Signature : _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at 5th Annual General Meeting of the Company, to be held on Tuesday, the 7th day of August, 2018 at 10:30 a.m. at J.B. Auditorium, Ahmedabad Management Association, AMA Complex, ATIRA, Dr. Vikram Sarabhai Marg, Ahmedabad-380 015 and at any adjournment thereof in respect of such resolutions as are indicated below:

Ordinary Business:

1. Adoption of audited financial statements (including consolidated financial statements) for the financial year ended 31st March, 2018 (Ordinary Resolution).
2. Re-appointment of Mr. Rajesh S. Adani (DIN: 00006322), as a Director of the Company who retires by rotation (Ordinary Resolution).
3. Appointment of M/s. Deloitte Haskins & Sells LLP, Chartered Accountants as Statutory Auditors of the Company and fixing their remuneration (Ordinary Resolution).

Special Business:

4. Appointment of Mr. Anil Sardana (DIN: 00006867) as a Director (Ordinary Resolution).
5. Appointment of Mr. Anil Sardana (DIN: 00006867) as a Managing Director and Chief Executive Officer of the Company (Special Resolution).
6. Alteration of the Main Object Clause of the Memorandum of Association of the Company (Special Resolution).
7. Approval of offer or invitation to subscribe to Securities for an amount not exceeding ₹5,000 Crores (Special Resolution).
8. Approval of offer or invitation to subscribe to Non-Convertible Debentures on private placement basis (Special Resolution).
9. Approval/ ratification of material related party transactions entered into by the Company during the financial year ended 31st March, 2018 as per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Ordinary Resolution).

Signed this ..... day of ..... 2018.

Signature of Shareholder: .....

Signature of Proxy holder(s): .....

Affix ₹1 Revenue Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.

Adani Transmission Limited
Regd. Office: "Adani House" Nr. Mithakhali Six Roads,
Navrangpura, Ahmedabad-380 009, Gujarat, India
Website: www.adanitransmission.com
E-mail: info@adani.com
CIN: L40300GJ2013PLC077803

Attendance Slip

Full name of the member attending .....

Full name of the joint-holder .....

(To be filled in if first named Joint – holder does not attend meeting)

Name of Proxy .....

(To be filled in if Proxy Form has been duly deposited with the Company)

I hereby record my presence at the 5nd Annual General Meeting held at J.B. Auditorium, Ahmedabad Management Association, AMA Complex, ATIRA, Dr. Vikram Sarabhai Marg, Ahmedabad – 380 015 on Tuesday, 7th August, 2018 at 10:30 a.m.

Folio No ..... DP ID No. * ..... Client ID No.* .....

*Applicable for members holding shares in electronic form.

No. of Share(s) held .....

.....

Member's / Proxy's Signature

NOTE

NOTE

DISCLAIMER

We have exercised utmost care in the preparation of this report. It contains forecasts and/or information relating to forecasts. Forecasts are based on facts, expectations, and/or past figures. As with all forward looking statements, forecasts are connected with known and unknown uncertainties, which may mean the actual result deviate significantly from the forecast. Forecasts prepared by the third parties, or data or evaluations used by third parties and mentioned in this communication, may be inappropriate, incomplete, or falsified. We cannot assess whether information in this report has been taken from third parties, or these provide the basis of our own evaluations, such use is made known in this report. As a result of the above mentioned circumstances, we can provide no warranty regarding the correctness, completeness, and upto-date nature of information taken, and declared as being taken, from third parties, as well as for forward looking statements, irrespective of whether these derive from third parties or ourselves. Readers should keep this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

Adani Transmission Limited

Adani House
Nr. Mithakhali Six Roads, Navrangpura,
Ahmedabad 380 009, Gujrat, India.

T: +91 79 2656 5555
F: +91 79 2656 5500
Email: info@adani.com
www.adanitransmission.com

Follow us on: /AdaniOnline

a K&A creation | www.kalolwala.co.in