

NOTICE

NOTICE is hereby given that Seventeenth Annual General Meeting of the Members of Adani Power Limited will be held on Thursday, 8th day of August, 2013 at 10.15 a.m. at J. B. Auditorium, AMA Complex, ATIRA, Dr. Vikram Sarabhai Marg, Ahmedabad – 380 015 to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2013, Statement of Profit and Loss for the year ended on that date and the Reports of the Directors' and Auditors' thereon.
2. To appoint a director in place of Mr. Vijay Ranchan, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a director in place of Mr. B. B. Tandon, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint M/s. Deloitte Haskins & Sells, Chartered Accountants, Ahmedabad (ICAI Reg. No. 117365W), as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company at such remuneration as may be approved by the Audit Committee / Board of Directors of the Company.

Special Business:

5. **To consider and if thought fit, to pass with or without modification(s) if any, the following resolution as an Ordinary Resolution:**

"RESOLVED THAT Mr. C. P. Jain who was appointed as an Additional Director by the Board of Directors under section 260 of the Companies Act, 1956 and Article 77 of the Articles of Association of the Company and who holds office upto the date of this Annual General Meeting be and is hereby appointed as a Director retiring by rotation."

6. **To consider and if thought fit, to pass with or without modification(s) if any, the following resolution as an Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 269 of the Companies Act, 1956 (the Act) read with Schedule XIII of the Act and any other applicable provisions, if any, of the Act or any amendment or modification or any re-enactment thereof and subject to such other consents and approvals as may be necessary, consent of the Company be and is hereby accorded for reappointment of Mr. Rajesh S. Adani as a Managing Director of the Company for a period of five years with effect from 1st April, 2013 and on such terms and conditions as set out in the explanatory statement attached hereto and forming part of this notice with a liberty to the Board of Directors to alter and vary the terms and conditions of the said appointment in compliance with the provisions of the Act and as agreed by and between the Board of Directors and Mr. Rajesh S. Adani".

"RESOLVED FURTHER THAT Mr. Rajesh S. Adani shall not be paid any remuneration including sitting fees for attending the meeting of Board or Committees thereof so long as he functions as a Managing Director of the Company."

"RESOLVED FURTHER THAT Mr. Rajesh S. Adani shall not be liable to retire by rotation nor shall be reckoned for determining the number of directors liable to retire by rotation, till the time he holds the office as a Managing Director of the Company."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, as the Board may, in its absolute discretion, consider necessary, expedient or desirable including power to sub-delegate, in order to give effect to this resolution or as otherwise considered by the Board to be in the best interest of the Company, as it may deem fit."

By order of the Board

Date : 28th June, 2013
Place : Ahmedabad

Vneet S Jaain
Executive Director

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. The proxy need not be a member. The instruments appointing proxy should however be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
2. Corporate Members intending to attend the meeting through their Authorised Representative are requested to send certified copy of Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
3. The register of members and share transfer books of the Company shall remain closed from Thursday, 1st August, 2013 to Thursday, 8th August, 2013 (both days inclusive) for the purpose of Annual General Meeting.
4. Members holding shares in physical mode are requested to notify immediately the change in their address and bank particulars to the Registrar and Share Transfer 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.
5. All documents referred to in the accompanying notice and explanatory statement are open for inspection at the registered office of the Company on all working days between 11.00 a.m. to 1.00 p.m. prior to date of Annual General Meeting.
6. Members seeking any information with regard to accounts are requested to write to the Company at least 10 days before the meeting so as to enable the management to keep the information ready.
7. Information under clause 49 of the Listing Agreement(s) regarding appointment/ re-appointment of Directors and explanatory statement pursuant to section 173(2) of the Companies Act, 1956 in respect of special business are annexed hereto.
8. Members are requested to bring their copy of Annual Report at the meeting.
9. Members who hold the shares in dematerialized form are requested to bring their Client ID and DP ID for easier identification of attendance at the AGM.
10. No Gift/coupons will be distributed at the Annual General Meeting.

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 addresses, so far, are requested to register their e-mail addresses, in respect of electronic holding with the Depository through their concerned Depository Participants.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956 IN RESPECT OF THE SPECIAL BUSINESS:

Item No. 5

Mr. C. P. Jain was appointed as an Additional Director of the Company with effect from 28th November, 2012. Pursuant to Section 260 of the Companies Act, 1956, read with Article 77 of the Articles of Association of the Company, Mr. C. P. Jain continues to hold office as an Additional Director until the conclusion of ensuing Annual General Meeting. As required under Section 257 of the Companies Act 1956, the Company has received a notice from a member signifying his intention to propose appointment of Mr. C. P. Jain as a Director of the Company with the requisite deposit of ₹ 500.

None of the Directors except Mr. C. P. Jain is interested in the said resolution.

The Board recommends this resolution for your approval.

Item No. 6

Mr. Rajesh S. Adani was appointed as a Managing Director of the Company w.e.f 1st April, 2008 for a period of five years. His term as a Managing Director of the Company expired on 31st March, 2013. Considering his significant contribution in the management and development of various power projects of the Company, the Board of Directors at its meeting held on 28th January, 2013 re-appointed him as Managing Director of the Company for a further period of five years w.e.f. 1st April, 2013 subject to approval of members.

Mr. Rajesh S. Adani shall be in charge of the overall operations and management of the Company. He shall not draw any remuneration (including sitting fees) from the Company. Brief profile of Mr. Rajesh S. Adani is annexed to this Notice of Annual General Meeting.

The above mentioned terms and conditions shall be deemed to be an abstract under section 302 of the Companies Act, 1956.

None of the Directors except Mr. Rajesh S. Adani and Mr. Gautam S. Adani being relative are deemed to be concerned or interested in the resolution.

The Board recommends this resolution for your approval.

By order of the Board

Date : 28th June, 2013
Place : Ahmedabad

Vneet S Jaain
Executive Director

Brief Particulars of Directors being appointed/re-appointed are as under:

| Name | Mr. Vijay Ranchan | Mr. B. B. Tandon |
|---|---|--|
| Date of Birth | 1 st October, 1942 | 30 th June, 1941 |
| Date of Appointment | 12 th December, 2007 | 4 th January, 2007 |
| Qualification | M.A, IAS (Retd) | M.A, LL.B., CAIIB, Retd. IAS |
| Directorships held in other Companies | <ul style="list-style-type: none"> • Adani Power Maharashtra Ltd. • Eywa Energy Pvt. Ltd. • Pramerica Asset Managers Pvt. Ltd. • Shah Pulp and Paper Mills Ltd. • Usher Agro Ltd. • Usher Eco Power Ltd. • Vishwa Infrastructures and Services Pvt. Ltd. | <ul style="list-style-type: none"> • ACB (India) Ltd. • Bhushan Steel Ltd. • Birla Corporation Ltd. • Dhampur Sugar Mills Ltd. • Exicom Tele Systems Ltd. • Filatex India Ltd. • Jaiprakash Power Ventures Ltd. • Jaypee Infratech Ltd. • M N M Assets Reconstruction Company Ltd. • Oriental Carbon & Chemicals Ltd. • Schrader Duncan Ltd • Vikas Global One Ltd. • VLS Finance Ltd. • Ambience Pvt. Ltd |
| Memberships/ Chairmanships of Committees in other Companies | Audit Committee <ul style="list-style-type: none"> • Shah Pulp and Paper Mills Ltd. • Usher Agro Ltd. | Audit Committee <ul style="list-style-type: none"> • Jaiprakash Power Ventures Ltd. • Schrader Duncan Ltd. • Bhushan Steel Ltd. • Birla Corporation Ltd. • Filatex India Ltd. • Oriental Carbon & Chemicals Ltd. • VLS Finance Ltd. Shareholders' Grievance Committee <ul style="list-style-type: none"> • VLS Finance Ltd. • Ambience Pvt. Ltd. |
| Brief Profile covering experience, achievements etc. | Mr. Vijay Ranchan is an retired Indian Administrative Service (IAS) official, he holds an MA degree in English Literature from Punjab University. During his tenure, Mr. Ranchan has held various senior positions in the Government departments of Revenue, Industry, Labour and Health. He had been the Additional Chief Secretary to the Government of Gujarat, handling policy framing and administration. He has also worked for Gujarat Agro Industries Corporation (GAIC), Gujarat Industrial Investment Corporation (GIIC), Gujarat State Petroleum Corporation (GSPC), Gujarat Mineral Development Corporation (GMDC) and Gujarat Industrial Development Corporation (GIDC). | Mr. B. B. Tandon holds master degree in arts and LL.B from Delhi university and is a Certified Associate of the Indian Institute of Bankers. He has served the Government of India, the State Government of Himachal Pradesh and State Electricity Board of Himachal Pradesh. As Principal Secretary (Power) and Chairman of Himachal Pradesh State Electricity Board, he initiated the policy of private sector participation in the execution of hydel projects in Himachal Pradesh and various projects in the state. He has also served as Chief Election Commissioner of India. |
| Shares held in the Company | 5000 | 5000 |

| Name | Mr. C. P. Jain | Mr. Rajesh S. Adani |
|---|---|--|
| Date of Birth | 3 rd March, 1946 | 7 th December, 1964 |
| Date of Appointment | 28 th November, 2012 | 12 th June, 2007 |
| Qualification | B.Com, LL.B., FCA, A.D.I.M | B.Com. |
| Directorships held in other Companies | <ul style="list-style-type: none"> • AVU Enterprises Pvt. Ltd. • IL & FS Energy Development Company Ltd. • IL & FS Infrastructure Development Corporation Ltd. • PCI Ltd. | <ul style="list-style-type: none"> • Adani Enterprises Ltd. • Adani Gas Ltd. • Adani Ports And Special Economic Zone Ltd. • Adani Welspun Exploration Ltd. • Adani Wilmar Ltd. • Adani Mining Pvt. Ltd. |
| Memberships/ Chairmanships of Committees in other Companies | <p>Audit Committee</p> <ul style="list-style-type: none"> • IL & FS Energy Development Company Ltd. • IL & FS Infrastructure Development Corporation Ltd. • PCI Ltd. <p>Shareholders' Grievance Committee</p> <ul style="list-style-type: none"> • PCI Ltd. | <p>Audit Committee</p> <ul style="list-style-type: none"> • Adani Gas Ltd. • Adani Ports And Special Economic Zone Ltd. • Adani Welspun Exploration Ltd. • Adani Wilmar Ltd. <p>Shareholders' Grievance Committee</p> <ul style="list-style-type: none"> • Adani Ports And Special Economic Zone Ltd. |
| Brief Profile covering experience, achievements etc. | <p>Mr. C. P. Jain was Chairman & Managing Director of NTPC Ltd, between September 2000 and March 2006, and has had an illustrious career spanning nearly 40 years. He is a Fellow Chartered Accountant and done Advanced Diploma in Management. He spearheaded a major capacity addition programme to make NTPC a 46,000 MW company by 2012. He led the market entry of NTPC through its IPO in 2004. Mr. Jain had been the Chairman of the Standing Conference of Public Enterprises (SCOPE), the apex organization of Central Public Sector Enterprises (CPSEs) in India for the period 2003-05. He was Member of the Ad hoc Group of Experts on Empowerment of CPSEs constituted by the Government of India. He headed the CII's (Confederation of Indian Industries) National Committee on Energy. Mr. Jain has been the Chairman of the Global Studies Committee of World Energy Council London and also the Member of its Officers Council for a 6 year term up to September 2010. After his retirement from NTPC in March 2006 Mr. Jain has been member of Standing Technical Advisory Committee of Reserve Bank of India (R.B.I.) and Member of Audit Advisory Board of the Comptroller and Auditor General of India for a term of two year each.</p> | <p>Mr. Rajesh S. Adani is associated with Adani Group since its inception. Mr. Rajesh S. Adani 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.</p> |
| Shares held in the Company | Nil | Nil |

This page has been left intentionally blank.

adani
ADANI POWER LIMITED

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

Proxy Form

Folio No.
* DP ID
* Client ID

I/We..... of
..... being a member / members of the above named Company hereby
appoint **of****or**
failing him **of** **as my/our proxy**
to vote for me/us on my/our behalf at the SEVENTEENTH ANNUAL GENERAL MEETING of the Company to be held at J. B. Auditorium, AMA Complex, ATIRA, Dr. Vikram Sarabhai Marg, Ahmedabad - 380 015 on Thursday, the 8th August, 2013, at 10.15 a.m. and at any adjournment thereof.

Signed this day of 2013.

Signature

Affix.
₹ 1/-
Revenue
Stamp

* Applicable in case of shares held in Demat.

Note : Proxy Form must reach the Company's Registered Office not less than 48 hours before commencement of the Meeting.

----- (TEAR HERE) -----

adani
ADANI POWER LIMITED

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

Attendance Slip

(Duly filled in slip to be handed over at the Entrance of the Meeting Place)

| | | | |
|---|-----------|--------|------------|
| Name of the attending member/s (in Block Letters) | Folio No. | *DP ID | *Client ID |
| Name of the Proxy (in Block Letters) (To be filled in by the Proxy who attends instead of the Member) | | | |

No. of Shares held

I hereby record my presence at the SEVENTEENTH ANNUAL GENERAL MEETING of the Company held at J. B. Auditorium, AMA Complex, ATIRA, Dr. Vikram Sarabhai Marg, Ahmedabad - 380 015 on Thursday, the 8th August, 2013, at 10.15 a.m.

* Applicable in case of shares held in Demat.

.....
Member's/Proxy's/Signature
(To be signed at the time of handing over this slip)

Note : Shareholders / Proxy holders are requested to bring the Attendance Slips with them, duly filled in when they come to the meeting and hand them over at the gate, affixing signature on it.

This page has been left intentionally blank.

Adani Power Limited

17th Annual Report
2012-13



MW- the
unit of
India's
future

17TH ANNUAL REPORT 2012 – 2013

Company Information

Board of Directors

Mr. Gautam S. Adani, Chairman
 Mr. Rajesh S. Adani, Managing Director
 Mr. Vneet S Jaain, Executive Director
 Mr. B. B. Tandon, IAS (Retd.)
 Mr. Vijay Ranchan, IAS (Retd.)
 Mr. C. P. Jain

Auditors

M/s. Deloitte Haskins & Sells
 Chartered Accountants
 Ahmedabad

Registered Office

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

Bankers and Financial Institutions

Afrasia Bank
 Allahabad Bank
 Andhra Bank
 Axis Bank
 Bank of Baroda
 Bank of India
 Bank of Maharashtra
 Banque Des Mascareignes Ltee
 Canara Bank
 Central Bank of India
 China Development Bank
 Corporation Bank
 Dena Bank
 Deutsche Bank
 Development Credit Bank
 First Gulf Bank
 HDFC Bank
 ICICI Bank
 Indusind Bank
 Industrial Development Bank of India
 Infrastructure Development Finance Company
 ING Vysya Bank

Registrar and Transfer Agent

M/s Karvy Computershare Private Limited
 Plot No 17-24,
 Vittal Rao Nagar, Madhapur,
 Hyderabad-500 081
 Phone: +91-40-44655000, Fax: +91-40-23420814

Contents

| | |
|--|----|
| Directors' Report..... | 3 |
| Management Discussion and Analysis | 11 |
| Corporate Governance Report | 17 |
| Business Responsibility Report..... | 32 |
| Auditors' Report | 42 |
| Balance Sheet | 48 |
| Statement of Profit and Loss | 49 |
| Cash Flow Statement | 50 |
| Notes to Financial Statements | 52 |
| Auditors' Report on Consolidated Financial Statement ... | 78 |
| Consolidated Balance Sheet | 80 |
| Consolidated Statement of Profit and Loss | 81 |
| Consolidated Cash Flow Statement | 82 |
| Notes to Consolidated Financial Statements | 84 |

Jammu & Kashmir Bank
 Life Insurance Corporation of India
 Mega International Commercial Bank
 Power Finance Corporation
 Punjab National Bank
 Punjab & Sind Bank
 Royal Bank of Scotland
 Rural Electrification Corporation
 SBI (Mauritius)
 State Bank of Bikaner & Jaipur
 State Bank of Hyderabad
 State Bank of India
 State Bank of Mysore
 State Bank of Patiala
 State Bank of Travancore
 Standard Chartered Bank
 Syndicate Bank
 UCO Bank
 Union Bank of India
 United Bank of India
 Yes Bank

FORWARD LOOKING STATEMENT

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

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

Important Communication to Members

The Ministry of Corporate Affairs has taken a "Green Initiative in the corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice / documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holding with the Depository through their concerned Depository Participants.

DIRECTORS' REPORT

Dear Shareholders,

Your Directors are pleased to present the Seventeenth Annual Report alongwith the audited accounts of your Company for the financial year ended 31st March, 2013.

Financial Highlights:

The financial highlights of the Company for the year ended 31st March, 2013 is summarized below:

| Particulars | (₹ in Crores) | |
|---|--|--|
| | For the year ended 31 st March, 2013 | For the year ended 31 st March, 2012 |
| Income from operations | 6333 | 3951 |
| Other Income | 535 | 243 |
| Total Income | 6868 | 4194 |
| Operating & Administrative Expenses | 6674 | 3263 |
| Operating Profit before Interest and Tax | 194 | 931 |
| Finance Costs | 1739 | 935 |
| Profit / (Loss) Before Exceptional Items And Tax | (1545) | (4) |
| Exceptional Item | 51 | - |
| Profit / (Loss) Before Tax | (1494) | (4) |
| Tax Expense (including deferred tax) | 458 | 290 |
| Profit / (Loss) After tax | (1952) | (294) |

* Figures of previous year have been restated.

Operational Highlights:

Your Company together with its subsidiaries is currently developing various power projects with a combined installed capacity of 9,240 MW, out of which 5,940 MW is operational, 3,300 MW is under implementation. Your Company along with its subsidiaries has completed implementation of transmission line projects of about 1,600 km length.

Your Company intends to sell the power generated from these projects under a combination of long term Power Purchase Agreements and on merchant basis.

The detailed Operational Performance of the Company has been comprehensively discussed in the Management Discussion and Analysis Report which forms part of Directors' Report.

Dividend:

In view of loss incurred during the year, your Directors have not recommended any dividend on equity shares for the year under review.

Scheme of Amalgamation:

During the year under review, Growmore Trade and Investment Private Limited, Mauritius was amalgamated into the Company in terms of the Scheme of Amalgamation sanctioned by the Hon'ble High Court of Gujarat vide order dated 18th September, 2012. The Scheme of Amalgamation has become effective from the appointed date i.e. 1st April, 2011. In view of the said amalgamation, Adani Power Maharashtra Limited has become wholly owned subsidiary of the Company.

Increase in paid up capital :

Pursuant to approval of Scheme of Amalgamation, allotment of 21,32,36,910 shares of the Company was made to shareholder of Growmore Trade and Investment Private Limited, Mauritius and hence the paid up capital of the Company was increased from ₹ 2180,03,52,000/- (218,00,35,200 equity shares of ₹ 10/- each) to ₹ 2393,27,21,100/- (239,32,72,110 equity shares of ₹ 10/- each).

The Promoter Group holding as on date of this report is 70% of the paid up share capital. The Company has proposed to increase the same to 75% by preferential issue of shares to Promoter and/or Promoter Group by passing of special resolution through postal ballot process.

Subsidiary Companies :

Your Company has 5 subsidiaries at the end of the year which are as follows:

- 1) Adani Power Maharashtra Ltd.
- 2) Adani Power Rajasthan Ltd.
- 3) Adani Power Dahej Ltd.
- 4) Adani Pench Power Ltd.
- 5) Kutchh Power Generation Ltd.

During the year, Mundra Power SEZ Ltd., Adani Power Pte Ltd., Singapore and Adani Power (Overseas) Ltd., UAE have been closed and hence have ceased to be subsidiaries of the Company.

During the year, the Company has divested its entire holding in Adani Shipping Pte Ltd., Singapore. Accordingly, Adani Shipping Pte Ltd., Singapore and its subsidiaries namely Rahi Shipping Pte Ltd., Singapore, Vanshi Shipping Pte Ltd., Singapore, Aanya Maritime Inc., Panama and Aashna Maritime Inc., Panama have ceased to be subsidiaries of the Company.

In terms of general exemption granted by the Ministry of Corporate Affairs, vide General Circular No. 2/2011 dated 8th February, 2011, Annual Reports of each of the Subsidiary Companies have not been attached to the accounts of the Company for the year ended 31st March, 2013.

Accordingly, the annual report of the Company contains the consolidated audited financial statements prepared pursuant to clause 41 of the listing agreement and prepared in accordance with the accounting standards prescribed by the Institute of Chartered Accountants of India (ICAI).

Further the Company hereby undertakes that the Annual Reports of the subsidiary companies will be made available to the shareholders of holding Company on making request at any point of time. The annual accounts of subsidiary companies will also be kept open for inspection by any shareholder during working hours at the Company's registered office and that of the respective subsidiary concerned.

Fixed Deposits :

During the year under review, your Company has not accepted any deposits from Public under Section 58A of Companies Act, 1956.

Directors :**➤ Appointment of an Additional Director:**

Mr. C.P. Jain was appointed as an Additional Director w.e.f. 28th November, 2012. Pursuant to Section 260 of Companies Act, 1956 and Article 77 of Articles of Association of the Company, Mr. C.P. Jain holds office upto the date of ensuing Annual General Meeting. The Company has received a notice in writing from a member of the Company signifying his candidature for the office of the Board of Directors of the Company.

➤ **Re-appointment of Managing Director:**

Tenure of Mr. Rajesh S. Adani of five years as Managing Director expired on 31st March, 2013. The Board of Directors in their meeting held on 28th January, 2013 re-appointed Mr. Rajesh S. Adani as Managing Director of the Company for further period of five years w.e.f 1st April, 2013 subject to approval of members.

➤ **Resignation of Director:**

Mr. Berjis Desai has resigned as a Director of the Company w.e.f. 19th November, 2012.

➤ **Retirement by rotation:**

As per Section 256 of the Companies Act, 1956 and Articles of Association of the Company, Mr. Vijay Ranchan and Mr. B. B. Tandon are liable to retire by rotation and being eligible offer themselves for re-appointment.

The Board recommends appointment / re-appointment of aforesaid Directors.

A brief resume of directors being appointed / re-appointed with the nature of their expertise, their shareholding in the Company as stipulated under Clause 49 of the Listing Agreement is appended as an annexure to the notice of the ensuing Annual General Meeting.

Directors' Responsibility Statement:

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, the Directors confirm that:

1. In the preparation of annual accounts, the applicable accounting standards have been followed alongwith proper explanations relating to material departures, if any.
2. Reasonable and Prudent Accounting Policies have been adopted in preparation of the Financial Statements. The Accounting Policies have been consistently applied except for the changes mentioned in Notes forming part of financial statements.
3. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
4. The annual accounts have been prepared on a going concern basis.

Additional information to Shareholders:

Your Company provides additional information related to the Company's business, matters of interest to the investors like financial information, investor presentations, press releases, etc. on its website www.adanipower.com.

Insurance:

Assets of your Company are adequately insured against various perils.

Business Responsibility Report:

SEBI, vide its Circular CIR/CFD/DIL/8/2012 dated 13th August, 2012, mandated the top 100 listed entities, based on market capitalisation at BSE and NSE, to include Business Responsibility Report as part of the Annual Report describing the initiatives taken by the companies from Environmental, Social and Governance perspective. Accordingly, the Business Responsibility Report is attached and forms part of the Annual Report.

Auditors and Auditors' Report:

Your Company's Auditors M/s. Deloitte Haskins & Sells, Chartered Accountants, Ahmedabad, hold office until the conclusion of ensuing Annual General Meeting and are eligible for reappointment. They have shown their willingness to accept the office as Statutory Auditors, if reappointed. Your Company has received a written certificate from the Auditors to the effect that their re-appointment, if made, would be within the prescribed limit under Section 224(1B) of the Companies Act, 1956.

The notes to financial statements referred to in the Auditors Report are self-explanatory and do not call for any further comments and explanations.

Cost Auditor:

M/s Kiran J. Mehta & Co., Cost Accountants have been appointed as Cost Auditors to conduct Cost Audit for the year 2013-14 subject to approval of the Central Government.

Corporate Governance and Management Discussion and Analysis Report:

A separate report on Corporate Governance compliance and a Management Discussion and Analysis Report as stipulated by the Clause 49 of the Listing Agreement forms part of the Annual Report along with the required Certificate from a Practicing Company Secretary regarding compliance of the conditions of Corporate Governance as stipulated by Clause 49 of the Listing Agreement.

In compliance with Corporate Governance requirements as per Clause 49 of the Listing Agreement, 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.

Corporate Social Responsibility:

The Adani Foundation (AF) is the Corporate Social Responsibility (CSR) arm for the prestigious Adani conglomerate that is committed to attain the betterment of the communities in and around Adani Businesses. With a commitment to improve the lives of the people by fostering sustainable and integrated development of the communities, Adani Foundation is carefully increasing its CSR footprints to cover more families. It reaches to 6 states, more than 175 Villages/Towns/Cities and more than 1,65,000 families; touching lives to make difference. It renders its services in core areas of Education, Community Health, Sustainable Livelihood Development and Rural Infrastructure Development.

Education :

The Foundation works towards improving the quality of education in the Government Schools by upgrading the primary infrastructure facilities, adding value to the teaching process, skill building training to the teachers. The other strategy is to start and run our own schools such as Adani Vidya Mandir- a school with a difference.

Community Health:

Adani Foundation is primarily engaged in improving the quality of health services, through easy accessibility of the services to the community. Committed to "Health for all", the Foundation runs mobile health care units, rural clinics, special projects, variety of health related camps and various need based programs. The Foundation adopts a holistic approach while addressing the key issues and to ensure that the poorest of the poor are covered under the ambit of the health initiatives.

Sustainable Livelihood Development:

The Foundation works towards improving the quality of life of the people by promoting sustainable livelihoods through participatory, community based approaches, ensuring optimum management of the existing resource and broadening the scope of economic opportunities. Special emphasis is given to the marginalized communities such as women in need and fisher folk.

Rural Infrastructure Development:

Developing the rural infrastructure has a direct effect on economic growth and wellness of an area. With the vision to change the face of the rural communities where the group operates, the Foundation has developed rural infrastructures such as approach roads, school buildings, health care facilities, recreational zones like garden, sports ground and water storage tanks. It has particularly focused on developing and harvesting water resources in dry areas such as pond deepening, hand pumps in schools etc.

Health, Safety & Environment (HSE)

The HSE Management System of your Company is given the utmost priority by top management. The management of your Company believes in a system which is top driven, efficient, effective and adheres to the statutory requirements.

Having a well structured set up of Safety function, your Company has been accredited with IS-18001 certification by 'Bureau of Indian Standard' for its Mundra, Tiroda and Kawai plant, which clearly depicts the robustness of its safety management system.

Your company has well defined processes and system for Safety function which enable us to take all safety measures for minimizing unsafe incidents. Accidents are investigated thoroughly and analyzed for root cause so that re-occurrence can be prevented. As a part of safety management system, a comprehensive Safety manual has been developed for use by operating and safety personnel. SAP module for Safety is commissioned for Mundra and Tiroda site; subsequently same is going to be replicated at Kawai sites. Specialized Personnel Protective Equipments have been standardized and provided to operating personnel for use in the work areas. Regulatory authorities and government agencies carry out inspection/ audits with an aim for overall improvement in the Safety performance at regular frequency.

Your Company gives paramount importance to environment. During the year, all the three project sites Mundra, Tiroda and Kawai as well as operating units at Mundra exercised great care to improve on the required environmental norms for emissions as stipulated by the respective state pollution control boards and the Ministry of Environment and Forests using, amongst other things, technology and state-of-the-art equipment. Your Company has received environmental clearance for all its ongoing projects. Your company has also initiated the process of getting accreditation of Environment Management System as ISO-14001 for our Mundra Plant; subsequently we shall also proceed for this certification for Tiroda and Kawai.

Your Company is deeply committed to sustainable means of conducting its operations. Your Company has established Environment Divisions both at Plant level and corporate level with competent officials who keep a close watch of all environmental parameters at and around the plant site at Mundra and project sites at Tiroda and Kawai.

Maintaining health and productive workforce is a smart strategy of business and promoting health is a proven key in health care practices. Your Company is committed and adhered to same strategy across power business. Our goal is to achieve a balance between an individual capacity against work demand and potential health risk. We educate, motivate and mobilize employee toward healthy life. Management believes in effective and efficient work output at optimum level with highest degree of physical and mental ease. Your Company has also established health policy which reflects mainly on employee assistance program, identification and supervision of vulnerable group, health surveillance, curative health services and highest quality of medical care in rehabilitation. Our health privilege card is a part of our best health support system across country.

Particulars of Employees:

In terms of the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 as amended, the names and other particulars of the employees forms part of this report as Annexure. However, as permitted by section 219 (1) (b) (iv) of the companies Act, 1956 this annual report is being sent to all shareholders excluding aforesaid information. Any member interested in obtaining such particulars may write to the Company.

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

The particulars relating to energy conservation, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of

Particulars in the Report of Board of Directors) Rules, 1988 are appended herewith as Annexure I and forms part of this Annual Report.

Awards & Recognitions:

During the year under review, your Company has been bestowed with various awards like (1) "National Energy Conservation Award for conservation of energy by Bureau of Energy Efficiency- part of Central Electricity Authority- Ministry of Power (2) "Golden Peacock Occupational Health & Safety Award 2012" for Occupational Health & Safety by Institute of Directors (3) "Greentech Safety Award 2012 in Gold Category in Power Sector" for excellence in fire, safety & security by Greentech Foundation (4) "Safety Innovation Award 2012" for the best and innovative practices in safety by Institution of Engineers (5) IPPAI Award for fastest growing IPP (Thermal) by Independent Power Producer Association of India.

Acknowledgement:

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

For and on behalf of the Board of Directors

Date: 8th May, 2013
Place: Ahmedabad

Gautam S. Adani
Chairman

ANNEXURE - I TO THE DIRECTORS' REPORT

Particulars pursuant to Section 217(1) (e) of the Companies Act, 1956

Information as required under Section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are set out as under:

A. Conservation of energy:

a) Measures taken for conservation of energy:

- Installing supercritical units - Conserve coal
- Turbine Governing mode of operation changed from single control to sequence mode for 330 Mw Units
- Implementation of change in operational practice related to Induced draft (ID) fan & Forced draft (FD) fan during unit start up and CW Start up after synchronization of the Unit
- Reduced number of Cooling Tower (CT) fans and stopping third CWP pump operation during better (winter) weather conditions and in part load conditions
- Installation of energy efficient LED lighting in place of HPSV fittings
- Interconnection of service and instrument air connection
- Optimize auxiliary power consumption by operating the units at higher load
- Improving combustion efficiency by optimizing excess air
- Minimize system leakages
- Removal of one stage from 7MLD RO Pump thus reducing the auxiliary consumption without compromising with output
- Implemented Oxygenated Treatment in all supercritical units over traditional All volatile treatment which saves the costly steam from the deaerator
- Condenser bullet cleaning, Air-preheater seals setting and boiler 2nd pass cleaning improved the thermal performance

b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy

- Condenser Bullet cleaning, Air Preheater seals setting for reduction of air preheater leakages
- Eddy Current test conducted for Condenser tube healthiness checking and improve the effectiveness of condenser
- Air- Ingress monitoring system installed for condenser for checking the condenser performance

c) Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods

- Reduced auxiliary power consumption Heat Rate improvement
- Reduction of Specific Coal consumption
- Reduction of Specific Oil consumption

d) Total energy consumption and energy consumption per unit of production as per Form A in respect of industries specified in the schedule thereto

Not applicable to the Company

B. Technology Absorption:**e) Specific areas in which R & D carried out by the company and benefits arrived out of it**

In the year 2012-13, following projects have been taken up to improve the performance and reliability of the plant

- HVDC and System commissioned and reliability improved by taking major steps by resolving the initial teething issues
- HVAC lines 40% insulators were replaced with silicon based insulators for improving further reliability as it is lying in the coastal conditions
- Auxiliary power reduction in plant lighting by using LED lights
- Online Dissolved gas analyzers installed for Generator Transformers and ICT's for better monitoring of transformers health
- Automatic coal sampler commissioned

f) Future plan of action

- Mill up gradation in Phase I for improving the generation
- Bust duct pressurization system for stage 1 and 2 generator bus duct

The abovementioned R&D activities are planned to be continued for the year 2013-14

g) Technology absorption, Adaptation and Innovation

- Supercritical Boiler Technology implemented
- The technology absorbed/adapted Fuel Gas Desulfurization system based on Sea Water has been planned for Mundra Phase - IV to reduce sulfur oxide emission
- RO plant to utilize sea water for plant uses

h) Benefits derived as a result of the above efforts

- Higher Efficiency
- Better reliability and availability
- Reduced Maintenance
- Lower fuel consumption
- Reduction of emission

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

(₹ In Crores)

| | |
|---------------------------|---------|
| Foreign Exchange earnings | Nil |
| Foreign Exchange outgo | 4227.70 |

MANAGEMENT DISCUSSION AND ANALYSIS

1. ECONOMIC OUTLOOK

India's economic growth and particularly industrial growth moderated in FY13, but it appears to have bottomed out. Overall economic growth in FY14 is expected to rise to 6.4% from 5% growth in previous year. Inflation continues to remain high but there are definite signs that headline WPI (wholesale price index) inflation is coming down. As inflation comes down, it will create more space for monetary policy to support growth.

[Source: Economic Advisory council to PM]

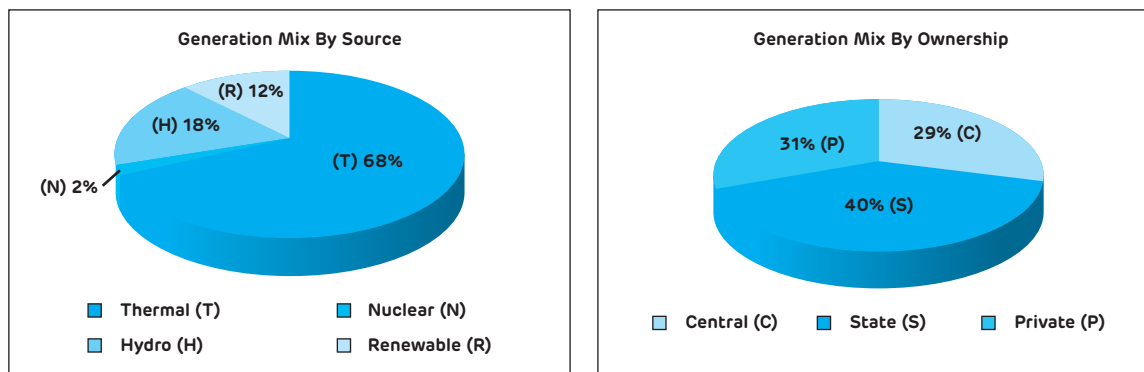
2. SECTOR OVERVIEW

2.1 Power Generation in India

India's annual per capita power consumption is about 879 kilo watt hours (kWh), which is substantially lower than other developed and developing countries. To continue above average economic growth, augmentation of power generation capacity along with necessary transmission and distribution infrastructure is essential.

The total power generation in the country during FY13 was 911.65 Billion Units (BUs) as against the target of 930BUs, about 1.97% below target. The compounded annual growth rate (CAGR) in the energy generation during the 11th Plan period has been 8.6% against the CAGR of 4.73% during the 10th Plan period. The installed generation capacity in the country, as on 31st March, 2013 was 223.34 GW.

India's power generation capacity is dominated by thermal power generation and particularly by coal. The current generation capacity mix by fuel and ownership is given in the following chart.



[Source: Central Electricity Authority (CEA)]

2.2 Details of Capacity Addition

During the Eleventh Plan period (FY08-12) the Government of India (GoI) was targeting capacity addition of 78,700 MW. Against which, actual capacity addition in 11th Plan period was 54,964 MW. The capacity addition has been substantially higher compared to previous plans due to the increasing private sector interest and investments. Similarly, peak energy deficit in FY13 decreased to 8.7% against 11.1% in FY12. As per the report on 18th Electric Power Survey (EPS) of India published by CEA, the projected peak electricity demand in FY17 & FY22 will be 1,99,540 MW and 2,83,470 MW respectively. As per working group on power for twelfth plan period, the capacity addition target for the Twelfth Plan (FY13-17) is about 88,537 MW.

[Source: CEA, Twelfth five year plan document (Vol-2)]

2.3 Fuel Availability for Power Generation

With about 1,30,221 MW, i.e. 58% of the installed capacity, contributed by coal based power plants, coal remains a key fuel for power generation. As per information provided in 12th Plan document (Vol-2), the projected demand for coal in FY17 will be 730 Million Tones, against the likely availability of 550 Million Tones. These figures indicate huge demand supply mismatch for coal availability & coal requirement, which will lead to substantial dependence upon imported coal for the 12th Plan period.

2.4 Transmission

The transmission segment has played major role in achieving the ambitious capacity addition targets. The sector has moved towards integrated system planning because generation capacities are distributed in different regions. As on 31st March, 2013, India has 2,74,588 circuit km (ckt km) of transmission lines and total Transmission substation capacity of 4,73,216 Mega Volt Ampere (MVA). Considering requirement of inter-regional flow of power – 65,550 MW at the end of 12th Plan period comparing 27,750 MW at the end of 11th Plan period. The country needs to initiate steps to evolve Smart Transmission Grid with a view to improve the reliability & efficiency of the power sector as a whole. Power Grid Corporation of India Ltd. (PGCIL) is working on the planned set up of a national power grid to facilitate transfer of power within the different regions in India.

[Source: CEA, Twelfth five year plan document (Vol-2)]

2.5 Present Industry scenario

Increasing share of Short-term power in overall Power Generation

Short-term power proportion as a percentage of overall generation is increasing steadily, from 8.63% of overall generation in FY10 to 10.9% in FY13. Further, overall market size of merchant & short-term power has increased from 65.9 billion units in FY10 to 98.9 billion units in FY13.

[Source: CERC Market monitoring reports]

Project Implementation challenges

Power project implementation is a herculean task considering various clearances from statutory authorities, land acquisition, rehabilitation and resettlement issues, local protests, funding availability due to sectoral exposure norms, scarcity of skilled manpower, the lack of bankable fuel tie ups and sluggish project implementation. In spite of such challenges in project implementation, highest capacity addition was achieved in 11th Plan period.

State Distribution Companies' Financial health

State Distribution Companies (State Discoms) financial position is a concern reflected by power sector underperformance. The huge financial burden reflects under recoveries arising from energy sold, lack of tariff revision initiative, high transmission & distribution losses & inadequate planning of future energy requirement. This was the major factor attributing towards recent softness in merchant power prices. However, several positive developments are changing the overall scenario. One of the key developments last year was the approval of Financial Restructuring Scheme (FRP) of state Discoms to enable the turnaround of it to ensure their long term viability.

Other Initiatives:

Apart from this, the introduction of open access, formulation of guidelines for Competitive Bidding of tariff, setting up of and increasing the powers of Central and State Regulatory Commissions, re-structuring of State Electricity

Boards (SEBs) into separate generation, transmission and distribution entities, and facilitation of trading of surplus capacity has invited more players to the power sector, and expected to improve operational efficiency of the power sector in its entirety.

3. OPPORTUNITIES AND CONCERNS

3.1 Opportunities

In order to provide cheaper power to consumers large size power projects have been planned and are being developed at various locations. The company has already implemented a 4,620 MW coal based power project at Mundra in Gujarat. Further, the company through its subsidiaries is implementing a 3,300 MW coal based power project at Tiroda in Maharashtra and a 1,320 MW coal based power project at Kawai, Rajasthan. The company may evaluate Ultra Mega Power Projects (UMPPs), coal based power projects with a capacity of 4,000 MW or above, as and when they come up for bidding.

Over 1,48,700 MW of Hydro Power is yet to be tapped in India. The launch of New Hydro Power Policy 2008 and the incentives provided will give impetus to the hydro power development. India is endowed with vast solar energy potential. Both technology routes for conversion of solar radiation into heat and electricity, Solar Thermal and Solar Photovoltaics (PV), can effectively be harnessed providing huge scalability for solar power in India. With the increased focus on green energy, the sector provides large number of opportunities.

Considering rapid generation capacity growth and the creation of a national power grid provide large opportunities in the transmission sector for private sector, both through Joint Ventures (JVs) and competitive bidding. The company has followed an integrated approach to generation and transmission for timely evacuation. The company has successfully implemented transmission projects by connecting its generating capacity to central and state grid.

Distribution sector is facing several headwinds, however by reduction of losses and improvement in the distribution infrastructure, quality of power supply is expected to be improved. Bidding for the privatization of distribution in states that have unbundled their State Electricity Boards (SEBs), or plan to do so in the next 2-3 years, provides the private sector with an attractive opportunity in the distribution sector. Also, the successful implementation of the franchisee model may also create more opportunities for private sector participation.

[Source: NHPC Website, Industry reports]

3.2 Concerns

The macroeconomic factors like the growth of the Indian economy, interest rates, as well as the political and economic environment have a significant effect on the business environment and the sector as a whole.

The biggest grievance of private sector has been the long process of clearances, securing fuel linkages and delays in land acquisition. Inadequate domestic supply of quality fuel, viz. coal and gas results in higher costs of generation. Additionally, due to transportation bottlenecks at ports, high prices of imported coal, volatility in exchange rates and lack of demand for such expensive power, the imported coal may not fully cover deficit of domestic coal. The imported coal prices have been vastly affected due to change in policy and regulations in coal exporting countries.

Most of the state utilities are loss-making due to under recoveries. New policies have boosted the security of utilities' revenue directly impacting both their willingness and ability to pay for the power purchased. Over the long term, unless AT&C losses are reduced, the ability of state utilities to meet their obligations will be of grave concern.

Adverse changes in the government policies or regulations, the taxes levied by the central or state governments or removal of tax concessions, exemptions or incentives, or claims by tax authorities may affect the financial condition

and operational results of various companies in the sector. Further the Govt. of India has imposed customs duty on foreign equipment, which shall further increase the cost of generation.

Considering the proposed capacity addition and the capital intensive nature of power projects, high level of debt financing will be required. The company, sector and group level exposure limits of various banks and insurance companies need to be increased in order to adequately fund the proposed capacity addition.

4. REVIEW OF COMPANY'S BUSINESS

The company together with its subsidiaries is currently developing various power projects with a combined installed capacity of 9,240 MW, out of which 5,940 MW is operational, 3,300 MW is under implementation. The company intends to sell the power generated from these projects under a combination of long-term PPAs and on merchant basis.

- A. The Mundra power project with total capacity of 4620 MW is located at Mundra, Gujarat and it is fully operational. It has four units of 330 MW & five units of 660 MW. Therefore, Mundra Power Project has become India's largest single location thermal plant. The Average PLF during the year was 63%. We are selling the power generated through long term PPAs and on merchant basis.

The company has filed a petition in Central Electricity Regulatory Commission (CERC) for evolving a mechanism for regulating and revising tariff on account of frustration due to occurrence of "Force Majeure" and "Change in Law" events under the PPAs due to change in circumstances for the allotment of domestic coal by Govt. of India and enactment of new coal pricing Regulation by Indonesian Government. CERC appreciated the circumstances faced by APL and directed for formation of a committee to evolve a compensatory tariff and submit the findings of the committee for finalization.

We have also set up transmission network to evacuate power from Mundra Power Project. Our 433 km long double circuit 400 kV transmission line with a capacity to transmit up to 1,000 MW of power, connecting to the Central Transmission Utility (CTU) grid at 400 KV Power Grid Corporation of India Limited (PGCIL) Sub-station at Dehgam, Gandhinagar is operational. Further, we have also Implemented Transmission line with the configuration of 500 kV High Voltage Direct Current (HVDC) with a capacity to transmit up to 2,500 MW of power, from Mundra to Mohindergarh, Haryana.

The company has filed a petition in CERC for grant of transmission license for its Dehgam-Mundra-Mohindergarh-Bhiwani system as it acts as a parallel network to the WR-NR transmission corridor. CERC had provided its in-principle approval for the grant of license to APL and a notice inviting suggestions has been published in all leading newspapers. Matter is currently pending at CERC.

Fuel Supply Agreement (FSA) for supply of indigenous coal equivalent to 70% of the capacity of Unit-7, 8 & 9 has been executed with Coal India.

- B. The Tiroda power project with total capacity of 3,300 MW is being developed at Tiroda, Maharashtra by subsidiary company Adani Power Maharashtra Limited (APML). It has five super critical units of 660 MW. Out of Five units Two units of 660 MW each - 1,320 MW capacity is already commissioned. We intend to sell the power generated from this project under long-term PPAs and on merchant basis till the obligation under PPAs commences.

APML has filed a petition in Maharashtra Electricity Regulatory Commission (MERC) for return of Bank Guarantee as PPA for 1,320 MW between APML and MSEDCL had been terminated and / or revision of tariff. APML had terminated the PPA as a consequence of its inability to supply power at the PPA rate due to withdrawal of Terms of Reference of the Lohara coal block. Matter is currently pending at MERC.

In addition, 400 kV double circuit, 200 Km long transmission line for power evacuation with a capacity to transmit about 2,000 MW of power, from Tiroda to Warora in Maharashtra, is commissioned last year. Coal requirement for 1980 MW projects has been planned from domestic sources and FSA for supply of indigenous coal equivalent to 1,180 MW has been executed with Coal India, and an application to convert tapering coal linkage into long term coal linkage for 800 MW has been made. Further, an application for coal linkage to meet the balance 1,320 MW coal requirement has been made. Entire 3,300 MW capacity is expected to be commissioned by FY14.

- C. The Kawai power project with total capacity of 1,320 MW is being developed at Kawai, Rajasthan by subsidiary company Adani Power Rajasthan Limited (APRL). It has two super critical units of 660 MW. We intend to sell the power generated from this project under a combination of long-term PPA and on merchant basis.

To fulfil fuel requirement for the project we have requested Government of Rajasthan (GoR) to allocate coal from captive coal blocks allocated to PSUs of GoR. Besides, an application for coal linkage to meet the requirements of the Kawai power project has been made. Entire 1,320 MW capacity is expected to be commissioned by FY14.

5. KEY DEVELOPMENTS

During the past year, the Company has been bestowed with various awards like:

- "National Energy Conservation Award for conservation of energy" by Bureau of Energy Efficiency- part of Central Electricity Authority- Ministry of Power
- "Golden Peacock Occupational Health & Safety Award 2012" for Occupational Health & Safety by Institute of Directors
- "Greentech Safety Award 2012 in Gold Category in Power Sector" for excellence in fire, safety & security by Greentech Foundation
- "Safety Innovation Award 2012" for the best and innovative practices in safety by Institution of Engineers
- IPPAI Award for fastest growing IPP (Thermal) by Independent Power Producer Association of India.

6. MANAGEMENT CONTROL, INTERNAL CONTROL AND INTERNAL AUDIT SYSTEMS

The Company has a well-established Management Audit and Assurance Services (MAAS) Department, consisting of Chartered Accountants & Engineers. This multi-disciplinary Internal Audit team, reviews and reports to the Audit Committee & Management on the compliance with internal controls and the efficiency and effectiveness of operations and the key process risks. The scope and the audit plan of the MAAS are approved by the Audit Committee.

MAAS carries out extensive audits round the year covering each and every aspect of business activity so as to ensure accuracy, reliability and consistency of records, systems and procedures. The scope and the coverage of Internal audit are very comprehensive and include Management & Operational audit, Systems audit, Financial audit and Compliance audit.

The entire internal audit process of reporting, review and responses are web enabled and managed on-line by a state of the art system.

Audit Committee comprising of independent directors, regularly reviews the audit plans, significant audit findings, adequacy of internal controls, compliance with Accounting Standards as well as reasons for changes in accounting policies and practices. Key Audit findings and their recommendations are reviewed and required action are taken for their implementation.

7. FINANCIAL PERFORMANCE OF THE COMPANY

7.1 Standalone Financial Performance

During FY13, the company recorded a total income of ₹ 6,868 Crores, of which income from operation was ₹ 6,333 Crores and other income were ₹ 535 Crores.

For the year FY13, Earnings Before Interest, Depreciation, Tax and Amortization (EBIDTA) was ₹ 1,332 Crores.

For the year FY13, Depreciation was ₹ 1,138 Crores, Interest and Finance charges were ₹ 1,739 Crores and Profit Before Tax (PBT) was ₹ (1,545) Crores.

Profit After tax (PAT) was ₹ (1,952) Crores, basic Earnings Per Share (EPS) of ₹ (8.16) and cash Earning Per Share (CEPS) of ₹ (1.25).

As on 31st March, 2013 the Networth of the company was ₹ 4,650 Crores.

Net Block of the company was ₹ 24,151 Crores

7.2 Consolidated Financial Performance

During FY13, the company recorded a total income of ₹ 6,970 Crores, of which income from operation was ₹ 6,779 Crores and other income were ₹ 191 Crores.

For the year FY13, EBIDTA was ₹ 1,150 Crores.

For the year FY13, Depreciation was ₹ 1,290 Crores, Interest and Finance charges were ₹ 1,703 Crores and PBT was ₹ (1,818) Crores.

PAT was ₹ (2,295) Crores, basic EPS of ₹ (9.59) and Cash Earning Per Share (CEPS) of ₹ (2.31)

Net Block of the company was ₹ 29,082 Crores

8. CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis describing the Company's objective, projections, estimates, expectations may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include, among others, economic conditions affecting demand /supply and price conditions in the domestic and overseas markets in which the Company operates, changes in the Government regulations, tax laws and other statutes and incidental factors.

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.

CORPORATE GOVERNANCE REPORT

1. Company's philosophy on code of governance

Adani Power Limited (**APL**) is committed to good corporate governance practices at different levels and to achieve its objectives. The Company believes in adopting and adhering to the best recognized corporate governance practices and continuously benchmarking itself against each such practice. Transparency, fairness, disclosure and accountability are the main thrust to the working of Adani Group. Given the Company's size and complexity in operations, APL's Corporate Governance framework is based on the following core values and culture of the Adani Group:

Values

Courage: We shall embrace new ideas and businesses.

Trust: We shall believe in our employees and other stakeholders.

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

Culture

P = Passion

R = Results

I = Integration

D = Dedication

E = Entrepreneurship

We keep our Corporate Governance practices under continuous review and benchmark ourselves to the best practices across the globe. The Company is fully compliant with all the mandatory provisions of Clause 49 of the Listing Agreement entered into with the Stock Exchange(s).

2. Board of Directors

The Board being representative of shareholders have a fiduciary relationship and a corresponding duty to all its stakeholders to ensure that their rights are protected.

a) Composition and Category of the Board:

The Board of Director of the Company as on 31st March, 2013 comprises of Six Directors. There are four non-executive directors including the Chairman of the Company. The two executive directors include the Managing Director and Executive Director. Of the four non-executive directors, three are independent directors. All Directors, except the Managing Director and Executive Director, are liable to retire by rotation. No Director is related to each other except Mr. Gautam S. Adani and Mr. Rajesh S. Adani, who are related to each other as brothers.

b) Details of memberships of the Directors in other Boards and in Board Committees as on 31st March, 2013 are as under:

None of the Directors on the Company's Board is a Director in more than 15 public companies and Member of more than 10 Committees and Chairman of more than 5 Committees (Committees being, Audit Committee and Shareholder & Investors' Grievance Committee) across all the companies in which he is a Director. All the Directors have made necessary disclosures regarding position held by them in Committees of other Companies and also directorship on other Companies. The same is within the permissible limits as provided by the Companies Act, 1956 and clause 49 of the Listing Agreement.

| Name of Director | Category | Other Directorship | Details of Committee | |
|--|----------|--------------------|----------------------|--------|
| | | | Chairman | Member |
| Mr. Gautam S. Adani (Chairman) (DIN 00006273) | P - NE | 2 | - | - |
| Mr. Rajesh S. Adani (Managing Director) (DIN 00006322) | P - E | 6 | 2 | 3 |
| Mr. Vneet S Jaain* (Executive Director) (DIN 00053906) | E - NI | 6 | - | - |
| Mr. B. B. Tandon (DIN 00740511) | NE - I | 13 | 1 | 7 |
| Mr. Vijay Ranchan (DIN 01602023) | NE - I | 4 | - | 2 |
| Mr. C. P. Jain® (DIN 00011964) | NE - I | 3 | 1 | 3 |
| Mr. Ravi Sharma* (Whole Time Director/ Executive Director) (DIN 02428696) | E - NI | N.A. | N.A. | N.A. |
| Mr. Chinubhai R. Shah\$ (DIN 00558310) | NE - I | N.A. | N.A. | N.A. |
| Mr. Berjis M. Desai** (DIN 00153675) | NE - I | N.A. | N.A. | N.A. |

*Appointed w.e.f. 14th May, 2012®Appointed w.e.f. 28th November, 2012\$Resigned as WTD w.e.f. 13th May, 2012 &Resigned as ED w.e.f. 30th June, 2012\$Resigned w.e.f. 1st July, 2012**Resigned w.e.f. 19th November, 2012

P - NE : Promoter Non Executive

P - E : Promoter Executive

E - NI : Executive Non Independent

NE - I : Non Executive Independent

Other directorship do not include alternate directorship, directorship of Private Limited companies and of companies incorporated outside India and companies under section 25 of the Companies Act 1956.

c) Number of Board Meetings held and the dates on which held :

The Board met four times during the year under review on 14th May, 2012, 1st August, 2012, 19th October, 2012 and 28th January, 2013. The maximum time-gap between any two consecutive meetings did not exceed 4 months.

d) Attendance of Directors :

The attendance of each Director at the Board Meetings and last Annual General Meeting held during the year under review are as under :

| Name of Director | Meetings | | Attendance at last AGM held on 9 th August, 2012 |
|-------------------------|----------|----------|--|
| | Held | Attended | |
| Mr. Gautam S. Adani | 4 | 4 | Yes |
| Mr. Rajesh S. Adani | 4 | 3 | Yes |
| Mr. Vneet S Jaain* | 4 | 4 | No |
| Mr. B. B. Tandon | 4 | 4 | Yes |
| Mr. Vijay Ranchan | 4 | 4 | No |
| Mr. C. P. Jain® | 4 | 1 | No |
| Mr. Ravi Sharma# | 4 | 1 | No |
| Mr. Chinubhai R. Shah\$ | 4 | 1 | No |
| Mr. Berjis M. Desai** | 4 | 2 | No |

*Appointed w.e.f. 14th May, 2012®Appointed w.e.f. 28th November, 2012#Resigned w.e.f. 30th June, 2012\$Resigned w.e.f. 1st July, 2012**Resigned w.e.f. 19th November, 2012

e) Circulation of Information and Board material:

The information as required under Annexure IA to Clause 49 of the Listing Agreement is made available to the Board of Directors for discussion and consideration at Board Meetings. The agenda alongwith relevant papers for all the Meeting are circulated in advance to facilitate the Board members to take the informed decision. 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. However, in case of urgent business need, the Board's approval is taken by circulating the resolution, which is ratified in the next Board Meeting. Presentations are made on business operations to the Board. The Minutes of the proceedings of the Meetings of the Board of Directors are noted, approved and signed by the Chairman in the next Meeting of Board. Comments, if any, received from the Directors are also incorporated in the Minutes, in consultation with the Chairman.

f) Disclosures regarding appointment/re-appointment of Directors:

Mr. Vijay Ranchan and Mr. B. B. Tandon, Directors retiring by rotation at the ensuing Annual General Meeting and being eligible, have offered themselves for re-appointment.

The term of Mr. Rajesh S. Adani as Managing Director expired on 31st March, 2013. The Board Directors in their meeting held on 28th January, 2013 passed resolution for his re-appointment as Managing Director for a further period of five years with effect from 1st April, 2013 subject to approval of members at the ensuing Annual General Meeting. He will not be liable to retire by rotation till the time he holds the office as Managing Director of the Company.

Mr. C. P. Jain has been appointed as an Additional Director with effect from 28th November, 2012. He will retire pursuant to the provisions of Section 260 of the Companies Act, 1956 at the ensuing Annual General Meeting.

The Board has recommended appointment of Mr. C. P. Jain as Director, re-appointment of Mr. Rajesh S. Adani as Managing Director and re-appointment of Mr. Vijay Ranchan and Mr. B. B. Tandon, retiring Directors.

The brief resume and other information required to be disclosed under this section is provided in the Notice of the Annual General Meeting.

3. Code of Conduct:

Company's Board has laid down a Code of Business Conduct and Ethics (the "Code") for all the Board Members and Senior Management of the Company. The Code is available on the website of the Company www.adanipower.com. All Board Members and Senior Management personnel have affirmed compliance of the Code.

The Managing Director has confirmed the compliance of the Code and as required under sub-clause I (D) of clause 49 of the listing agreement given a declaration as under:

"In accordance with sub-clause I (D) of Clause 49 of the Listing Agreement with the Stock Exchanges, I hereby confirm that, all the Directors and the Senior Management Personnel of the Company have affirmed compliance with the Code of Business Conduct and Ethics applicable to them, for the year 2012-13."

Date: 30th April, 2013
Place: Ahmedabad

Rajesh S. Adani
Managing Director

4. Committees of the Board

A) Audit Committee :

a) Constitution of Audit Committee :

The Audit Committee was constituted in the meeting of the Board of Directors held on 26th December, 2005 and subsequently reconstituted from time to time to comply with the statutory requirements.

The Committee acts as a link between the management, the statutory and internal auditors and the Board of Directors.

b) Composition of Audit Committee:

The Audit Committee of the Board comprises of three members, out of which two members namely Mr. B. B. Tandon (Chairman), and Mr. Vijay Ranchan are Independent Directors and one member namely Mr. Rajesh S. Adani is Non Independent Director.

c) Terms of reference:

- 1) Overseeing the Company's financial reporting process and disclosure of its financial information.
- 2) Recommending to the Board the appointment, re-appointment, and replacement of the statutory auditor and the fixation of audit fees.
- 3) Approval of payments to the statutory auditors for any other services rendered by them.
- 4) Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
 - i. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956,
 - ii. Changes, if any, in accounting policies and practices and reasons for the same,
 - iii. Major accounting entries involving estimates based on the exercise of judgment by management,
 - iv. Significant adjustments made in the financial statements arising out of audit findings,
 - v. Compliance with listing and other legal requirements relating to financial statements,
 - vi. Disclosure of any related party transactions,
 - vii. Qualifications in the draft audit report.
- 5) Reviewing, with the management, the quarterly and half-yearly financial statements before submission to the Board for approval.
- 6) Reviewing, with the management, the performance of statutory and internal auditors, and adequacy of the internal control systems.
- 7) 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.
- 8) Discussion with internal auditors any significant findings and follow up there on.
- 9) 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.
- 10) 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.
- 11) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, Shareholders (in case of non payment of declared dividends) and creditors.

- 12) Reviewing the functioning of the whistle blower mechanism, in case the same is existing.
- 13) Review of management discussion and analysis of financial condition and results of operations, statements of significant related party transactions submitted by management, management letters/letters of internal control weaknesses issued by the statutory auditors, internal audit reports relating to internal control weaknesses, and the appointment, removal and terms of remuneration of the chief internal auditor.
- 14) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

d) Number of Audit Committee meetings held and dates on which held :

During the year under review Audit Committee meeting was held four times on 14th May, 2012, 1st August, 2012, 19th October, 2012, and 28th January, 2013.

e) Attendance of each member at the Audit Committee meetings held during the year :

| Name | No. of Meetings during the year | |
|------------------------------------|---------------------------------|----------|
| | Held | Attended |
| Mr. B. B. Tandon [®] | 4 | 4 |
| Mr. Vijay Ranchan | 4 | 4 |
| Mr. Rajesh S. Adani | 4 | 3 |
| Mr. Chinubhai R. Shah [§] | 4 | 1 |

[®]Appointed as Chairman of Committee w.e.f. 2nd July, 2012

[§]Ceased to be member of Committee w.e.f. 1st July, 2012

Chief Financial Officer (CFO), Sr. Vice President - Finance, representatives of Statutory and Internal Auditors are invited to the meeting of the Audit Committee.

The Company Secretary of the Company acts as Secretary of the Committee.

The Chairman of the Committee was present at the last Annual General Meeting held on 9th August, 2012.

B) Remuneration Committee:

a) Constitution of Remuneration Committee :

The Remuneration Committee was constituted in the meeting of the Board of Directors held on 15th March, 2006 and subsequently reconstituted from time to time to comply with the statutory requirements.

b) Composition of Remuneration Committee:

The Remuneration Committee of the Board comprises of three members, out of which two members namely Mr. B. B. Tandon (Chairman), and Mr. Vijay Ranchan are Independent Directors and one member namely Mr. Gautam S. Adani is Non Independent Director.

c) Terms of reference :

- 1) Determine on behalf of the Board and the shareholders the Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payments.
- 2) Perform such functions as are required to be performed by the Compensation Committee under Clause 5 of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999.

- 3) Framing suitable policies and systems to ensure that there is no violation, by an Employee or the Company of any applicable laws in India or overseas, including:
 - (i) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; or
 - (ii) The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities market) Regulations, 2003.
- 4) Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by such Committee.

d) Number of meetings held and dates on which held :

During the year under review Remuneration Committee meeting was held on 14th May, 2012.

e) Attendance of each member at the Remuneration Committee meeting held during the year :

| Name | No. of Meetings during the year | |
|------------------------------------|---------------------------------|----------|
| | Held | Attended |
| Mr. B. B. Tandon | 1 | 1 |
| Mr. Vijay Ranchan | 1 | 1 |
| Mr. Gautam S. Adani | 1 | 1 |
| Mr. Chinubhai R. Shah ⁵ | 1 | 1 |

⁵Ceased to be member of Committee w.e.f. 1st July, 2012

The Company Secretary of the Company acts as Secretary of the Committee.

f) Remuneration Policy:

The Company's remuneration policy is driven by success and performance of the Company. The Company endeavors to attract, retain, develop and motivate a high performance workforce. The Board in consultation with the Remuneration Committee decides on the remuneration payable to the Managing Director / Whole Time Director / Executive Director out of the profits of the financial year and within the ceilings prescribed under the Companies Act 1956 based on the performance of the Company.

During the year 2012-13, the Company paid sitting fees of ₹ 20,000 per meeting to its Independent Non Executive Directors for attending meetings of the Board and Committees of the Board. The Company also reimburses the out of pocket expenses incurred by the Directors for attending meetings. The Company pays commission of ₹ 1 lakh p.m. payable quarterly to all Independent Non Executive Directors, in compliance of provisions of the companies Act, 1956. However, due to loss incurred for the Financial Year 2012-13, the Company has not paid the commission to any Independent Director.

g) Details of Remuneration :

i) Executive Directors :

Details of remuneration paid to Executive Director during the financial year 2012-2013 is as under :

(₹ in Crores)

| Name | Salary | Perquisites, allowance & other benefits | Total |
|---|--------|---|-------|
| Mr. Ravi Sharma (as a Whole Time Director upto 13 th May, 2012 and as an Executive Director from 14 th May, 2012 to 30 th June, 2012) | 0.33 | 1.68 | 2.01 |

ii) Non-Executive Directors:

The details of sitting fees paid to Non-Executive Independent Directors during the financial year 2012-2013 is as under:

(₹ in Crores)

| Name | Sitting Fees |
|------------------------------------|--------------|
| Mr. Chinubhai R. Shah [§] | 0.008 |
| Mr. Vijay Ranchan | 0.033 |
| Mr. B. B. Tandon | 0.024 |
| Mr. Berjis M. Desai ^{**} | 0.004 |
| Mr. C. P. Jain [@] | 0.002 |

[§]Resigned w.e.f. 1st July, 2012

^{**}Resigned w.e.f. 19th November, 2012

[@]Appointed w.e.f. 28th November, 2012

There were no other pecuniary relationships or transactions of Non-Executive Directors vis-a-vis the Company.

iii) Details of shares of the Company held by Directors as on 31st March, 2013 are as under:

| Name | No. of shares held |
|-------------------|--------------------|
| Mr. Vneet S Jaain | 65,880 |
| Mr. Vijay Ranchan | 5,000 |
| Mr. B. B. Tandon | 5,000 |

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

C) Shareholders/Investors Grievance & Share transfer Committee:

a) Constitution of Shareholders / Investors Grievance & Share transfer Committee:

The Shareholders / Investors Grievance & Share Transfer Committee was constituted in the meeting of the Board of Directors held on 12th December, 2007 and subsequently reconstituted from time to time to comply with the statutory requirements.

b) Composition of Shareholders / Investors Grievance & Share transfer Committee:

The Shareholders / Investors Grievance & Share transfer Committee of the Board comprises of three members, out of which two members are Independent Directors namely Mr. Vijay Ranchan (Chairman) and Mr. B. B. Tandon and one member is Non Independent Director namely Mr. Rajesh S. Adani.

c) Terms of reference:

- Investor relations and redressal of shareholders grievances in general and relating to non receipt of dividends, interest, non- receipt of balance sheet etc.

- ii) Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by such committee.
- iii) To approve request received for transfer, transmission, demat etc. of securities of the Company.

d) Number of meetings held and dates on which held:

During the year under review Shareholders / Investors Grievance & Share Transfer Committee meeting was held Six times on 14th May, 2012, 1st August, 2012, 13th August, 2012, 19th October, 2012, 28th January, 2013 and 6th March, 2013

e) Attendance of each member at the Shareholders / Investors Grievance & Share Transfer Committee meetings held during the year:

| Name | No. of Meetings during the year | |
|------------------------------------|---------------------------------|----------|
| | Held | Attended |
| Mr. Vijay Ranchan | 6 | 6 |
| Mr. Chinubhai R. Shah ^s | 6 | 1 |
| Mr. Rajesh S. Adani | 6 | 5 |
| Mr. B. B. Tandon [#] | 6 | 2 |

^s Resigned w.e.f. 1st July, 2012

[#] Appointed w.e.f. 1st August, 2012

The Company Secretary of the Company acts as Secretary of the Committee.

f) Investor Grievance Redressal:

Details of complaints received and redressed during the year:

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

| Nature of complaint | No. of complaint received | No. of complaint resolved | Pending complaints |
|---|---------------------------|---------------------------|--------------------|
| Non receipt of electronic credit of share | 4 | 4 | NIL |
| Non receipt of refund orders | 10 | 10 | NIL |
| Non receipt of Annual Report | 8 | 8 | NIL |
| Non receipt of Dividend Warrant | 6 | 6 | NIL |
| Total | 28 | 28 | NIL |

5. Subsidiary Companies: Monitoring Framework

All subsidiary companies of the Company are Board managed with their Board having the rights and obligation to manage such companies in the best interest of their stakeholders

None of the subsidiaries of the Company other than Adani Power Maharashtra Limited comes under the purview of the Material Non-Listed Subsidiary as per criteria given in clause 49 of Listing Agreement. The Company has nominated Mr. Vijay Ranchan, Independent Director of the Company as Director on the Board of Adani Power Maharashtra Limited. The Company is not required to nominate an Independent Director on the Board of any other Subsidiary Companies. The Audit Committee of the

Company reviews the Financial Statements and Investments made by unlisted subsidiary companies and the minutes of the unlisted subsidiary companies are placed at the Board Meeting of the Company.

6. General Body Meetings:

a) The last three Annual General Meetings were held as under:

| Financial Year | Date | Location of Meeting | Time | No. of special Resolutions passed |
|----------------|------------|---|------------|-----------------------------------|
| 2011-12 | 09.08.2012 | J.B. Auditorium, AMA Complex, ATIRA, Dr. Vikra Sarabhai Marg, Ahmedabad-380 015 | 09.30 a.m. | 3 |
| 2010-11 | 10.08.2011 | J.B. Auditorium, AMA Complex, ATIRA, Dr. Vikram Sarabhai Marg, Ahmedabad- 380 015 | 10.15 a.m. | - |
| 2009-10 | 21.08.2010 | J.B. Auditorium, AMA Complex, ATIRA, Dr. Vikram Sarabhai Marg, Ahmedabad-380 015 | 10.30 a.m. | 2 |

b) Special resolution passed through postal ballot

No special resolution was passed through postal ballot during 2012-13. None of the businesses proposed to be transacted in the ensuing Annual General Meeting require passing a special resolution through postal ballot.

7. Disclosures:

- There were no materially significant related party transactions that may have potential conflict with the interest of the Company at large. The details of related party transactions are disclosed in financial section of this Annual Report.
- In the preparation of the financial statements, the Company has followed the Accounting Policies and Practices as prescribed in the Accounting Standards and has been consistently applied except for the changes, if any, mentioned in Notes forming part of Account.
- The implementation of the risk assessment and minimization procedure containing the project / potential risk areas, its intensity, its effects, causes and measures taken by the Company are reviewed by the Audit Committee periodically.
- Management Discussion and Analysis Report is set out in a separate section included in this Annual Report and forms part of this Report.
- There has been no instance of non-compliance by the Company on any matter related to capital markets since listing (i.e. 20th August, 2009) and hence no penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority.
- The Chief Executive Officer and the Chief Financial Officer have furnished a Certificate to the Board for the year ended on 31st March, 2013 in compliance with Clause 49 of Listing Agreement.
- A Practicing Company Secretary carried out a secretarial audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services

(India) Limited (CDSL) and the total issued and listed capital. The secretarial audit report confirms that the total issued/paid-up capital of the Company is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

- h) 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.

8. Means of Communication:

a) Financial Results:

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

b) News Releases, Presentation etc. :

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

c) Website:

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

9. General Shareholders Information:

a) Day, date, time and venue of the 17th Annual General Meeting:

Thursday, 8th August, 2013 at 10.15 a.m. at J.B. Auditorium, AMA Complex, ATIRA, Dr. Vikram Sarabhai Marg, Ahmedabad-380015.

b) Registered Office:

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

c) Financial Year:

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

| Particulars | : | Tentative Schedule |
|---|---|--|
| Quarterly Unaudited Results | | |
| Quarter ending 30 th June, 2013 | : | By 14 th August, 2013 |
| Quarter ending 30 th September, 2013 | : | By 13 th November, 2013 |
| Quarter ending 31 st December, 2013 | : | By 14 th February, 2014 |
| Annual Audited Results | | |
| Year ending 31 st March, 2014 | : | Within 60 days from 31 st March, 2014 |

d) Book closure date:

The Register of Members and Share Transfer Books of the Company will be closed from Thursday, 1st August, 2013 to Thursday, 8th August, 2013 (both days inclusive) for the purpose of 17th Annual General Meeting.

e) Unclaimed Shares lying in the Escrow Account:

The Company entered into the Capital Market with Initial Public Offer of 30,16,52,031 equity shares of ₹ 10/- each at a premium of ₹ 90/- per share through 100% Book Building process in August 2009. In light of SEBI's notification No. SEBI/CFD/DIL/LA/2009/24/04 on 24th April, 2009, the Company has opened a separate demat account in order to credit the unclaimed shares which could not be allotted to the rightful shareholder due to insufficient / incorrect information or any other reason. The voting rights in respect of the said shares will be frozen till the time rightful owner claims such shares. The details of Unclaimed Shares as on 31st March, 2013 issued pursuant to Initial Public offer (IPO) are as under:

| Sr. No. | Particulars | Cases | No. of Shares |
|---------|--|-------|---------------|
| 1. | Aggregate number of shareholders and the outstanding shares in the suspense account (i.e. Adani Power Limited unclaimed shares demat suspense account) lying at the beginning of the year i.e. 1 st April, 2012 | 178 | 28539 |
| 2. | Number of shareholders who approached issuer for transfer of shares from suspense account during the year | 5 | 1374 |
| 3. | Number of shareholders to whom shares were transferred from suspense account during the year; | 5 | 1374 |
| 4. | Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year i.e. 31 st March, 2013 | 173 | 27165 |

f) Listing on Stock Exchanges:

The Company's shares are listed on the following Stock Exchanges:

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

Annual Listing Fees for the year 2013-14 have been paid by the Company to BSE and NSE

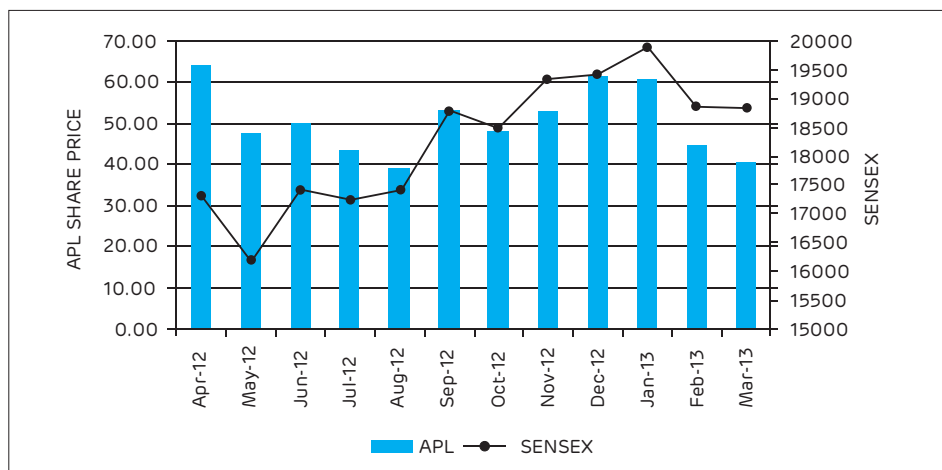
g) Market Price Data:

| Month | BSE | | | NSE | | | Total Volume of BSE & NSE |
|-----------------|----------|---------|----------|----------|---------|----------|---------------------------|
| | High (₹) | Low (₹) | Volume | High (₹) | Low (₹) | Volume | |
| April, 2012 | 73.85 | 62.30 | 14536679 | 73.90 | 62.20 | 68884241 | 83420920 |
| May, 2012 | 65.20 | 47.25 | 14536650 | 65.30 | 47.00 | 49702324 | 64238974 |
| June, 2012 | 50.70 | 44.15 | 11934734 | 52.00 | 44.10 | 38824291 | 50759025 |
| July, 2012 | 53.40 | 40.75 | 14604544 | 53.35 | 40.70 | 54847687 | 69452231 |
| August, 2012 | 44.55 | 36.80 | 8982036 | 44.45 | 36.80 | 37162517 | 46144553 |
| September, 2012 | 54.00 | 39.10 | 15091440 | 54.05 | 39.10 | 54152055 | 69243495 |
| October, 2012 | 56.00 | 46.15 | 18898217 | 55.80 | 46.30 | 49918612 | 68816829 |
| November, 2012 | 53.35 | 46.30 | 18253359 | 53.50 | 46.40 | 19170264 | 37423623 |
| December, 2012 | 70.00 | 52.90 | 25108481 | 69.75 | 52.75 | 88680786 | 113789267 |

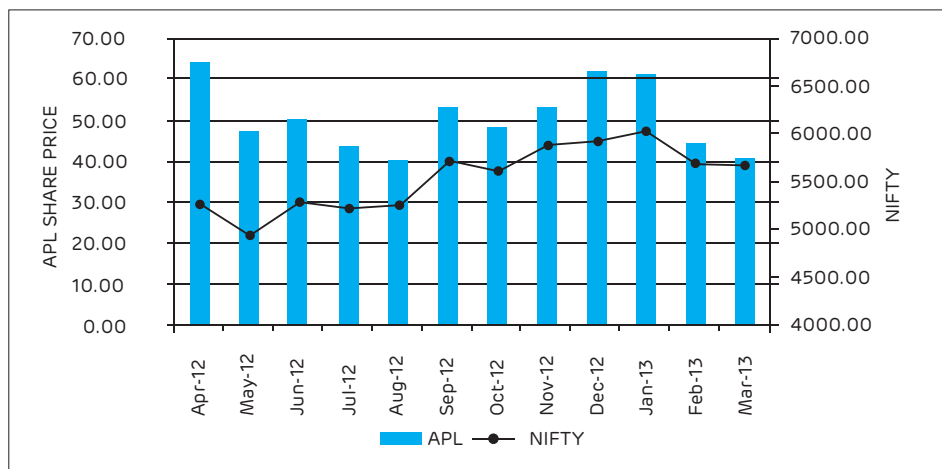
| | | | | | | | |
|----------------|-------|-------|----------|-------|-------|----------|----------|
| January, 2013 | 68.40 | 58.85 | 14375976 | 68.40 | 58.90 | 60854550 | 75230526 |
| February, 2013 | 61.25 | 43.90 | 9329705 | 61.30 | 43.25 | 52336385 | 61666090 |
| March, 2013 | 51.40 | 38.30 | 39437435 | 51.40 | 38.25 | 36133986 | 75571421 |

h) Performance of the share price of the Company in comparison to BSE Sensex and NSE Nifty:

BSE Sensex



NSE Nifty



i) Registrar & Transfer Agents:

Name & Address: M/s Karvy Computershare Private Limited
Unit: Adani Power Limited
Plot No 17-24, Vittal Rao Nagar, Madhapur, Hyderabad-500 081
Andhra Pradesh, India
Telephone No.: +91-40-44655000 Fax: +91-40-23420814
Email: einward.ris@karvy.com Website: www.karvycomputershare.com

j) Share Transfer Procedure:

As on 31st March, 2013, 99.99% of the equity shares of the Company are in electronic form. Transfer of these shares is done through the depositories without intervention of the Company. For transfer of physical shares, the transfer document should be lodged with Karvy Computershare Private Limited at the address mentioned in this Annual Report. The transfer of shares in physical form is processed

within 15 days from the date of receipt, if the documents are complete in all respects. Shareholders' / Investors' Grievance & Share Transfer Committee is empowered to approve transfer.

All the transactions related to share transfer, change of address, dividend, share certificate etc., should be addressed to R&T Agent of the Company at the address mentioned in this Annual Report at First page of Annual Report.

Pursuant to Clause 47(c) of the Listing Agreement with the Stock Exchanges, the Company obtained a certificate from a Practicing Company Secretary on half yearly basis, for compliance of share transfer formalities. Pursuant to SEBI (Depositories and Participants) Regulations, 1996, a certificate have also been obtained from a Practicing Company Secretary for timely dematerialization of the shares of the Company and for conducting secretarial audit on a quarterly basis for reconciliation of the share capital of the Company. The Company files copy of these certificates with the stock exchange as required.

k) Shareholding (as on 31st March, 2013):

(i) Distribution of Shareholding as on 31st March, 2013:

| No. of shares | No. of shares | % to capital | Total no. of accounts | % to total accounts |
|---------------|-------------------|---------------|-----------------------|---------------------|
| 1-500 | 37602380 | 1.57 | 237630 | 92.87 |
| 501-1000 | 8089194 | 0.34 | 10131 | 3.96 |
| 1001-2000 | 6530246 | 0.27 | 4319 | 1.69 |
| 2001-3000 | 3365186 | 0.14 | 1313 | 0.51 |
| 3001-4000 | 2219579 | 0.09 | 612 | 0.24 |
| 4001-5000 | 2440714 | 0.10 | 513 | 0.20 |
| 5001-10000 | 5163949 | 0.22 | 695 | 0.27 |
| 10000 & above | 2327860862 | 97.27 | 657 | 0.26 |
| Total | 2393272110 | 100.00 | 255870 | 100.00 |

(ii) Shareholding Pattern as on 31st March, 2013:

| Category | No. of shares held | | Total No. of Shares | % Holding |
|---------------------------------|--------------------|-------------------|---------------------|---------------|
| | Physical | Electronic | | |
| Promoter Group | - | 1675285082 | 1675285082 | 70.00 |
| Mutual Funds /UTI | - | 140202 | 140202 | 0.01 |
| Financial Institutions /Banks | - | 16068527 | 16068527 | 0.67 |
| Foreign Institutional Investors | - | 208347952 | 208347952 | 8.71 |
| Other Bodies Corporate | - | 112 | 11248212 | 0.47 |
| Trusts | - | 63648 | 63648 | 0.00 |
| Non Resident Indians | - | 1720141 | 1720141 | 0.07 |
| Foreign Nationals | - | 1316900 | 1316900 | 0.06 |
| Foreign Bodies Corporate | - | 406376252 | 406376252 | 16.98 |
| Directors & their relatives | - | 75880 | 75880 | 0.00 |
| Clearing members | - | 1237070 | 1237070 | 0.05 |
| Indian Public | 10045 | 71382199 | 71392244 | 2.98 |
| Total | 10045 | 2393262065 | 2393272110 | 100.00 |

l) Dematerialization of Shares and Liquidity:

The Company's shares are compulsorily traded in dematerialized form. The dematerialization facility is available from both the depositories namely National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Equity shares of the Company representing 99.99% of the share capital are dematerialized as on 31st March, 2013.

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

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

m) Outstanding GDRs / ADRs / Warrants or any convertible instrument, conversion and likely impact one equity:

Nil

n) Site location:

Adani Power Limited, Village: Tunda & Siracha, Taluka: Mundra, Dist: Kutchh, Gujarat – 370 435

o) Address of Correspondence:

- i) The Company Secretary
Adani Power Ltd., Achalraj, Opp Mayor Bunglow, Law Garden, Ahmedabad-380006
Tel.: +91 79 2555 7555 Fax: +91 79 2555 7177 E-mail: investorgrievance@adanipower.com.
- ii) For transfer/dematerialization of shares, change of address of members and other queries.
M/s Karvy Computershare Private Limited
Unit : Adani Power Limited Plot No. 17-24, Vittal Rao Nagar, Madhapur,
Hyderabad-500 081 Andhra Pradesh, India
Tel: +91-40-44655000 Fax: +91-40-23420814
Email: einward.ris@karvy.com Website: www.karvycomputershare.com

p) Non-mandatory Requirements:

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

1. Remuneration Committee:

Your Company has a Remuneration Committee to recommend remuneration of the Managing Director / Whole Time Director / Executive Director.

2. Shareholders Right:

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

3. Audit Qualifications:

There are no qualifications in the Auditor's Report on the financial statements to the shareholders of the Company.

4. Training of Board Members:

There is no formal policy at present for training of the Board members of the Company as the members of the Board are eminent and experienced professional persons.

5. Whistle Blower Policy:

The employees of your Company have access to senior management for any counseling or consultation in case they notice any fraud or misdoing by other employee.

CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of Adani Power Limited

We have examined the compliance of conditions of Corporate Governance by Adani Power Limited for the year ended 31st March, 2013 as stipulated in Clause 49 of the Listing Agreement 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.

Chirag Shah Company Secretary
Samdani Shah & Associates,
Company Secretaries,
C.P. No. 3498

Date : 8th May, 2013
Place : Ahmedabad

CERTIFICATE OF CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER

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

We have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2013 and 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, 2013 which are fraudulent, illegal or violative 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, deficiencies in the design or operation of internal control system, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
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 over financial reporting system during the year,
 - b) There have been no significant changes in accounting policies during the year except for the changes disclosed in the notes to the financial statements, if any; and
 - c) There have been no instances of significant fraud, of which we have become aware, involving management or an employee having a significant role in the Company's internal control system over financial reporting.

Date : 30th April, 2013
Place : Ahmedabad

Rajesh S. Adani
Chief Executive Officer

Prabal Banerji
Chief Financial Officer

BUSINESS RESPONSIBILITY REPORT

Section A: General Information about the Company

- Corporate Identity Number (CIN):** L40100GJ1996PLC030533
- Name of the Company:** Adani Power Limited
- Registered Address:** 'Shikhar', Nr. Adani House, Mithakhali Six Roads, Navrangpura, Ahmedabad 380 009 Gujarat, India
- Website:** www.adanipower.com
- Email id:** investorgrievance@adanipower.com
- Financial Year reported:** 1st April, 2012 to 31st March, 2013
- Sector(s) that the Company is engaged in (industrial activity code-wise):**

| Group | Class | Sub-class | Description |
|-------|-------|-----------|--|
| 351 | 3510 | 35102 | Electric power generation by coal based thermal power plants |
| 351 | 3510 | 35107 | Transmission of electric energy |

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

- List three key products that the Company manufactures/provides (as in balance sheet):** Power Generation and Power Transmission
- Total number of locations where business activity is undertaken by the Company:**
The Company's business activity is undertaken at Mundra Thermal Power Plant Project (Mundra). The Adani Group companies have presence in a total of 32 locations in India and 7 international locations (including offices).
- Markets served by the Company:** Local, State, National

Section B: Financial Details of the Company

- Paid up capital (INR):** ₹ 2393.27 Crores
- Total turnover/revenue (INR):** ₹ 6868.09 Crores
- Total profit/(loss) after taxes (INR):** ₹ (1952.03) Crores
- Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax:**
The Company carries its CSR activities through its dedicated CSR wing viz. Adani Foundation. During FY 2012-13, the Company has spent ₹ 6.50 crores towards CSR activities.
- List of activities in which expenditure in 4 above has been incurred:**
The major activities in which Corporate Social Responsibility was undertaken are Education Initiatives, Community Health Initiatives, Water Resource Development, Sustainable Livelihood Development Projects, Rural Infrastructure Development and Community Environment Projects.

Section C: Other Details

- Does the Company have any subsidiary company / companies?**
Yes, the Company has 5 subsidiary companies.
- Do the subsidiary company / companies participate in the BR initiatives of the parent Company?**
Business Responsibility initiatives of the parent company are applicable to the subsidiary companies to the extent that they are material in relation to the business activities of the subsidiaries.

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

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

Section D: BR Information

1. Details of Director / Directors responsible for BR:

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

- **DIN Number** : 00053906
- **Name** : Mr. Vneet S Jaain
- **Designation** : Executive Director

a) Details of the BR head:

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

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

| Sr. No | Questions | Business Ethics | 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 | - | - | - |
| 2 | Has the policy been formulated in consultation with the relevant stakeholders? | 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) | Y | Y | Y | - | - | Y | - | - | - |
| 4 | Has the policy being approved by the Board? If yes, has it been signed by MD/owner/CEO/ appropriate Board Director? | Y | - | - | - | - | - | - | - | - |

| Sr. No | Questions | Business Ethics | Product Life Responsibility | Employee Well-being | Stakeholder Engagement | Human Rights | Environment | Policy Advocacy | Inclusive Growth | Customer Value |
|--------|---|-----------------|-----------------------------|---------------------|------------------------|--------------|-------------|-----------------|------------------|----------------|
| | | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
| 5 | Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy? | Y | Y | Y | - | - | Y | - | - | - |
| 6 | Indicate the link for the policy to be viewed online? | # | - | @ | - | - | - | - | - | - |
| 7 | Has the policy been formally communicated to all relevant internal and external stakeholders? | Y | Y | Y | - | - | Y | - | - | - |
| 8 | Does the company have in-house structure to implement the policy/policies. | 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 | - | - | - |
| 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 | - | - | - |

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

<http://www.adanipower.com/Investor%20relations>

@ Policies pertaining to our human resources are available on the Company's internal web portal.

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

| Sr. No | Questions | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|--------|--|----|----|----|---|---|----|--|--|--|
| 1 | The Company has not understood the principle | - | - | - | - | - | - | - | - | - |
| 2 | The Company is not at stage where it finds itself in a position to formulate and implement the policies on specified principle | - | - | - | - | - | - | ✓ | - | - |
| 3 | The company does not have financial or manpower resources available for the task | - | - | - | - | - | - | - | - | - |
| 4 | It is planned to be done within next six month | - | - | - | - | - | - | - | - | - |
| 5 | It is planned to be done within next one year | - | - | - | - | - | - | - | - | - |
| 6 | Any other reason (please specify) | - | - | - | The Adani Foundation undertakes specific programs for the marginalized and vulnerable sections of our local communities, as identified in the needs assessment exercises. | The Company strictly adheres to all applicable labour laws and other statutory requirements in order to uphold the human rights within its organizational boundary. | - | As a relatively young business, the Company undertakes need based advocacy on certain industry specific issues. The Company currently does not have a stated policy; However it will continue to assess the evolving business and regulatory environment in future in this regard, | The Company is committed to the development of its local communities. This is reflected in the activities undertaken by the Adani Foundation, which is guided by a Group level mandate. The Company is currently in the process of developing a formal CSR Policy. | The Company has processes in place for customer engagement and grievance redressal. Further, the Company gives the highest priority to responsibility towards its customers. |

3. Governance related to BR:

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

The CEO periodically assesses the BR performance of the Company.

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

This report comprises the Company's first Business Responsibility Report as per the National Voluntary Guidelines on Social, Environmental and Economic Responsibility of Business (NVEG). The Company currently does not publish a separate Sustainability Report.

Section E: Principle-wise Performance**Principle 1: Business should conduct and govern themselves with Ethics, Transparency and Accountability**

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

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

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

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

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

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

The Company has adopted the super-critical technology based boiler and turbine sets in five units to generate power at its Mundra Thermal Power Project. This technology provides enhanced plant efficiency thereby reducing emissions of CO₂ (a Greenhouse Gas) and other pollutants by consuming less fuel per unit of electricity generated when compared to sub-critical units.

During the year reporting year, the Company has been bestowed with various awards on its environmental and safety performance, which includes the following –

- i) "National Energy Conservation Award for conservation of energy" by Bureau of Energy Efficiency- part of Central Electricity Authority- Ministry of Power
- ii) "Golden Peacock Occupational Health & Safety Award 2012" for Occupational Health & Safety by Institute of Directors
- iii) "Greentech Safety Award 2012 in Gold Category in Power Sector" for excellence in fire, safety & security by Greentech Foundation
- iv) "Safety Innovation Award 2012" for the best and innovative practices in safety by Institution of Engineers

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:

By undertaking various energy efficiency and conservation initiatives, the Company reduced its secondary fuel oil consumption by 8.72 %, auxiliary power consumption by 6.73 % as compared to the previous financial year. Additionally, several water conservation initiatives, such as effluent and sewage treatment plants, coal runoff treatment plant has secondary reverse osmosis (RO) plant, have also been undertaken.

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)?

The adoption of super-critical technology for thermal power generation has led to a decrease in the Company's specific coal consumption. Similarly, the installation of HVDC transmission lines, which has lower transmission losses compared to the convention HVAC technology, has further reduced our coal consumption. Other key examples of the Company's sustainable procurement include the use of synthetic oil instead of petroleum based oils and encouraging our suppliers to use environmentally friendly packaging material.

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?

The Company encourages procurement of goods and services from locally based and small producers and service providers. Efforts are made to create awareness on health, safety and hygienic workplace among the local vendors.

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

Ash is the major waste generated at the thermal power plant. A significant portion of this ash is recycled by selling it to cement (PPC) manufacturers in the region, thereby decreasing its environmental burden.

Principle 3: Business should promote the wellbeing of all employees

1. Please indicate total number of employees:

The Company has a total of 1383 employees as of 31st March, 2013.

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

The Company has a total of 26 employees hired on contractual basis as of 31st March, 2013.

3. Please indicate the number of permanent women employees:

The Company has 8 women employees as of 31st March, 2013.

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

The Company has no permanent employee with disabilities as of 31st March, 2013.

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

The Company does not have an employee association recognized by the Management.

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

Not applicable.

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

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

8. What percentage of under mentioned employees were given safety and skill up-gradation training in the last year? (Permanent employees, permanent women employees, casual / subcontracted employees, employees with disabilities)

Employee training and skills development is an integral aspect of the Company's human resource strategy. The Company's training programs extend to all permanent and contractual employees, which are rolled out as per the annual training calendar and individual employee training needs, covering a significant percentage of employees. All contractual employees are given mandatory safety training on induction as well as on the job skills related training through the Contractors and the Company.

Principle 4: Business should respect the interest of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized**1. Has the company mapped its internal and external stakeholders?**

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

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

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

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

The Company, through the Adani Foundation, has undertaken several initiatives to engage with and ensure sustainable development of the marginalized groups in the local communities. Key initiatives include:

- i) Adani Vidyamandir, Ahmedabad and Bhadreswar for the students who come from economically challenged background which provides excellent educational and extracurricular opportunities in the state of art facility absolutely free of cost
- ii) Health Cards and cashless treatment for senior citizens in Mundra (Gujarat);
- iii) Support to malnourished kids, adolescent girls and women in terms of additional nutritional food, awareness and medical care is provide at Mundra, Hazira and Dahej
- iv) Diagnosis, Treatment and Awareness building for kidney stone problem in the highly saline coastal areas of Mundra (Gujarat);
- v) Infrastructure Development for basic amenities for, Education, Health Care, Potable water, Solar Lights as well as Sustainable Livelihood Development support to improve the Quality of Life for fishing communities in the coastal zones of Mundra, Dahej and Hazira (Gujarat).
- vi) Education grants and medical support to the needy.

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 currently does not have a policy on human rights, however 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?**

The Company has adopted an Environment Policy as these aspects are integral to the Company's business values. The Policy covers only the Company.

- 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 global environmental issues such as climate change and global warming through adoption of energy and resource efficiency initiatives in its thermal power project operations. Details are available on the following webpage: <http://www.adanipower.com>

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

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

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

Yes, the Company participates in the Clean Development Mechanism (CDM), and has registered the super-critical units - 2*660MW (Unit 5 & 6) of the Mundra Thermal Power Project under CDM Executive Board of the United Nations Framework Convention on Climate Change (UNFCCC). On account of the enhanced plant efficiency of the super-critical technology, the project is expected to generate about 18 lakh CERs annually which essentially translates into mitigation of 18 lakh tonnes of CO₂ annually.

- 5. Has the Company undertaken any other initiatives on - clean technology, energy efficiency, renewable energy etc? Y/N. If yes, provide hyperlink to web page etc.**

The adoption of super-critical technology and other energy conservation initiatives at the Mundra Thermal Power Project has led to reduction in coal consumption as well as energy requirements in the plant operations. Additionally, several water conservation initiatives, such as effluent and sewage treatment plants, coal runoff treatment plant has secondary reverse osmosis (RO) plant, have also been undertaken. In recognition of its achievement in efficient utilization and conservation of energy, the Company was awarded the National Energy Conservation Award (NECA) in the Thermal Power Sector, by the Union Power Ministry in December, 2012.

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 as of end of financial year.

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 associations, either directly or through its parent company (Adani Enterprise Limited):

- i) Confederation of Indian Industry (CII)
- ii) Independent Power Producers Association of India
- iii) Gujarat Chamber of Commerce and Industry (GCCCI)
- iv) Ahmedabad Management Association (AMA)

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

Yes, through its membership in the above bodies, the Company has advocated on the key areas of energy security and electricity pricing, food security with respect to edible oil and pulses, increasing the productivity of coal mining, and improving the logistics and rail connectivity of ports.

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.

Adani Foundation, the Corporate Social Responsibility (CSR) wing of Adani Group, is devoted to undertake various activities for the sustainable development of communities around the sites of operations of the Group companies. The Foundation works in four core areas i.e. Education with special focus on quality education and girl child education, Community Health, Sustainable Livelihood 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 reaches to 6 States, more than 175 villages / towns and over 165000 families touching their lives to make a positive difference. Though the Company has not adopted a formal CSR Policy yet, it has a mandate to work for and with communities around its physical presence through a set of guiding principles defined by the promoters and senior management of the Company.

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 and developed Corporate Social Responsibility (CSR) arm of Adani Group. The CSR programs are carried out internally as well as in partnership with several government agencies, government supported organizations, non-governmental organizations, community service organizations and the CSR network of other corporate houses.

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

Yes, impact assessments and SROI (Social Returns on Investment) analysis of the ongoing CSR programs are conducted at regular intervals to evaluate and continually improve the program implementation and outcomes.

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

The Company's monetary contribution to community development projects in FY 2012-13 was ₹ 6.50 crores. 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, 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 2012-13?

There are no customer complaints / consumer cases pending as of end of financial year 2012-13.

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

The Company produces electricity, for which product labeling is not relevant.

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and / or anti-competitive behavior during the last five years and pending as of end of FY 2012-13

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 survey, however there is a continuous improvement process through which periodic feedback taken on a regular basis from our customers / stakeholders and an immediate action is taken on any issues that they are facing.

INDEPENDENT AUDITORS' REPORT

To
The Members of Adani Power Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **ADANI POWER LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2013, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 ("the Act") and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2013;
- (b) in the case of the Statement of Profit and Loss, of the loss of the Company for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that:
 - (a) We have 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, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards referred to in Section 211(3C) of the Act.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2013 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2013 from being appointed as a director in terms of Section 274(1)(g) of the Act.

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Firm Registration No. 117365W)

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

Date : 8th May 2013
Place : Ahmedabad

ANNEXURE TO THE AUDITORS' REPORT

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

- (i) Having regard to nature of the Company's business/activities/results, clauses (xiii) and (xiv) of CARO are not applicable.
- (ii) In respect of its fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The Company has a program of verification of fixed assets to cover all the items in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the Management during the year. According to the information and explanations given to us no material discrepancies were noticed on such verification.
 - (c) The fixed assets disposed of during the year, in our opinion, do not constitute a substantial part of the fixed assets of the Company and such disposal has, in our opinion, not affected the going concern status of the Company.
- (iii) In respect of its inventories:
 - (a) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals.
 - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- (iv) In respect of loans, secured or unsecured, granted by the Company to companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act 1956, according to the information and explanations given to us:
 - (a) The Company has granted unsecured loans aggregating ₹ 1,878.12 Crores to five wholly own subsidiaries during the year. At the year-end, the outstanding balances of such loans granted along with loans to two other subsidiaries, aggregated ₹ 3,461.00 Crores and the maximum amount involved during the year was ₹ 5,416.33 Crores of those seven subsidiaries.
 - (b) The rate of interest and other terms and conditions of such loans are, in our opinion, prima facie not prejudicial to the interest of the Company.
 - (c) The receipts of principal amounts and interest have been regular/as per stipulations.
 - (d) There are no overdue amounts and hence the provisions of sub –clause (d) of clause 4(iii) of the Order are not applicable to the Company.

In respect of loans, secured or unsecured, taken by the Company from companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956, according to the information and explanations given to us:

- (a) The Company has taken unsecured loans aggregating ₹ 8,295.21 Crores from two parties during the year. At the year-end, the outstanding balances of such loans taken aggregated ₹ 5,675.99 Crores and the maximum amount involved during the year was ₹ 5,852.31 Crores of two parties.
 - (b) The rate of interest and other terms and conditions of such loans are, in our opinion, prima facie not prejudicial to the interest of the Company.
 - (c) The payments of principal amounts and interest in respect of such loans are regular/as per stipulations.
- (v) In our opinion and according to the information and explanations given to us, having regard to the explanations that some of the items purchased are of special nature and suitable alternative sources are not readily available for obtaining comparable quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and fixed assets and the sale of goods and services. During the course of our audit, we have not observed any major weakness in such internal control system.
- (vi) According to the information and explanations given to us, there were no contracts or arrangements referred to in Section 301 of Companies Act, 1956 which were required to be entered in the register maintained under that section.
- (vii) According to the information and explanations given to us, the Company has not accepted any deposit from the public during the year. In respect of unclaimed deposits, the Company has complied with the provisions of Sections 58A, 58AA or any other relevant provisions of the Companies Act, 1956.
- (viii) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (ix) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 209(1) (d) of the Companies Act, 1956 and are of the opinion that, prima facie, the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (x) 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, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.
 - (b) There were no undisputed amounts payable in respect of Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues in arrears as at 31st March, 2013 for a period of more than six months from the date they became payable.
 - (c) Details of dues of Income-tax, Sales Tax, Service Tax and Customs Duty which have not been deposited as on 31st March, 2013 on account of disputes are given below:

| Name of Statute | Nature of Dues | Forum where Dispute is Pending | Period to which the Amount Relates | Amount Involved (₹ in Crores) |
|---------------------------|----------------|--|------------------------------------|-------------------------------|
| Income Tax Act, 1961 | Income Tax | Income Tax Appellate Tribunal | Assessment Year 2008-09 | 0.46 |
| Income Tax Act, 1961 | Income Tax | Commissioner of Income Tax (Appeal) | Assessment Year 2009-10 | 2.35 |
| Service Tax Act, 1941 | Service Tax | Custom Excise Service tax Appellate Tribunal | June, 2008 to September, 2010 | 5.11 |
| Rajasthan Entry Tax, 1999 | Entry Tax | Deputy Commissioner (Appeal) | 2009-10 | 3.97 |
| Rajasthan Entry Tax, 1999 | Entry Tax | Deputy Commissioner (Appeal) | 2010-11 | 2.28 |
| Customs Act, 1962 | Custom Duty | Honourable High Court of Gujarat | July, 2009 to September, 2010 | 119.97 |

- (xi) The accumulated losses of the Company at the end of the financial year are not more than fifty per cent of its net worth and the Company has incurred cash losses only during the current financial year but has not incurred any cash loss during the preceding financial year.
- (xii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to financial institutions, banks and debenture holders.
- (xiii) According to information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiv) In our opinion and according to the information and explanations given to us, the terms and conditions of the guarantees given by the Company for loans taken by others from banks and financial institutions are not, prima facie, prejudicial to the interests of the Company.
- (xv) In our opinion and according to the information and explanations given to us, the term loans have been applied by the Company during the year for the purposes for which they were obtained, other than temporary deployment pending application.
- (xvi) In our opinion and according to the information and explanations given to us, and on an overall examination of the Balance Sheet of the Company, we report that funds raised on short-term basis have, prima facie, not been used during the year for long-term investment.
- (xvii) According to the information and explanations given to us, the Company has not made preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
- (xviii) The Company has not issued any debentures during the year.

- (xix) The Company has not raised any money by way of public issues during the year.
- (xx) 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 has been noticed or reported during the year.

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Firm Registration No. 117365W)

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

Date : 8th May, 2013
Place : Ahmedabad

BALANCE SHEET AS AT 31ST MARCH, 2013

| Particulars | Notes | As at 31 st March, 2013 (₹ in Crores) | As at 31 st March, 2012 (₹ in Crores) |
|---|-------|--|--|
| EQUITY AND LIABILITIES | | | |
| Shareholders' Funds | | | |
| Share Capital | 3 | 2,393.27 | 2,180.04 |
| Reserves & Surplus | 4 | 2,256.50 | 3,848.75 |
| | | 4,649.77 | 6,028.79 |
| Non-Current Liabilities | | | |
| Long-term Borrowings | 5 | 20,752.80 | 18,545.44 |
| Deferred Tax Liabilities (Net) | 6 | 1,060.63 | 602.31 |
| Long Term Provisions | 7 | 291.52 | 217.47 |
| | | 22,104.95 | 19,365.22 |
| Current Liabilities | | | |
| Short-term Borrowings | 8 | 3,941.26 | 6,258.04 |
| Trade Payables | 9 | 2,642.86 | 790.67 |
| Other Current Liabilities | 10 | 4,433.52 | 3,392.42 |
| Short-term Provisions | 11 | 479.15 | 273.00 |
| | | 11,496.79 | 10,714.13 |
| TOTAL | | 38,251.51 | 36,108.14 |
| ASSETS | | | |
| Non Current Assets | | | |
| Fixed Assets | | | |
| Tangible Assets | 12 | 24,149.73 | 14,693.54 |
| Intangible Assets | 12 | 1.39 | 1.58 |
| Capital Work-In-Progress | 13 | 613.10 | 9,487.50 |
| | | 24,764.22 | 24,182.62 |
| Non Current Investments | 14 | 4,916.08 | 2,325.04 |
| Long term Loans and Advances | 15 | 4,355.34 | 4,164.81 |
| Other Non-current Assets | 16 | 16.74 | 156.70 |
| | | 34,052.38 | 30,829.17 |
| Current Assets | | | |
| Current Investments | 17 | 12.36 | - |
| Inventories | 18 | 1,263.25 | 816.42 |
| Trade Receivables | 19 | 674.58 | 449.19 |
| Cash and Cash Equivalents | 20 | 1,486.01 | 3,030.23 |
| Short-term Loans and Advances | 21 | 247.32 | 452.88 |
| Other Current Assets | 22 | 515.61 | 530.25 |
| | | 4,199.13 | 5,278.97 |
| TOTAL | | 38,251.51 | 36,108.14 |
| See accompanying notes forming part of the financial statements | | | |

In terms of our report attached

For DELOITTE HASKINS & SELLS
Chartered Accountants

GAURAV J. SHAH
PARTNER

Date : 8th May, 2013
Place : Ahmedabad

For and on behalf of the Board of Directors

GAUTAM S. ADANI
CHAIRMAN

RAHUL SHAH
COMPANY SECRETARY

Date : 6th May, 2013
Place : Ahmedabad

RAJESH S. ADANI
MANAGING DIRECTOR
Date : 7th May, 2013

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2013

| Particulars | Notes | For the year ended 31 st March, 2013 (₹ in Crores) | For the year ended 31 st March, 2012 (₹ in Crores) |
|---|-------|---|---|
| 1 Revenue | | | |
| Power Supply | 23 | 6,328.41 | 3,948.90 |
| Other Operating Revenue | 23 | 4.57 | 2.37 |
| 2 Other Income | 24 | 535.11 | 243.00 |
| 3 Total Revenue (1 + 2) | | 6,868.09 | 4,194.27 |
| 4 Expenses | | | |
| Fuel Cost | | 4,698.88 | 2,121.55 |
| Employee Benefits Expense | 25 | 137.39 | 52.51 |
| Depreciation and Amortisation Expense | | 1,138.45 | 551.45 |
| Finance Costs | 26 | 1,739.18 | 934.60 |
| Transmission, Administration and Other Expenses | 27 | 699.49 | 537.78 |
| Total Expenses | | 8,413.39 | 4,197.89 |
| 5 Loss Before Exceptional Items and Tax (3 - 4) | | (1,545.30) | (3.62) |
| 6 Exceptional Items | 28 | 51.59 | - |
| 7 Loss for the year (5 + 6) | | (1,493.71) | (3.62) |
| 8 Tax Expense: | | | |
| Current Tax | | - | - |
| Deferred Tax | | 458.32 | 290.30 |
| 9 Loss After Tax (7 - 8) | | (1,952.03) | (293.92) |
| Earnings Per Share (EPS) (Face Value ₹ 10 Per Share) | 43 | | |
| Basic EPS (₹) | | (8.16) | (1.35) |
| Diluted EPS (₹) | | (8.16) | (1.35) |
| Cash EPS (₹) | | (1.25) | 3.19 |
| See accompanying notes forming part of the financial statements | | | |

In terms of our report attached

For DELOITTE HASKINS & SELLS
Chartered Accountants

GAURAV J. SHAH
PARTNER

Date : 8th May, 2013
Place : Ahmedabad

For and on behalf of the Board of Directors

GAUTAM S. ADANI
CHAIRMAN

RAHUL SHAH
COMPANY SECRETARY

Date : 6th May, 2013
Place : Ahmedabad

RAJESH S. ADANI
MANAGING DIRECTOR
Date : 7th May, 2013

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

| Particulars | For the year ended 31 st March, 2013 (₹ in Crores) | For the year ended 31 st March, 2012 (₹ in Crores) |
|--|---|---|
| A. Cash flow from operating activities | | |
| Profit / (Loss) before tax and exceptional items as per Statement of Profit and Loss | (1,545.30) | (3.62) |
| Adjustments for: | | |
| Depreciation and amortisation | 1,138.45 | 551.45 |
| Loss on foreign exchange fluctuation | 108.15 | 142.13 |
| Income from Mutual Funds | (8.38) | (3.56) |
| (Gain) on sale of fixed assets | (7.01) | (2.86) |
| Finance Costs | 1,739.18 | 934.60 |
| Interest income | (505.96) | (235.52) |
| Operating profit before working capital changes | 919.13 | 1,382.62 |
| Changes in Working Capital: | | |
| (Increase) / Decrease in Operating Assets: | | |
| Inventories | (446.83) | (540.09) |
| Trade Receivables | (225.39) | (404.21) |
| Long-term Loans and Advances | (44.31) | (316.74) |
| Short-term Loans and Advances | (96.17) | (84.90) |
| Other Current Assets | 14.64 | (51.30) |
| Increase / (Decrease) in Operating Liabilities: | | |
| Trade Payables | 1,852.19 | 428.87 |
| Non-current Liabilities | - | (944.42) |
| Current Liabilities | (217.59) | 1,053.99 |
| Long-term Provisions | 74.05 | 143.62 |
| Short-term Provisions | 149.64 | (91.54) |
| Cash generated from operations | 1,979.36 | 575.90 |
| Less: Taxes paid | (9.51) | (35.12) |
| Net cash from operating activities (A) | 1,969.85 | 540.78 |
| B. Cash flow from investing activities | | |
| Capital Expenditure on Fixed assets, including Capital Advance | (33.60) | (4,105.97) |
| Proceeds from Sale of fixed assets | 9.31 | 4.42 |
| Margin Money Deposits (Placed) / Matured (not considered as cash or cash equivalents) | 1,639.36 | (2,455.04) |
| Interest income received | 612.01 | 311.95 |
| Investment in subsidiaries | (2,018.07) | (654.46) |
| Proceeds from sale of Investment in Subsidiaries | 51.59 | - |
| Purchase of Current Investments | (10,776.72) | (2,588.75) |
| Proceeds from sale of Current Investments | 10,772.74 | 2,592.31 |
| Advances to subsidiaries | 123.05 | (2,151.71) |
| Net cash from / (used in) investing activities (B) | 379.67 | (9,047.25) |
| C. Cash flow from financing activities | | |
| Proceeds from Long-term borrowings | 11,213.02 | 10,874.46 |
| Repayment of Long-term borrowings | (7,746.97) | (5,531.46) |
| Proceeds from Short-term borrowings | 4,699.28 | 3,857.19 |
| Repayment of Short-term borrowings | (5,376.10) | (1,790.90) |

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

| Particulars | For the year ended 31 st March, 2013 (₹ in Crores) | For the year ended 31 st March, 2012 (₹ in Crores) |
|---|---|---|
| Increase/(decrease) in Working Capital Borrowings | (1,748.11) | 2,052.27 |
| Finance Costs Paid | (3,435.46) | (1,080.06) |
| Net cash from / (used in) financing activities (C) | (2,394.34) | 8,381.50 |
| Net increase / (decrease) in cash and cash equivalents (A+B+C) | (44.82) | (124.97) |
| Cash and cash equivalents at the beginning of the year | 326.07 | 451.04 |
| Cash and cash equivalents at the end of the year | 281.25 | 326.07 |
| Notes to Cash Flow Statement: | | |
| 1. Reconciliation of Cash and cash equivalents with the Balance Sheet: | | |
| Cash and cash equivalents as per Balance Sheet (Refer Note 20) | 1,486.01 | 3,030.23 |
| Less: Margin Money Deposits not considered as Cash and cash equivalents as defined in AS 3 "Cash Flow Statements" | 1,204.76 | 2,704.16 |
| | 281.25 | 326.07 |
| 2. Cash and cash equivalents include: | | |
| Cash on Hand | - | - |
| Balances with banks: | | |
| In current accounts | 79.01 | 323.25 |
| Unclaimed share application money in escrow account | 0.80 | 0.82 |
| In Deposit Accounts | 201.44 | 2.00 |
| | 281.25 | 326.07 |
| 3. Previous year's figures have been regrouped wherever necessary, to confirm to this year's classification | | |
| 4. The Cash Flow Statement has been prepared under the 'Indirect Method' set out in Accounting Standard 3 'Cash Flow Statement' prescribed under Companies (Accounting Standard) Rules, 2006. | | |
| See accompanying notes forming part of the financial statements | | |

In terms of our report attached

For DELOITTE HASKINS & SELLS

Chartered Accountants

GAURAV J. SHAH

PARTNER

Date : 8th May, 2013

Place : Ahmedabad

For and on behalf of the Board of Directors

GAUTAM S. ADANI

CHAIRMAN

RAJESH S. ADANI

MANAGING DIRECTOR

Date : 7th May, 2013

RAHUL SHAH

COMPANY SECRETARY

Date : 6th May, 2013

Place : Ahmedabad

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

1 Corporate information

Adani Power Limited (the Company) is a public company domiciled in India and incorporated under the provisions of Companies Act, 1956. The Company together with its subsidiaries currently has six power projects with a combined installed capacity of 16500 MW, out of which 5280 MW has been commissioned. The Company intends to sell the power generated from these projects under a combination of long term Power Purchase Agreements and on merchant basis. The Company gets synergetic benefit of the integrated value chain of Adani group.

During the year, the Company's two Power Generating Units of 660 MW each (Previous Year - Total 1320 MW) commenced commercial operations resulting into total power generating capacity to 4620 MW and commissioned 500 KVA high voltage direct current transmission line with a capacity to wheel upto 2,500 MW of power, from Mundra, Gujarat to Mohindergarh, Haryana.

2 Significant accounting policies

a. Basis of Preparation of Financial Statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on accrual basis under historical cost convention and going concern basis. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

b. Use of Estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

c. Tangible Assets

Fixed assets are stated at cost of acquisition including any attributable cost for bringing the assets to its working condition for its intended use, less accumulated depreciation and impairment losses, if any. Borrowing costs directly attributable to qualifying assets / capital projects are capitalized and included in the cost of fixed assets.

d. Project Development Expenditure

Expenditure related to and incurred during implementation of capital projects is included under "Capital Work in Progress" or "Project Development Expenditure" as the case may be. The same is allocated to the respective fixed assets on completion of construction/ erection of the capital project/ fixed assets.

e. Intangible assets

Computer Software cost is capitalized and recognized as Intangible Assets in terms of Accounting Standard -26 "Intangible Assets" based on materiality, accounting prudence and significant economic benefits expected to flow there from for a period longer than one year.

f. Depreciation

- i) Depreciation is provided on additions / deductions of the assets during the period from / upto the month in which the asset is added / deducted. In respect of tangible assets, depreciation is provided on Straight Line Method considering the rates provided in Appendix III of CERC (Terms and conditions of Tariff) Regulations, 2009.

- ii) Depreciation on assets acquired / disposed off during the year is provided on pro-rata basis with reference to the date of addition/ disposal.
- iii) Assets costing less than ₹ 5,000 are written off in the year of purchase.
- iv) Cost of Leasehold land is amortized over a period of lease.
- v) Cost of intangible assets are amortised over a period of five years.

g. Leases

Assets acquired on leases where a significant portion of risks and rewards incidental to ownership is retained by the lessor are classified as operating lease.

h. Investments

Long term investments are stated at cost. Provision for diminution in the value of long-term investments is made only if, such a decline is permanent in the opinion of the management. Current Investments are carried at lower of cost or fair value.

i. Revenue recognition

- i) Revenue (income) is recognized when no significant uncertainty as to the measurability or collectability exists.
- ii) Interest income is accounted for on an accrual basis. Dividend income is accounted for when the right to receive income is established.
- iii) Delayed payment charges and interest on delayed payment for power supply are recognized, on grounds of prudence, as and when recovered.

j. Inventories

Inventories are valued at weighted average cost or net realizable value, whichever is lower.

k. Borrowing costs

Borrowing costs includes interest on borrowings and amortisation of ancillary costs incurred for borrowings. Such costs to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the borrowings.

l. Impairment of Assets

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the period in which an asset is identified as impaired. The impairment loss, if any, recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

m. Foreign exchange transactions

- i) Transactions denominated in foreign currencies are normally recorded at the exchange rates prevailing at the time of the transaction.
- ii) Monetary items denominated in foreign currencies at the balance sheet date are restated at the rates prevailing on that date. In case of monetary items which are covered by forward exchange contracts, the difference between the rate prevailing on the balance sheet date and rate on the date of the contract is recognized as exchange difference and the premium paid on forward contracts is recognized over the life of the contract.
- iii) Non monetary foreign currency items are carried at cost.

- iv) Any income or expense arising on restatement / settlement, other than that arising on long-term foreign currency monetary items, are recognised in the Statement of Profit and Loss for the period in which the difference takes place.
- v) The exchange differences arising on restatement / settlement of long-term foreign currency monetary items are regarded entirely as exchange differences and capitalized as part of the depreciable fixed assets to which the monetary item relates and depreciated over remaining useful life of such assets.

n. Derivative transactions

Pursuant to the announcement on accounting for derivatives issued by the Institute of Chartered Accountants of India, the Company, in accordance with the principle of prudence as enunciated in AS – 1, "Disclosure of Accounting Policies", provides for losses in respect of all outstanding derivative contracts at the Balance Sheet date by marking them to market. Any net unrealized gains arising on such mark to market are not recognized as income.

o. Employee Benefits

i) Gratuity

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.

ii) Provident fund

Retirement Benefits in the form of Provident Fund and Family Pension Fund, which are defined contribution schemes, are charged to the Project Development Expenditure Account till the commencement of commercial production otherwise, the same is charged to the Statement of Profit and Loss for the period, in which the contributions to the respective funds accrue.

iii) Leave Encashment

Provision for Leave Encashment is determined and accrued on the basis of actuarial valuation.

p. Taxes on Income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

q. Provisions, contingent liabilities and contingent assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

| Particulars | As at 31 st March, 2013 (₹ in Crores) | As at 31 st March, 2012 (₹ in Crores) |
|---|--|--|
| 3 Share Capital | | |
| Authorised Share Capital 3,50,00,00,000 (As at 31 st March, 2012 - 3,50,00,00,000) equity shares of ₹ 10 each with voting rights | 3,500.00 | 3,500.00 |
| 50,00,00,000 (As at 31 st March, 2012 - 50,00,00,000) Cumulative Compulsorily Convertible Participatory Preference shares of ₹ 10 each | 500.00 | 500.00 |
| Total | 4,000.00 | 4,000.00 |
| Issued, Subscribed and fully paid-up equity shares with voting rights 2,39,32,72,110 (As at 31 st March, 2012 - 2,18,00,35,200) fully paid up equity shares of ₹ 10 each | 2,393.27 | 2,180.04 |
| Total | 2,393.27 | 2,180.04 |

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

| Particulars | As at 31 st March, 2013 | | As at 31 st March, 2012 | |
|---|------------------------------------|-----------------|------------------------------------|-----------------|
| | No. Shares | (₹ in Crores) | No. Shares | (₹ in Crores) |
| Equity Shares | | | | |
| At the beginning of the year | 2,18,00,35,200 | 2,180.04 | 2,18,00,35,200 | 2,180.04 |
| Issued during the year on account of Amalgamation Scheme (Refer Note 36 (b)) | 21,32,36,910 | 213.23 | - | - |
| Outstanding at the end of the year | 2,39,32,72,110 | 2,393.27 | 2,18,00,35,200 | 2,180.04 |

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 vote per share.

c. Shares held by holding company

| Particulars | As at 31 st March, 2013 (₹ in Crores) | As at 31 st March, 2012 (₹ in Crores) |
|---|--|--|
| Out of equity shares issued by the Company, shares held by its holding company are as under: Adani Enterprises Limited : 1,53,14,40,000 (As at 31 st March, 2012 - 1,53,14,40,000) Equity Shares of ₹ 10 each fully paid | 1,531.44 | 1,531.44 |

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

| Particulars | As at 31 st March, 2013 | | As at 31 st March, 2012 | |
|--|------------------------------------|---------------------------|------------------------------------|---------------------------|
| | No. Shares | % holding in the class | No. Shares | % holding in the class |
| Equity shares of ₹ 10 each fully paid | | | | |
| Adani Enterprises Limited, Holding Company | 1,53,14,40,000 | 63.99% | 1,53,14,40,000 | 70.25% |
| 3i Power Investments A1 Limited | 16,05,98,342 | 6.71% | 16,05,98,342 | 7.37% |
| OPAL Investment Pvt. Limited | 21,32,36,910 | 8.91% | - | - |
| Total | 1,90,52,75,252 | 79.61% | 1,69,20,38,342 | 77.62% |

- e. **21,32,36,910 Equity Shares** allotted as fully paid-up pursuant to Amalgamation (refer note 36 (b)) without payment being received in cash.

| Particulars | As at 31 st March, 2013 (₹ in Crores) | As at 31 st March, 2012 (₹ in Crores) |
|--|--|--|
| 4 Reserves and surplus | | |
| a. Security Premium Account | 3,450.94 | 3,450.94 |
| b. Surplus/(Deficit) in the Statement of Profit and Loss | | |
| Opening Balance | 397.81 | 691.73 |
| (Less) : Loss for the year | (1,952.03) | (293.92) |
| (Less) : Loss on account of amalgamation (Refer Note 36 (d)) | (0.02) | - |
| Closing Balance | (1,554.24) | 397.81 |
| c. Capital Reserve | | |
| Opening Balance | - | - |
| Add : Addition on account of amalgamation (Refer Note 36 (d)) | 359.80 | - |
| Total | 2,256.50 | 3,848.75 |
| 5 Long-term borrowings | | |
| Secured borrowings (Refer note 1 below for securities) | | |
| Term Loans | | |
| From Banks | 12,856.84 | 9,898.19 |
| From financial institutions | 200.00 | 280.00 |
| Bills discounted under letters of credit (to be converted into loans) | 2,268.19 | 6,279.04 |
| | 15,325.03 | 16,457.23 |
| Unsecured borrowings | | |
| Bills discounted under letters of credit | 115.98 | 758.59 |
| From holding company - Adani Enterprises Limited | 5,311.79 | 1,329.62 |
| | 5,427.77 | 2,088.21 |
| Total | 20,752.80 | 18,545.44 |

Notes:

1. The above secured borrowings are secured by:

a. The security details for the balances as at 31st March, 2013 :

- Rupee Term Loans from Banks aggregating to ₹ 4,089.73 Crores and from a Financial Institution ₹ 280 Crores and Foreign Currency Loans aggregating to ₹ 5,850.84 Crores and Bills Discounted under Letters of Credit of ₹ 547.01 Crores are secured / to be secured by first mortgage and charge on all immovable and movable assets, both present and future of Phase I, II, III & Transmission Line Project, on paripassu basis.

2. Rupee Term Loan from Bank aggregating to ₹ 100.00 Crores and Foreign Currency Loan of ₹ 488.57 Crores are secured /to be secured by first paripassu charge on revenue and receivable of Phase I, II, III & Transmission Line Project and second paripassu charge on other Project immovable and movable assets of Phase I, II, III & Transmission Line Project.
3. Rupee Term Loans from Banks aggregating to ₹ 3,682.83 Crores and Bills Discounted under Letters of Credit from banks aggregating to ₹ 2,240.40 Crores are secured by first mortgage and charge on all immovable and movable assets, both present and future of Phase IV, on paripassu basis.
4. Rupee Term Loan of ₹ 750 Crores are secured by Corporate Guarantee of Adani Enterprises Limited and subservient charge on Phase IV moveable assets.
5. The above Secured Loans are further secured by pledge of 223,141,107 Equity Shares of the Company through execution of Pledge Agreement with Adani Enterprises Limited as First charge for Secured Loans from banks aggregating to ₹ 8,200.17 Crores.
6. For current maturities of long-term borrowings, refer note 11 "Other Current Liabilities".

b. The security details for the balances as at 31st March, 2012 :

1. Rupee Term Loans from Banks aggregating to ₹ 5,075.96 Crores and from a Financial Institution ₹ 370.00 Crores and Foreign Currency Loans aggregating to ₹ 5768.15 Crores and Bills Discounted under Letters of Credit from a bank of ₹ 666.26 Crores are secured / to be secured by first mortgage and charge on all immovable and movable assets, both present and future of Phase I, II, III and Transmission Line Project on paripassu basis.
2. Rupee Term Loan from Banks aggregating to ₹ 200.00 Crores and Foreign Currency Loan of ₹ 460.41 Crores are secured /to be secured by first paripassu charge on revenue and receivable of Phase I, II, III and Transmission Line Project and second paripassu charge on other Project immovable and movable assets of Phase I, II, III and Transmission Line Project.
3. Bills Discounted under Letters of Credit from banks aggregating to ₹ 5,686.84 Crores are secured by first mortgage and charge on all immovable and movable assets, both present and future of Phase IV, on paripassu basis.
4. The above Secured Loans are further secured by pledge of 326,786,777 Equity Shares of the Company through execution of Pledge Agreement with Adani Enterprises Limited as First charge for Secured Loans from banks aggregating to ₹ 6778.69 Crores.
5. Bills discounted under letters of credit from bank aggregating to ₹ 0.94 Crores are secured by fixed deposit cash margin.
6. For current maturities of long-term borrowings, refer note 11 "Other Current Liabilities".

2. Repayment schedule for the balances as at 31st March, 2013 :

- a. The term loans from banks and financial institution aggregating to ₹ 10,809.14 Crores are repayable in structured installments ranging from quarterly to yearly.
- b. The term loan from banks and financial institution aggregating to ₹ 3,682.83 Crores and bills discounted under letters of credit (to be converted into term loans) aggregating to ₹ 2,157.18 Crores are repayable in 40 quarterly installments starting from August, 2013.
- c. The bills discounted under letters of credit (to be converted into term loans) aggregating to ₹ 111.01 Crores are repayable in structured installments ranging from quarterly to yearly.

- d. The bills discounted under letters of credit (not to be converted into term loans) aggregating to ₹ 519.22 Crores are repayable on due date and shown under current maturities of long term borrowings (Refer Note 10).
- e. The medium term loan from a bank aggregating to ₹ 750 Crores is repayable in 5 quarterly installments starting from July, 2013.
- f. The bills discounted under letters of credit aggregating to ₹ 809.70 Crores are repayable up to three years.

3. Repayment schedule for the balances as at 31st March, 2012 :

- a. The term loans from bank and financial institutions aggregating to ₹ 11,627.52 Crores are repayable in structured installments ranging from quarterly to yearly.
- b. The bills discounted under letters of credit (to be converted into term loans) aggregating to ₹ 5,686.85 Crores are repayable in 40 quarterly installments starting from August 2013.
- c. The bills discounted under letters of credit (to be converted into term loans) aggregating to ₹ 666.26 Crores are repayable in structured installments ranging from quarterly to yearly.
- d. The bills discounted under letters of credit aggregating to ₹ 1,374.58 Crores are repayable up to three years.

| Particulars | As at 31 st March, 2013 (₹ in Crores) | As at 31 st March, 2012 (₹ in Crores) |
|---|--|--|
| 6 Deferred tax asset / liability (net) | | |
| Deferred tax liability | | |
| Timing difference between book and tax depreciation | 1,064.13 | 612.67 |
| Gross deferred tax liability | 1,064.13 | 612.67 |
| Deferred tax assets | | |
| Tax benefit on share issue expenses set off against security premium | 3.50 | 10.36 |
| Gross deferred tax assets | 3.50 | 10.36 |
| Net deferred tax liability Total | 1,060.63 | 602.31 |
| 7 Long-term Provisions | | |
| Provision for employee benefits | 3.18 | 2.30 |
| Provision for indirect taxes | 288.34 | 215.17 |
| Total | 291.52 | 217.47 |
| 8 Short-term borrowings | | |
| Term Loans | | |
| From Banks (Refer note 1 below) | - | 247.00 |
| Bills discounted under letters of credit (Refer note 2 below) | 223.54 | 925.07 |
| Bills discounted under letters of credit Inland LC (Refer note 3 and 4 below) | 9.98 | - |
| Bills discounted under letters of credit (working capital facilities)(Refer note 3 and 4 below) | 1,505.14 | 1,300.15 |
| | 1,738.66 | 2,472.22 |

| Particulars | As at 31 st March, 2013 (₹ in Crores) | As at 31 st March, 2012 (₹ in Crores) |
|---|--|--|
| Unsecured borrowings | | |
| From banks | - | 1,857.70 |
| Bills discounted under letters of credit | 410.73 | 1,040.75 |
| Bills discounted under letters of credit (working capital facilities) | 222.85 | 645.84 |
| Other Loans and Advances | 1,063.68 | - |
| From holding company - Adani Enterprises Limited | 290.53 | - |
| From related parties - Adani Ports & Special Economic Zone Limited | 73.67 | - |
| Bank Overdraft | 141.14 | 241.53 |
| Total | 2,202.60 | 3,785.82 |
| | 3,941.26 | 6,258.04 |

Notes:

1. Refer note b in note 5 "Long-term Borrowings" for details of securities.
2. Bills discounted under letters of credit from banks aggregating to ₹ 223.54 Crores (as at 31st March, 2012 ₹ 925.07 Crores) are secured by Fixed Deposit Cash Margin.
3. Bills Discounted under Letters of Credit (Working Capital Facilities) from banks of ₹ 1,274.65 Crores (as at 31st March, 2012 ₹ 1300.15 Crores) are secured / to be secured by first mortgage and charge on all immovable and movable assets, both present and future of Phase I, II & III and Transmission Line Project, on paripassu basis.
4. Bills Discounted under Letters of Credit (Working Capital Facilities) from banks of ₹ 240.47 Crores are secured / to be secured by first mortgage and charge on all immovable and movable assets, both present and future of Phase IV project, on paripassu basis.

| Particulars | As at 31 st March, 2013 (₹ in Crores) | As at 31 st March, 2012 (₹ in Crores) |
|---|--|--|
| 9 Trade payables | | |
| Trade payables (refer note 42) | | |
| Acceptances | - | - |
| Other than Acceptances | 2,642.86 | 790.67 |
| Total | 2,642.86 | 790.67 |
| 10 Other current liabilities | | |
| Current maturities of long term borrowings | | |
| Secured borrowings | | |
| Term Loans | | |
| From Banks | 2,105.13 | 1,359.33 |
| From financial institutions | 80.00 | 90.00 |
| Bills discounted under letters of credit | 519.22 | 75.00 |
| Bills discounted under letters of credit (refer note 2 below) | 0.99 | 615.06 |
| | 2,705.34 | 2,139.39 |

| Particulars | As at 31 st March, 2013 (₹ in Crores) | As at 31 st March, 2012 (₹ in Crores) |
|--|--|--|
| Unsecured borrowings | | |
| Bills discounted under letters of credit | 692.73 | - |
| Interest accrued but not due on borrowings | 96.40 | 114.18 |
| Equity share application money refundable (refer note 3 below) | 0.80 | 0.82 |
| Statutory liabilities | 18.06 | 13.39 |
| Retention money | 837.81 | 1,051.49 |
| Other current liabilities and other payables | 82.38 | 73.15 |
| Total | 4,433.52 | 3,392.42 |

Notes:

1. For details of security of Current Maturities of Long-term Borrowings refer note 1 a and 1 b in note 5 "Long-term Borrowings".
2. Bills discounted under letters of credit from banks aggregating to ₹ 0.99 Crores (as at 31st March, 2012 ₹ 615.06 Crores) are secured by Fixed Deposit Cash Margin.
3. These do not include any amounts due and outstanding to be credited to "Investors' Education and Protection Fund".

| Particulars | As at 31 st March, 2013 (₹ in Crores) | As at 31 st March, 2012 (₹ in Crores) |
|---|--|--|
| 11 Short-term Provisions | | |
| Provision for employee benefits | 0.28 | 0.18 |
| Provision for Mark to Market loss on Derivative Instruments | 478.87 | 272.82 |
| Total | 479.15 | 273.00 |

| Particulars | GROSS BLOCK (AT COST) | | | | | DEPRECIATION AND AMORTISATION | | | | NET BLOCK | |
|-----------------------------------|--------------------------------------|---------------------------------|----------------------------------|------------------------|---------------------------------------|--------------------------------------|-----------------|----------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| | As at 1 st April, 2012 | Additions During the Year | Deductions During the Year | Other Adjustment | As at 31 st March, 2013 | As at 1 st April, 2012 | For the Year | Deductions During the Year | As at 31 st March, 2013 | As at 31 st March, 2012 | As at 31 st March, 2012 |
| | | | | Exchange Difference | Borrowing Cost | | | | | | |
| Tangible Assets | | | | | | | | | | | |
| Land (Lease Hold) | 276.73 | 0.03 | - | - | - | 36.14 | 11.33 | - | 47.47 | 229.29 | 240.59 |
| Land (Free hold) | 73.74 | 5.46 | - | - | 79.20 | - | - | - | - | 79.20 | 73.74 |
| Building | 315.11 | 156.45 | - | 6.84 | 10.87 | 21.97 | 13.73 | - | 35.70 | 453.57 | 293.14 |
| Plant and Equipments | 14,775.11 | 7,954.40 | 2.58 | 1,655.76 | 802.09 | 748.31 | 1,110.42 | 0.38 | 1,858.35 | 23,326.43 | 14,026.80 |
| Furniture and Fixtures | 10.03 | 1.68 | - | - | - | 11.71 | 0.68 | - | 3.73 | 7.98 | 6.98 |
| Railway Sidings | 6.39 | - | - | - | - | 0.78 | 0.34 | - | 1.12 | 5.27 | 5.61 |
| Computers | 16.38 | 3.12 | 0.01 | - | - | 4.54 | 2.97 | * | 7.51 | 11.98 | 11.84 |
| Office Equipments | 11.46 | 1.45 | - | - | - | 2.13 | 0.78 | - | 2.91 | 10.00 | 9.33 |
| Electrical Installation | 22.86 | - | - | - | - | 22.86 | 1.20 | - | 3.38 | 19.48 | 20.68 |
| Vehicles | 6.00 | 2.50 | 0.13 | - | - | 1.17 | 0.71 | 0.04 | 1.84 | 6.53 | 4.83 |
| Total Tangible Assets | 15,513.81 | 8,125.09 | 2.72 | 1,662.60 | 812.96 | 820.27 | 1,142.16 | 0.42 | 1,962.01 | 24,149.73 | 14,693.54 |
| Intangible Assets | | | | | | | | | | | |
| (Other than internally generated) | | | | | | | | | | | |
| Computer Software | 3.25 | 0.57 | - | - | - | 1.67 | 0.76 | - | 2.43 | 1.39 | 1.58 |
| Total Intangible Assets | 3.25 | 0.57 | - | - | - | 1.67 | 0.76 | - | 2.43 | 1.39 | 1.58 |
| Total Fixed Assets | 15,517.06 | 8,125.66 | 2.72 | 1,662.60 | 812.96 | 821.94 | 1,142.92 | 0.42 | 1,964.44 | 24,151.12 | 14,695.12 |
| Previous Year | 8,071.06 | 6,180.85 | 2.02 | 989.43 | 277.74 | 261.76 | 560.64 | 0.46 | 821.94 | 14,695.12 | - |

Notes:

- (a) Depreciation of ₹ 4.47 Crores (Previous Year ₹ 9.19 Crores) relating to the Project Assets has been transferred to Project Development Expenditure (Note - 13.2).
- (b) Depreciation of ₹ 25.20 Crores (Previous Year ₹ 10.78 Crores) has been transferred from Project Development Expenditure (Refer note 13.2) to additions during the year as the same are pertaining to the projects capitalised during the year.
- (c) Additions during the year include ₹ 2396.08 Crores (Previous Year - ₹ 1010.18 Crores) capitalised / allocated from Project Development Expenditure Account on commissioning of the projects.
- (d) *Deduction include Computers ₹ 20,384.75 (Previous Year ₹ Nil).

| Particulars | As at 31 st March, 2013 (₹ in Crores) | As at 31 st March, 2012 (₹ in Crores) |
|--|--|--|
| 13 Capital Work In Progress | | |
| 13.1 Capital Work In Progress | | |
| Building & Civil Work | 114.10 | 141.38 |
| Plant & Equipments | 443.22 | 5,616.33 |
| (Including in transit ₹ 12.22 Cr.) (As at 31 st March, 2012 - ₹Nil) | | |
| Electrical Installations | 4.84 | 34.91 |
| Railway Sidings | - | 0.18 |
| Desalination Plant | - | 0.46 |
| Transmission Line | 26.93 | 2,613.45 |
| Total (A) | 589.09 | 8,406.71 |
| 13.2 Project Development Expenditure | | |
| Salaries, Wages and Allowances | - | 70.85 |
| Contribution to Provident and Other Funds | - | 2.99 |
| Employee Welfare Expenses | - | 13.09 |
| Sub-lease Rent for Land | - | 0.47 |
| Project Insurance | - | 0.27 |
| Professional Fees | - | 26.78 |
| Payment to auditors | - | 0.02 |
| Statutory Expenses | - | 1.36 |
| Communication Expenses | - | 2.09 |
| Administration and Office Expenses | - | 57.36 |
| Stationery and Courier Expenses | - | 1.00 |
| Vehicle Running Expenses | - | 3.92 |
| Traveling Expenses | - | 20.86 |
| Miscellaneous Expenses | - | 1.24 |
| Depreciation and Amortisation Expense | - | 20.70 |
| Interest and Finance Charges | 24.01 | 963.84 |
| | 24.01 | 1,186.84 |
| Other Income | | |
| Interest Income | - | 106.05 |
| | - | 106.05 |
| Total (B) | 24.01 | 1,080.79 |
| Total(A + B) | 613.10 | 9,487.50 |
| 14 Non-current Investments | | |
| a. Government and Trust Securities (unquoted) | | |
| Investment in government securities | * | * |
| | * | * |

* National savings certificate (lying with government authority) ₹ 42,699 (As at 31st March, 2012 ₹ 42,699)

| Particulars | As at 31 st March, 2013 | As at 31 st March, 2012 | As at 31 st March, 2013 | As at 31 st March, 2012 |
|--|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| | No. shares / bonds | No. shares / bonds | (₹ in Crores) | (₹ in Crores) |
| b. Trade investments | | | | |
| Investments in fully paid-up equity | | | | |
| Shares (Unquoted) In subsidiary companies | | | | |
| Adani Power Maharashtra Limited (Face value of ₹ 10 each) | 2,85,47,31,240 | 1,61,46,53,787 | 4,205.92 | 1,614.65 |
| Adani Power Dahej Limited (Face value of ₹ 10 each) | 50,000 | 50,000 | 0.05 | 0.05 |
| Adani Power Rajasthan Limited (Face value of ₹ 10 each) | 70,00,00,000 | 70,00,00,000 | 700.00 | 700.00 |
| Adani Power (Overseas) Limited (Face value of AED 20000 each) | - | 4 | - | 0.11 |
| Adani Pench Power Limited (Face value of ₹ 10 each) | 50,000 | 50,000 | 0.05 | 0.05 |
| Kutchh Power Generation Limited (Face value of ₹ 10 each) | 50,000 | 50,000 | 0.05 | 0.05 |
| Mundra Power SEZ Limited (Face value of ₹ 10 each) | - | 50,000 | - | 0.05 |
| Adani Shipping Pte Ltd (Face value of SGD 1 each) | - | 1,000 | - | 0.08 |
| Adani Power Pte Ltd (Face value of USD 1 each) *(₹ 46,790) | - | 1,000 | - | * |
| c. Other Investments | | | | |
| Investments in Bonds (quoted) | | | | |
| 15 Years Yes Bank Bonds (Face value of ₹ 10 Lacs each) | 100 | 100 | 10.00 | 10.00 |
| Investment in Limited Liability Partnership (Unquoted) | | | | |
| Adani Renewable Energy LLP # (₹ 5,000) | | | - | # |
| | | | 4,916.08 | 2,325.04 |
| Total | | | 4,916.08 | 2,325.04 |
| Aggregate value of quoted investments | | | | |
| - Cost | | | 10.00 | 10.00 |
| - Market value | | | 10.00 | 10.00 |
| Aggregate value of unquoted investments | | | | |
| - Cost | | | 4,906.08 | 2,315.04 |

| Particulars | As at 31 st March, 2013 (₹ in Crores) | As at 31 st March, 2012 (₹ in Crores) |
|---|--|--|
| 15 Long-term loans and advances (Unsecured, considered good) | | |
| Capital advances | 151.80 | 193.77 |
| Loans and advances to related parties | 3,461.00 | 3,282.32 |
| Advance Income Tax (Net of provision) | 53.51 | 44.00 |
| Other loans and advances | 565.34 | 503.44 |
| Employee advances | 2.74 | 2.74 |
| Prepaid expenses | 1.41 | 1.71 |
| Unamortised ancillary borrowing costs | 119.54 | 136.83 |
| Total | 4,355.34 | 4,164.81 |
| 16 Other Non-current Assets | | |
| Margin Money Fixed Deposits with Banks (Original maturity more than twelve months) | 16.74 | 156.70 |
| Total | 16.74 | 156.70 |
| 17 Current Investments (At lower of Cost and Net Realisable Value) | | |
| Investment in Mutual Funds - (Unquoted) | | |
| Reliance Money Manager Fund-Growth Plan Growth Option | 12.36 | - |
| Total | 12.36 | - |
| Aggregate value of unquoted investments | | |
| - Cost | 12.36 | - |
| - Market Value | 12.36 | - |
| 18 Inventories (At lower of Cost and Net Realisable Value) | | |
| Raw material and components | | |
| Coal, Oil, stores and spares (Includes in transit ₹ 339.17 Crores) (As at 31 st March, 2012 - ₹ 128.38 Crores) | 1,263.25 | 816.42 |
| Total | 1,263.25 | 816.42 |
| 19 Trade receivables | | |
| Outstanding for a period exceeding six months from the date due for payment (Unsecured, considered good) | 212.79 | 2.32 |
| Other receivables (Unsecured, considered good) | 461.79 | 446.87 |
| Total | 674.58 | 449.19 |

| Particulars | As at 31 st March, 2013 (₹ in Crores) | As at 31 st March, 2012 (₹ in Crores) |
|--|--|--|
| 20 Cash and cash equivalents | | |
| Balances with banks | | |
| In current accounts | 79.01 | 323.25 |
| Unclaimed share application money in escrow account | 0.80 | 0.82 |
| Cash on hand | - | - |
| | 79.81 | 324.07 |
| Other bank balances (with original maturity for less than twelve months) | | |
| Margin Money Fixed Deposits | 1,204.76 | 2,704.16 |
| Other Fixed Deposits | 201.44 | 2.00 |
| | 1,406.20 | 2,706.16 |
| Total | 1,486.01 | 3,030.23 |
| 21 Short-term loans and advances | | |
| (Unsecured, considered good) | | |
| Security deposits (non interest bearing) | 12.44 | 13.05 |
| Prepaid Expenses | 19.94 | 25.51 |
| Unamortised ancillary borrowing costs | 35.71 | 30.29 |
| Advances recoverable in cash or in kind or for value to be received | 106.07 | 61.68 |
| Balances with Central Excise Authorities | 73.16 | 20.62 |
| Loans and advances to related parties | - | 301.73 |
| Total | 247.32 | 452.88 |
| 22 Other current assets | | |
| Interest receivable | 28.02 | 33.30 |
| Unbilled revenue | 487.59 | 496.95 |
| Total | 515.61 | 530.25 |

| Particulars | For the year ended 31 st March, 2013 (₹ in Crores) | For the year ended 31 st March, 2012 (₹ in Crores) |
|---|---|---|
| 23 Revenue | | |
| Power Supply | | |
| Revenue from Power Supply | 6,328.41 | 3,948.90 |
| Total | 6,328.41 | 3,948.90 |
| Other Operating Revenue | | |
| Sale of Fly Ash | 4.57 | 2.37 |
| Total | 4.57 | 2.37 |
| 24 Other income | | |
| Interest Income | 505.96 | 235.52 |
| Income from mutual funds | 8.38 | 3.56 |
| Profit on Sale/Retirement of Assets (Net) | 7.01 | 2.86 |
| Sale of Scrap | 7.15 | - |
| Miscellaneous Income | 6.61 | 1.06 |
| Total | 535.11 | 243.00 |

| Particulars | For the year ended 31 st March, 2013 (₹ in Crores) | For the year ended 31 st March, 2012 (₹ in Crores) |
|---|---|---|
| 25 Employee benefit expenses | | |
| Salaries, wages and allowances | 109.72 | 48.54 |
| Contribution to provident and other funds | 5.06 | 1.96 |
| Employee welfare expenses | 22.61 | 2.01 |
| Total | 137.39 | 52.51 |
| 26 Finance costs | | |
| (a) Interest Expenses on : | | |
| Interest on Letters of Credit | 212.20 | 102.80 |
| Interest on Loans | 1,372.94 | 627.24 |
| | 1,585.14 | 730.04 |
| (b) Other borrowing costs : | | |
| Loss on derivatives/swap contracts* | 56.51 | 146.92 |
| Other Finance Costs | 97.53 | 57.64 |
| | 154.04 | 204.56 |
| Total | 1,739.18 | 934.60 |
| *(Considered as Exceptional Item during the Previous Year) | | |
| 27 Transmission, Administration and Other Operating Expenses | | |
| 27.1 Transmission Expenses | 126.51 | 62.36 |
| 27.2 Administration and Other Operating Expenses | | |
| Stores and spares | 59.82 | 43.18 |
| Repairs and maintenance | | |
| Plant and equipments | 29.07 | 9.80 |
| Others | 5.39 | 2.51 |
| Rent | 7.44 | 1.61 |
| Rates and taxes | 41.17 | 19.35 |
| Custom duty on electrical energy | 87.40 | 130.41 |
| Legal expenses | 13.76 | 1.16 |
| Discount on prompt payment of bills | 87.32 | 57.65 |
| Directors' sitting fees | 0.07 | 0.07 |
| Payment to auditors | 0.37 | 0.33 |
| Communication expenses | 0.98 | 0.22 |
| Travelling expenses | 16.91 | 0.53 |
| Insurance expenses | 30.64 | 13.67 |
| Office expenses | 2.65 | 0.82 |
| Bad Debt Written Off | - | 16.07 |
| Foreign Exchange Fluctuation (Gain)/Loss | 107.19 | 142.13 |
| Miscellaneous expenses | 75.52 | 27.69 |
| Donations | 7.28 | 8.19 |
| Donation to a political party (Bharatiya Janata Party) | - | 0.03 |
| | 572.98 | 475.42 |
| Total | 699.49 | 537.78 |

| Particulars | For the year ended 31 st March, 2013 (₹ in Crores) | For the year ended 31 st March, 2012 (₹ in Crores) |
|---|---|---|
| 28 Exceptional items | | |
| Profit on sale of Investment in Subsidiaries (Net) | 51.59 | - |
| Total | 51.59 | - |
| | | |
| Particulars | As at 31 st March, 2013 (₹ in Crores) | As at 31 st March, 2012 (₹ in Crores) |
| 29 Long-term Commitments - Not provided for: | | |
| Capital Commitments | 111.38 | 1,571.69 |
| Equity Infusion in Subsidiaries | 215.22 | 907.50 |
| Total | 326.60 | 2,479.19 |

30 Operating lease:

The Company has entered into operating lease arrangements for right to use office premises, land and employees' accommodations. The lease agreements are executed for a period ranging between 1 year to 14 years with a renewal clause and also provide for termination by either party by giving a prior notice.

| Particulars | As at 31 st March, 2013 (₹ in Crores) | As at 31 st March, 2012 (₹ in Crores) |
|---|--|--|
| Future minimum lease payments under operating leases | | |
| Not later than one year | 5.20 | 134.38 |
| Later than one year and not later than five years | 8.53 | 707.39 |
| Later than five years | 5.75 | 7.85 |
| | 19.48 | 849.62 |

| Particulars | For the year ended 31 st March, 2013 (₹ in Crores) | For the year ended 31 st March, 2012 (₹ in Crores) |
|---|---|---|
| Lease payments recognised in Statement of Profit and Loss | 7.44 | 1.61 |

| Particulars | As at 31 st March, 2013 (₹ in Crores) | As at 31 st March, 2012 (₹ in Crores) |
|---|--|--|
| 31 Contingent liabilities not provided for in respect of: | | |
| 1. Guarantees issued by the Company's bankers on behalf of the Company | 828.59 | 1,007.07 |
| 2. Letter of Credit facilities provided by banks to the extent not utilised | 0.02 | 14.44 |
| 3. Bonds submitted to Development Commissioner on behalf of Government of India | 3,758.00 | 3,758.00 |
| 4. Claims against the Company not acknowledged as debts in respect of: | | |
| a. Income Tax | 2.81 | 2.81 |
| b. Service Tax | 5.11 | 9.37 |
| c. Rajasthan Entry Tax | 6.25 | 6.25 |
| | 4,600.78 | 4,797.94 |

- 32 The Government of India (GOI) has, vide its letter dated 19th December, 2006, granted approval to the Company's proposal for development, operation and maintenance of the sector specific Special Economic Zone (SEZ) for power over an area of 293-88-10 hectares of the Company's land at Village: Tunda & Siracha, Taluka Mundra, Gujarat. In view thereof, all the benefits available to SEZ developer under Special Economic Zones Act, 2005 and Special Economic Zones Rules, 2006 and amendment made there under are available to the Company.
- 33 Total number of electricity units sold during the year 20,051 MUs (Previous Year – 12,350 MUs)
- 34 The Company entered into an agreement (PPA) dated 2nd February, 2007 with Gujarat Urja Vikas Nigam Limited (GUVNL) for supply of Power on long term basis subject to certain conditions to be complied within stipulated time. Amongst others, one of the conditions was pertaining to tie-up of fuel supply based on coal to be provided by Gujarat Mineral Development Corporation (GMDC). This agreement did not materialize. Consequent to the same, the Company had terminated the PPA and offered to pay the liquidated damages. However, GUVNL has contested the termination and approached Gujarat Energy Regulatory Commission (GERC) to resolve the matter. GERC held that the agreement cannot be terminated. Against the decision of GERC, the Company filed an appeal before Appellate Tribunal for Electricity (APTEL). APTEL upheld the decision of GERC. The Company has submitted a review petition with APTEL against its decision and has also challenged the decision of APTEL before the Hon'ble Supreme Court of India. Pending the decisions of the review petition filed before APTEL as well as the appeal filed before the Hon'ble Supreme Court, and the matter being sub-judice, no effect has been given in these financial statements.
- 35 During the year, Company has sold investment in the wholly owned subsidiary Adani Shipping PTE Limited at a profit of ₹ 51.70 Crores. Investments in - Mundra Power SEZ Limited of ₹ 0.05 Crores, Adani Power PTE Limited of ₹ 0.01 Crores and Adani Power (Overseas) Limited of ₹ 0.05 Crores have been written off as these wholly owned subsidiaries have been wound-up during the year.
- 36 (a) The Company's scheme of amalgamation ('the Scheme') between the Company (Transferee Company) and Growmore Trade and Investment Private Limited (referred to as 'Transferor Company') under section 391 to 394 of the Companies Act, 1956 has been sanctioned by the Hon'ble High Court of Gujarat vide its order dated 29th October, 2012. As per the Scheme, "the Appointed Date" is 1st April, 2011 and "the Effective Date" is 2nd November, 2012 (the date on which the order of Hon'ble High Court has been filed with the Registrar of Companies, Gujarat by the Company).
- In terms of the Scheme, the Transferor Company has been merged with the Company, upon which the undertaking and the entire business, including all assets and liabilities of the Transferor Company with retrospective effect from the Appointed Date i.e. 1st April, 2011 stand transferred to and vested in the Transferee Company. The amalgamation has been accounted under the "pooling of interest method" laid down by Accounting Standard 14 (Accounting for amalgamations) prescribed under Companies (Accounting Standard) Rules, 2006 and the assets and liabilities transferred have been recorded at their book values. Accordingly, Growmore's investment in the subsidiary of the Company - Adani Power Maharashtra Limited ("APML") is considered as investment of the Company, resulting into APML becoming 100% subsidiary of the Company.
- (b) Pursuant to the Scheme, in consideration of the transfer, the Company allotted 21,32,36,910 equity shares of ₹ 10 each to the shareholders of the Transferor Company in the ratio of 16,615 equity shares of the Transferee Company credited as fully paid up for every 10,000 equity shares fully paid up held by the shareholders of the Transferor Company.
- (c) The expenses of the Transferor Company for the period from the Appointed Date i.e. 1st April, 2011 to 2nd November, 2012 and thereafter, have been disclosed as expenses in the Statement of Profit and Loss of the Company.
- (d) Details of assets and liabilities acquired on amalgamation and treatment of the difference between the net assets acquired and cost of investment by the Transferee Company in the Transferor Company together with the shares issued to its shareholders with effect from the Appointed Date are as under:

| Particulars | Book Value As at 31 st March, 2011 (Appointed Date) ₹ in Crores |
|---|---|
| Value of Assets and Liabilities acquired | |
| Investment | 572.97 |
| Cash on Hand | 0.10 |
| Debit Balance of Statement of Profit and Loss | 0.02 |
| Less : Borrowings | 0.04 |
| Less : Trade payables | 0.01 |
| Net Book Value of Transferor Company | 573.04 |
| Less : Total Equity shares issued by Transferee Company to Shareholders of Transferor Company | 213.24 |
| Difference considered as Capital Reserve on Amalgamation | 359.80 |
| As per the order of Hon'able High Court of Gujarat, the Capital Reserve created on amalgamation of ₹ 359.80 Crores shall be treated as free reserve of the Company. | |

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

| Nature | Purpose | As at 31 st March, 2013 (₹ in Crores) | As at 31 st March, 2012 (₹ in Crores) |
|---------------------|----------------------------------|---|---|
| Principal only swap | Hedging of loans | 3,862.06 | 2,439.79 |
| Cross currency swap | Hedging of loans | 161.71 | 161.71 |
| Forward cover | Hedging of working capital loans | 3,355.09 | - |
| | Total | 7,378.86 | 2,601.50 |

The details of foreign currency exposures not hedged by derivative instruments as at 31st March, 2013 and 31st March, 2012 are as under :

| Particulars | As at 31 st March, 2013 (₹ in Crores) | As at 31 st March, 2012 (₹ in Crores) |
|----------------------------------|---|---|
| 1. Import Creditors | 1,697.75 | 1,231.14 |
| 2. Loans under letters of credit | 2,604.28 | 11,639.50 |
| 3. Foreign currency loans | 6,339.40 | 6,228.56 |
| 4. Interest accrued but not due | 77.03 | 114.18 |

38 Value of Fuel, Stores and Spares Parts Consumed (including Fuel Consumed and Stores Consumption) :

| Particulars | For the year ended 31 st March, 2013 | | For the year ended 31 st March, 2012 | |
|-----------------|---|----------------|---|----------------|
| | (₹ in Crores) | % | (₹ in Crores) | % |
| (i) Imported | 4,427.38 | 93.04% | 2,127.76 | 98.25% |
| (ii) Indigenous | 331.32 | 6.96% | 37.79 | 1.75% |
| | 4,758.70 | 100.00% | 2,165.55 | 100.00% |

| Particulars | For the year ended 31 st March, 2013 (₹ in Crores) | For the year ended 31 st March, 2012 (₹ in Crores) |
|---|---|---|
| 39 Payment to auditors | | |
| As auditor: | | |
| Audit fees | 0.32 | 0.30 |
| For other services (Certification work) | 0.05 | 0.03 |
| | 0.37 | 0.33 |

- 40 The Company has sent request letters for balance confirmations to the trade receivables, trade payables and loans and advances parties. These balances as stated in the balance sheet, are subject to adjustments of differences, if any, on receipt of such confirmations from the parties.
- 41 In the opinion of the management and to the best of their knowledge and belief, the value under the head of current assets are approximately of the value stated, if realized in ordinary course of business, unless stated otherwise. The provision for all the known liabilities is adequate and not in excess of amount considered reasonably necessary.
- 42 There are no Micro, Small and Medium Enterprises, to whom the Company owes 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.
- 43 Pursuant to the Accounting Standard (AS- 20) – Earnings per Share, the disclosure is as under:.

| Particulars | | For the year ended 31 st March, 2013 (₹ in Crores) | For the year ended 31 st March, 2012 (₹ in Crores) |
|--|---------------|---|---|
| a. Basic and Diluted EPS | | | |
| Profit/ (Loss) attributable to equity shareholders | (₹ in Crores) | (1,952.03) | (293.92) |
| Weighted average number of equity shares outstanding during the year | No | 2,39,32,72,110 | 2,18,00,35,200 |
| Nominal Value of equity share | ₹ | 10 | 10 |
| Basic and Diluted EPS | ₹ | (8.16) | (1.35) |
| b. Cash EPS | | | |
| Cash (Loss) / Profit | (₹ in Crores) | (298.75) | 694.75 |
| Weighted average number of equity shares outstanding during the year | No | 2,39,32,72,110 | 2,18,00,35,200 |
| Nominal Value of equity share | ₹ | 10 | 10 |
| Cash EPS | ₹ | (1.25) | 3.19 |

- 44 The Company's activities during the year revolve around power generation. Considering the nature of Company's business and operations, there is no reportable segments (business and/or geographical) in accordance with the requirements of Accounting Standard 17 – 'Segment Reporting', prescribed under Company (Accounting Standards) Rules, 2006.
- 45 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 AS-15 (revised):

| Particulars | As at 31 st March, 2013 (₹ in Crores) | As at 31 st March, 2012 (₹ in Crores) |
|---|--|--|
| i. Reconciliation of Opening and Closing Balances of defined benefit obligation | | |
| Liability at the beginning of the Year | 2.23 | 1.58 |
| Current Service Cost | 0.98 | 1.08 |
| Interest Cost | 0.19 | 0.13 |
| Liability Transferred in | - | 0.12 |
| Liability Transferred out | - | (0.05) |
| Benefit paid | (0.01) | (0.11) |
| Net Actuarial loss / (gain) Recognised | 0.62 | (0.52) |
| Liability at the end of the Year | 4.01 | 2.23 |
| ii. Reconciliation of Opening and Closing Balances of the Fair value of Plan assets | | |
| Plan assets at the beginning of the Year, at Fair value | 4.04 | 2.22 |
| Expected return on plan assets | 0.34 | 0.18 |
| Contributions | 2.63 | 1.83 |
| Benefit paid | (0.01) | (0.11) |
| Actuarial gain/(loss) on plan assets | 0.55 | (0.08) |
| Plan assets at the end of the Year, at Fair Value | 7.55 | 4.04 |
| iii. Reconciliation of the Present value of defined benefit obligation and Fair value of plan assets | | |
| Obligations at the end of the Year | 4.01 | 2.23 |
| Plan assets at the end of the Year, at Fair value | 7.55 | 4.04 |
| Asset / (Liability) recognized in balance sheet as at the end of the year | 3.54 | 1.81 |
| iv. Gratuity Cost for the Year | | |
| Current service cost | 0.98 | 1.08 |
| Interest cost | 0.19 | 0.13 |
| Expected return on plan assets | (0.34) | (0.18) |
| Actuarial Gain / (Loss) | 0.07 | (0.45) |
| Net Gratuity cost | 0.90 | 0.58 |
| v. Actuarial Assumptions | | |
| Discount Rate (per annum) | 8.00% | 8.50% |
| Expected rate of return on plan assets | 8.70% | 8.50% |
| Annual Increase in Salary Cost | 6.00% | 6.00% |

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.

Past five years data for defined benefit obligation and fair value of plan:

| Particulars | 2007-08 (₹ in Crores) | 2008-09 (₹ in Crores) | 2009-10 (₹ in Crores) | 2010-11 (₹ in Crores) | 2011-12 (₹ in Crores) |
|---|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Present value of defined benefit obligations at the end of the year | 2.35 | 0.87 | 1.41 | 1.58 | 2.23 |
| Fair value of plan assets at the end of the year | 2.06 | 0.98 | 1.94 | 2.22 | 4.04 |
| Net assets / (liability) at the end of year | (0.03) | 0.11 | 0.53 | 0.64 | 1.81 |

The actuarial liability for compensated absences as at the year ended 31st March, 2013 is ₹ 3.46 Crores (As at 31st March, 2012 - ₹ 2.48 Crores)

| Particulars | For the year ended 31 st March, 2013 (₹ in Crores) | For the year ended 31 st March, 2012 (₹ in Crores) |
|--|---|---|
| 46 Foreign Currency Transactions | | |
| (a) C.I.F. Value of imports | | |
| Capital goods | 287.97 | 944.45 |
| Raw Materials | 3,469.72 | 2,919.68 |
| Components and Spare Parts | 25.25 | 23.53 |
| | 3,782.94 | 3,887.66 |
| (b) Expenditure in foreign currency | | |
| Professional and Consultation charges | 0.68 | 1.14 |
| Usance Interest | 212.20 | 102.80 |
| Interest on Foreign currency loans | 210.16 | 125.44 |
| Interest on collection bills | 19.89 | - |
| Finance Charges | 1.26 | 0.01 |
| Travelling Expenses | - | 0.16 |
| Project Office Expenses | - | 0.22 |
| Other Payments | 0.57 | 0.36 |
| | 444.76 | 230.13 |
| | 4,227.70 | 4,117.79 |

47 The details of loans and advances of the Company outstanding at the end of the year as required by the amendment to the clause 32 of the listing agreement vide SEBI circular No. 2/2003 of 10th January, 2003.

| Particulars | Outstanding amount as at | | Maximum amount outstanding during the year | |
|---------------------------------|---|---|--|----------------------------|
| | 31 st March, 2013 (₹ in Crores) | 31 st March, 2012 (₹ in Crores) | 2012 - 13 (₹ in Crores) | 2011 - 12 (₹ in Crores) |
| Adani Power Maharashtra Limited | 1,325.24 | 2,006.00 | 2,978.81 | 2,446.19 |
| Adani Power Rajasthan Limited | 1,678.88 | 980.50 | 1,678.88 | 1,258.84 |
| Adani Power Dahej Limited | 420.45 | 273.46 | 420.45 | 273.52 |
| Adani Shipping Pte Limited | - | 301.73 | 301.73 | 410.70 |
| Kutchh Power Generation Limited | 6.30 | 4.78 | 6.30 | 21.52 |
| Adani Pench Power Limited | 30.13 | 17.56 | 30.13 | 119.24 |
| Adani Power (Overseas) Limited | - | 0.03 | 0.03 | 0.03 |

48 Related party transactions

a. List of related parties and relationship

(I) Related parties where control exist

Subsidiaries and step down subsidiaries:

Adani Power Maharashtra Limited
Adani Power Rajasthan Limited
Adani Power Dahej Limited
Adani Pench Power Limited
Adani Power (Overseas) Ltd., UAE (upto 30.12.2012)
Adani Power Pte Ltd (upto 05.12.2012)
Mundra Power SEZ Ltd. (upto 27.02.2013)
Kutchh Power Generation Limited
Adani Shipping Pte Limited (upto 18.10.2012)
Rahi Shipping Pte Limited (upto 18.10.2012)
Vanshi Shipping Pte Limited (upto 18.10.2012)
Aashna Maritime Inc. (upto 18.10.2012)
Aanya Maritime Inc. (upto 18.10.2012)

(II) Other related parties

Holding Company

Fellow subsidiaries

Adani Enterprises Limited
Adani Mining Pvt. Limited
Adani Welspun Exploration Limited
Adani Infra (India) Limited
Adani Gas Limited
Chemoil Adani Private Limited
Adani Ports and Special Economic Zone Limited
(Formerly known as Mundra Port and Special
Economic Zone Limited)
MPSEZ Utilities Private Limited
Karnavati Aviation Private Limited
Adani Global Pte Limited
Adani Kandla Bulk Terminal Private Limited

Other parties which are significantly influenced by the Company (either individually or with other)

Adani Wilmar Limited
Adani Properties Private Limited
Adani Renewable Energy LLP (upto 08.01.2013)
Shanti Builders - Partnership firm
Adani Foundation
Adani Advisory LLP

Key management personnel

Mr. Gautam S. Adani, Chairman
Mr. Rajesh S. Adani, Managing Director
Mr. Ravi Sharma, Whole-time Director (Up to 13.05.2012)
and Executive Director (from 14.05.2012 to 30.06.2012)
Mr. Vneet S Jaain, Executive Director (w.e.f 14.05.2012)
Relatives of above

| b. Transactions with related parties | | | | |
|---|-------------------|--|---|---|
| Related Party | Relation | Nature of Transaction | For the year ended 31st March, 2013 (₹ in Crores) | For the year ended 31st March, 2012 (₹ in Crores) |
| Adani Global Pte Ltd. | Fellow Subsidiary | Coal purchased | 3,493.58 | 1,818.55 |
| | | Sale of Investment in Adani Shipping Pte Ltd | 51.78 | - |
| Adani Enterprises Ltd. | Holding Company | Purchase of Ingots | * | 0.39 |
| | | Open access charges | 22.72 | 34.68 |
| | | Sale of materials | 0.83 | 0.38 |
| | | Sale of assets | - | 0.05 |
| | | Sale of power | 1,528.87 | 896.20 |
| | | Interest expenses on loan | 274.48 | 90.11 |
| | | Employee loan transfer | * | 0.02 |
| | | Loan taken | 4,272.69 | 491.75 |
| | | Reimbursement of expenses | 15.86 | 0.04 |
| | | Training Charges | 0.33 | 1.09 |
| | | Coal handling charges | 3.30 | - |
| | | Purchase of coal | 529.82 | - |
| | | Sale of Scrap material | 0.39 | - |
| | | Lease rent received | 3.75 | - |
| Adani Ports and Sepcial Economic Zone Ltd. (Formerly known as Mundra Port & SEZ Ltd) | Fellow Subsidiary | Sale of fly ash | 0.23 | 0.48 |
| | | Interest expense on loan | 27.41 | - |
| | | Reimbursement of expenses | - | 0.58 |
| | | Purchase of material | 2.84 | 0.02 |
| | | Employee loan transfer | 0.02 | - |
| | | Loan taken | 73.67 | - |
| | | Horticulture expenses at plant | 0.68 | 0.30 |
| | | Reimb. of Land Revenue Tax | 0.14 | 0.15 |
| | | Sale of asset | - | 0.10 |
| | | Sale of material | 0.12 | 0.16 |
| | | Electricity & Fuel Expense | 0.63 | 0.44 |
| | | Lease rent, infrastructure usage charges & land charges | 2.07 | 2.08 |
| | | Storage charges, terminal handling charges, wharf age, crane hiring, water front royalty, Operational & Maintanc, etc. | 358.91 | 218.80 |
| Adani Gas Ltd. | Fellow Subsidiary | Gas Purchase Expense | 0.01 | * |

| Related Party | Relation | Nature of Transaction | For the Year Ended 31 st March, 2013 (₹ in Crores) | For the Year Ended 31 st March, 2012 (₹ in Crores) |
|------------------------------|---------------------|----------------------------------|---|---|
| Karnavati Aviation Pvt Ltd. | Fellow Subsidiary | Air Craft hiring charges | 12.40 | 11.69 |
| Adani Infra India Ltd. | Fellow Subsidiary | Employee loan transfer | 0.12 | 0.08 |
| | | Project consultancy expense | 3.75 | 135.57 |
| Adani Wilmar Ltd. | Other Parties Which | Reimbursement of expenses | 0.04 | 0.05 |
| | Are Significantly | Rent Expense | 0.05 | 0.03 |
| Adani Properties Pvt Ltd. | Influenced By The | Rent Expense | 0.06 | 0.06 |
| Shanti Builders | Company (Either | Site Development expense | 6.33 | 6.59 |
| | Individually Or | Reimbursement of expenses | * | - |
| Adani Foundation | With Other) | Donation | 6.50 | 6.55 |
| Adani Advisory LLP | | Employee loan transfer | 0.06 | - |
| Adani Renewable Energy LLP | | Write off of investment | * | - |
| Chemoil Adani Pvt Ltd. | Fellow Subsidiary | Purchase of HSD | 55.56 | 94.85 |
| Adani Power Rajasthan Ltd. | Subsidiary Company | Reimbursement of expenses | 0.09 | 0.02 |
| | | Loan given | 574.41 | 342.69 |
| | | Interest on loan given | 124.59 | 56.06 |
| | | Sale of Project material | 1.09 | 0.75 |
| | | Sale of Scrap | 0.03 | 0.32 |
| | | Employee loan transfer | 0.01 | 0.01 |
| | | Increase in investment | - | 695.10 |
| Adani Power (Overseas) Ltd. | Subsidiary Company | Loan repayment | 0.03 | - |
| | | Sale of Investment | 0.04 | - |
| Adani Shipping Pte Ltd. | Subsidiary Company | Sale of Investment | 0.08 | - |
| | | Loan repayment | 301.73 | 105.96 |
| Adani Power Pte Ltd. | Subsidiary Company | Write off of investment | * | - |
| Adani Power Dahej Ltd. | Subsidiary Company | Loan given | 116.71 | 59.92 |
| | | Interest on loan given | 30.43 | 11.47 |
| | | Sale of fixed asset | - | 0.06 |
| | | Sale of project material | - | 0.30 |
| | | Reimbursement of expenses | - | 0.02 |
| | | Share Application money - refund | - | 40.64 |
| | | Employee loan transfer | 0.01 | 0.01 |

| Related Party | Relation | Nature of Transaction | For the Year Ended 31 st March, 2013 (₹ in Crores) | For the Year Ended 31 st March, 2012 (₹ in Crores) |
|-------------------------------------|--------------------------|----------------------------------|---|---|
| Kutchh Power Generation Ltd. | Subsidiary Company | Loan repayment | - | 17.49 |
| | | Loan given | 1.02 | - |
| | | Interest on loan given | 0.50 | 0.75 |
| Adani Power Maharashtra Ltd. | Subsidiary Company | Loan given | - | 1,831.18 |
| | | Loan payment received | 890.10 | - |
| | | Interest on loan given | 210.39 | 63.56 |
| | | Sale of asset | 0.01 | 0.06 |
| | | Sale of scrap | - | 0.02 |
| | | Employee loan transfer | 0.04 | 0.10 |
| | | Payment towards transfer of land | - | 2.38 |
| | | Reimbursement of expenses | * | - |
| | | Purchase of Asset | 0.01 | - |
| | | Increase in Investment | 2,591.27 | - |
| Adani Pench Power Ltd. | Subsidiary Company | Repayment of loan | - | 88.49 |
| | | Loan given | 10.44 | - |
| | | Interest on loan given | 2.15 | 3.13 |
| | | Employee loan transfer | * | - |
| | | Other services | - | 0.01 |
| Adani Welspun Exploration Ltd. | Fellow Subsidiary | Employee Expenses transfer | * | - |
| MPSEZ Utilities Pvt Ltd. | Fellow Subsidiary | Electricity Expense | 3.71 | 13.92 |
| | | Sale of power | 55.39 | 26.15 |
| | | Open access charges | - | 0.03 |
| | | Reimbursement of expenses | 0.05 | 0.01 |
| | | Employee loan transfer | 0.01 | - |
| Adani Kandla Bulk Terminal Pvt Ltd. | Fellow Subsidiary | Sale of Fly Ash | * | - |
| | | Sale of Material | 0.24 | - |
| Adani Mining Pvt. Ltd. | Fellow Subsidiary | Reimbursement of expenses | 0.01 | - |
| Mr. Ravi Sharma # | Key Management Personnel | Salary And Allowance | 6.37 | 4.60 |

Salary for the year 2012-13 is ₹ 2.01 crores and ₹ 4.36 crores has been adjusted against advance of the year 2011-12.

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

The transactions with related parties during the year are shown net of taxes.

c. Balances with related parties

| Related Party | Relation | As at 31 st March, 2013 (₹ in Crores) | As at 31 st March, 2012 (₹ in Crores) |
|--|-----------------------------|--|--|
| Adani Global Pte Ltd | Fellow Subsidiary | 1455.84 Cr. | 425.40 Cr. |
| Adani Enterprises Ltd. | Holding Company | 5775.72 Cr. | 1173.16 Cr. |
| Adani Ports & SEZ Ltd. | Fellow Subsidiary | 210.89 Cr. | 28.73 Cr. |
| Adani Gas Ltd. | Fellow Subsidiary | * | * |
| Karnavati Aviation Pvt Ltd. | Fellow Subsidiary | 7.28 Cr. | 0.47 Cr. |
| Adani Infra India Ltd. | Fellow Subsidiary | 0.02 Dr. | 5.98 Cr. |
| Adani Wilmar Ltd. | Other Parties Which Are | 0.01 Cr. | 0.02 Dr. |
| Shanti Builders | Significantly Influenced By | 0.52 Dr. | 0.68 Dr. |
| Adani Properties Pvt. Ltd. | The Company (Either | 1.00 Dr. | 1.00 Dr. |
| Adani Foundation | Individually Or | - | - |
| Adani Advisory | With Other) | 0.06 Cr. | - |
| Chemoil Adani Pvt Ltd. | Fellow Subsidiary | 6.99 Cr. | 12.59 Cr. |
| Adani Power Rajasthan Ltd. | Subsidiary Company | 1679.16 Dr. | 981.26 Dr. |
| Adani Power Dahej Ltd. | Subsidiary Company | 420.45 Dr. | 273.47 Dr. |
| Adani Power (Overseas) Ltd. | Subsidiary Company | - | 0.03 Dr. |
| Adani Shipping Pte Ltd. | Subsidiary Company | - | 301.73 Dr. |
| Kutchh Power Generation Ltd. | Subsidiary Company | 6.30 Dr. | 4.78 Dr. |
| Adani Power Maharashtra Ltd. | Subsidiary Company | 1325.23 Dr. | 2006.09 Dr. |
| Adani Pench Power Ltd. | Subsidiary Company | 30.14 Dr. | 17.56 Dr. |
| Adani Welspun Exploration Ltd. | Fellow Subsidiary | * | - |
| MPSEZ Utilities Pvt Ltd | Fellow Subsidiary | 5.23 Dr. | 3.71 Dr. |
| Adani Kandla Bulk Terminal Pvt Ltd. | Fellow Subsidiary | * | - |
| Adani Mining Pvt. Ltd | Fellow Subsidiary | - | - |
| Mr. Ravi Sharma | Key Management Personnel | - | 4.36 Dr. |

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

49 Previous year figures have been regrouped and rearranged wherever necessary to conform to this year's classification.

In terms of our report attached

For DELOITTE HASKINS & SELLS

Chartered Accountants

GAURAV J. SHAH

PARTNER

Date : 8th May, 2013

Place : Ahmedabad

For and on behalf of the Board of Directors

GAUTAM S. ADANI

CHAIRMAN

RAHUL SHAH

COMPANY SECRETARY

Date : 6th May, 2013

Place : Ahmedabad

RAJESH S. ADANI

MANAGING DIRECTOR

Date : 7th May, 2013

INDEPENDENT AUDITORS' REPORT

To
The Board of Directors of Adani Power Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **ADANI POWER LIMITED** (the "Company"), its subsidiaries (the Company and its subsidiaries constitute "the Group"), which comprise the Consolidated Balance Sheet as at 31st March, 2013, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

The Company's Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated 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 financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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 the reports of the other auditors on the financial statements / financial information of the subsidiaries referred to below in the Other Matter paragraph, the aforesaid consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31st March, 2013;
- (b) in the case of the Consolidated Statement of Profit and Loss, of the loss of the Group for the year ended on that date; and
- (c) in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

Other Matter

We did not audit the financial statements / financial information of certain subsidiaries, whose financial statements / financial information reflect total assets (net) of ₹ 24,813.06 Crores as at 31st March, 2013, total revenues of ₹ 470.00 Crores and net cash outflows amounting to ₹ 1,163.90 Crores for the year ended on that date, as considered in the consolidated financial statements. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the reports of the other auditors.

Our opinion is not qualified in respect of this matter.

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Firm Registration No. 117365W)

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

Date : 8th May, 2013
Place : Ahmedabad

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2013

| Particulars | Notes | As at 31 st March, 2013 (₹ in Crores) | As at 31 st March, 2012 (₹ in Crores) |
|---|-------|--|--|
| EQUITY AND LIABILITIES | | | |
| Shareholders' Funds | | | |
| Share Capital | 3 | 2,393.27 | 2,180.04 |
| Reserves & Surplus | 4 | 1,900.14 | 3,861.27 |
| | | 4,293.41 | 6,041.31 |
| Minority Interest | | - | 559.03 |
| Non-Current Liabilities | | | |
| Long-term Borrowings | 5 | 33,191.60 | 29,584.83 |
| Deferred Tax Liabilities (Net) | 6 | 1,078.99 | 602.31 |
| Other Long Term Liabilities | 7 | 343.59 | 1,038.99 |
| Long Term Provisions | 8 | 294.10 | 218.51 |
| | | 34,908.28 | 31,444.64 |
| Current Liabilities | | | |
| Short-term Borrowings | 9 | 4,411.19 | 6,420.50 |
| Trade Payables | 10 | 2,867.73 | 801.64 |
| Other Current Liabilities | 11 | 8,004.56 | 5,843.60 |
| Short-term Provisions | 12 | 479.29 | 273.02 |
| | | 15,762.77 | 13,338.76 |
| TOTAL | | 54,964.46 | 51,383.74 |
| ASSETS | | | |
| Non Current Assets | | | |
| Fixed Assets | | | |
| Tangible Assets | 13 | 29,080.26 | 15,802.61 |
| Intangible Assets | 13 | 1.39 | 1.58 |
| Capital Work-In-Progress | 14 | 18,976.50 | 26,721.48 |
| | | 48,058.15 | 42,525.67 |
| Goodwill on Consolidation | | 6.95 | - |
| Non Current Investments | 15 | 10.01 | 10.01 |
| Long term Loans and Advances | 16 | 1,682.07 | 2,433.32 |
| Other Non-current Assets | 17 | 154.31 | 426.13 |
| | | 49,911.49 | 45,395.13 |
| Current Assets | | | |
| Current Investments | 18 | 12.36 | 9.00 |
| Inventories | 19 | 1,555.67 | 826.75 |
| Trade Receivables | 20 | 758.48 | 449.20 |
| Cash and Cash Equivalents | 21 | 1,718.09 | 3,240.80 |
| Short-term Loans and Advances | 22 | 371.85 | 928.69 |
| Other Current Assets | 23 | 636.52 | 534.17 |
| | | 5,052.97 | 5,988.61 |
| TOTAL | | 54,964.46 | 51,383.74 |
| See accompanying notes forming part of the financial statements | | | |

In terms of our report attached

For DELOITTE HASKINS & SELLS
Chartered Accountants

GAURAV J. SHAH
PARTNER

Date : 8th May, 2013
Place : Ahmedabad

For and on behalf of the Board of Directors

GAUTAM S. ADANI
CHAIRMAN

RAHUL SHAH
COMPANY SECRETARY

Date : 6th May, 2013
Place : Ahmedabad

RAJESH S. ADANI
MANAGING DIRECTOR
Date : 7th May, 2013

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2013

| Particulars | Notes | For the year ended 31 st March, 2013 (₹ in Crores) | For the year ended 31 st March, 2012 (₹ in Crores) |
|--|-------|---|---|
| 1 Revenue | | | |
| Revenue from Operations | 24 | 6,779.36 | 4,092.16 |
| 2 Other Income | 25 | 190.65 | 150.05 |
| 3 Total Revenue (1 + 2) | | 6,970.01 | 4,242.21 |
| 4 Expenses | | | |
| Fuel Cost | | 4,924.20 | 2,157.50 |
| Employee Benefits Expense | 26 | 148.97 | 62.56 |
| Depreciation and Amortisation Expense | 13 | 1,289.68 | 590.44 |
| Finance Costs | 27 | 1,702.86 | 884.45 |
| Transmission, Administration and Other Expenses | 28 | 746.58 | 546.92 |
| Total Expenses | | 8,812.29 | 4,241.87 |
| 5 Profit / (Loss) Before Exceptional Items and Tax (3 - 4) | | (1,842.28) | 0.34 |
| 6 Exceptional Items | 29 | 24.06 | - |
| 7 Profit / (Loss) before tax (5 + 6) | | (1,818.22) | 0.34 |
| 8 Tax Expense: | | | |
| Current Tax Expense relating to Prior Year | | 0.04 | 4.54 |
| Current Tax Expense | | 0.07 | - |
| Deferred Tax | | 476.68 | 290.30 |
| | | 476.79 | 294.84 |
| 9 Loss for the year [before adjustment for Minority Interest] (7 - 8) | | (2,295.01) | (294.50) |
| 10 Share of Loss Attributable to Minority Interest | | - | 7.23 |
| 11 Loss for the year [after adjustment for Minority Interest] (9 - 10) | | (2,295.01) | (287.27) |
| Earnings Per Share (EPS) (Face Value ₹ 10 Per Share) | 43 | | |
| Basic EPS (₹) | | (9.59) | (1.32) |
| Diluted EPS (₹) | | (9.59) | (1.32) |
| Cash EPS (₹) | | (2.31) | 3.62 |
| See accompanying notes forming part of the financial statements | | | |

In terms of our report attached

For DELOITTE HASKINS & SELLS
Chartered Accountants

GAURAV J. SHAH
PARTNER

Date : 8th May, 2013
Place : Ahmedabad

For and on behalf of the Board of Directors

GAUTAM S. ADANI
CHAIRMAN

RAHUL SHAH
COMPANY SECRETARY

Date : 6th May, 2013
Place : Ahmedabad

RAJESH S. ADANI
MANAGING DIRECTOR
Date : 7th May, 2013

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

| Particulars | For the year ended 31 st March, 2013 (₹ in Crores) | For the year ended 31 st March, 2012 (₹ in Crores) |
|---|---|---|
| A. Cash flow from operating activities | | |
| Profit before tax and exceptional items as per Statement of Profit and Loss | (1,842.28) | 0.34 |
| Adjustments for: | | |
| Depreciation and amortisation | 1,289.68 | 590.44 |
| Loss / (Gain) on foreign exchange fluctuations | 90.45 | 183.39 |
| (Gain) on sale of fixed assets | (6.89) | (2.86) |
| Finance Costs | 1,702.86 | 884.45 |
| Interest income | (155.45) | (142.08) |
| Cash generated from operating activity before working capital changes | 1,078.37 | 1,513.68 |
| Changes in Working Capital: | | |
| (Increase) / Decrease in Operating Assets | | |
| Inventories | (728.92) | (543.14) |
| Trade Receivables | (309.28) | (403.29) |
| Long-term Loans and Advances | 481.50 | (114.52) |
| Short-term Loans and Advances | (161.26) | (39.75) |
| Other Current Assets | (93.42) | (102.35) |
| Increase / (Decrease) in Operating Liabilities | | |
| Trade Payables | 2,066.06 | 215.28 |
| Non-current Liabilities | (338.77) | (944.42) |
| Current Liabilities | 57.35 | 982.20 |
| Long-term Provisions | 74.97 | 143.62 |
| Short-term Provisions | 149.65 | 294.53 |
| Cash generated from operations | 2,276.25 | 1,001.84 |
| Less: Taxes paid | (9.94) | (37.48) |
| Net cash from operating activities (A) | 2,266.31 | 964.36 |
| B. Cash flow from investing activities | | |
| Purchase of fixed assets and Capital Work in Progress | (6,812.75) | (10,411.00) |
| Proceeds from Sale of fixed assets | 1,083.88 | 4.24 |
| Gain on Sale of Subsidiaries | 24.06 | - |
| Loan Realised from Ultimate Holding Company - Adani Enterprise Limited | 744.52 | - |
| Loan to Ultimate Holding Company - Adani Enterprise Limited | - | (744.52) |
| Margin Money Deposits (Placed) / Matured (Not Considered as Cash & Cash Equivalent) | 1,671.34 | (2,575.08) |
| Interest income received | 42.24 | 252.05 |
| Net cash used in investing activities (B) | (3,246.71) | (13,474.31) |
| C. Cash flow from financing activities | | |
| Proceeds from Long-term borrowings | 13,473.38 | 15,456.52 |
| Repayment of Long-term borrowings | (8,268.97) | (5,774.68) |
| Proceeds from Short-term borrowings | 5,280.55 | 4,319.16 |
| Repayment of Short-term borrowings | (5,638.00) | (2,090.90) |
| Increase in Working Capital Borrowings | (1,761.22) | 2,052.27 |
| Finance Costs | (2,225.17) | (1,606.65) |

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

| Particulars | For the year ended 31 st March, 2013 (₹ in Crores) | For the year ended 31 st March, 2012 (₹ in Crores) |
|--|---|---|
| Net cash from financing activities (C) | 860.57 | 12,355.72 |
| Net increase / (decrease) in cash and cash equivalents (A+B+C) | (119.83) | (154.23) |
| Cash and cash equivalents at the beginning of the year | 477.45 | 631.68 |
| Cash and cash equivalents at the end of the year | 357.62 | 477.45 |
| Notes to Cash Flow Statement: | | |
| 1. Reconciliation of Cash and cash equivalents with the Balance Sheet: | | |
| Cash and cash equivalents as per Balance Sheet (Refer Note 21) | 1,718.09 | 3,240.80 |
| Less: Margin Money not considered as Cash and cash equivalents as defined in AS 3 Cash Flow Statements | 1,372.83 | 2,772.35 |
| | 345.26 | 468.45 |
| Add: Current investments considered as part of Cash and cash equivalents (as defined in AS 3 Cash Flow Statements) (Refer Note 18) | 12.36 | 9.00 |
| | 357.62 | 477.45 |
| 2. Cash and cash equivalents include: | | |
| Cash on Hand | - | * |
| Investment in Mutual Fund | 12.36 | 9.00 |
| Balances with banks: | | |
| In current accounts | 137.22 | 346.41 |
| Unclaimed share application money in escrow account | 0.80 | 0.82 |
| In Deposit Accounts | 207.24 | 121.22 |
| | 357.62 | 477.45 |
| *(₹ 9,929) | | |
| 3. Previous year's figures have been regrouped wherever necessary, to confirm to this year's classification. | | |
| 4. The Cash Flow Statement has been prepared under the 'Indirect Method' set out in Accounting Standard 3 'Cash Flow Statement' issued by the Institute of Chartered Accountants of India. | | |
| See accompanying notes forming part of the financial statements | | |

In terms of our report attached

For DELOITTE HASKINS & SELLS
Chartered Accountants

GAURAV J. SHAH
PARTNER

Date : 8th May, 2013
Place : Ahmedabad

For and on behalf of the Board of Directors

GAUTAM S. ADANI
CHAIRMAN

RAHUL SHAH
COMPANY SECRETARY

Date : 6th May, 2013
Place : Ahmedabad

RAJESH S. ADANI
MANAGING DIRECTOR
Date : 7th May, 2013

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

1 Corporate information

Adani Power Limited (the Company) is a public company domiciled in India and incorporated under the provisions of Companies Act, 1956. The Company together with its subsidiaries currently has six power projects with a combined installed capacity of 16,500 MW, out of which 5,280 MW has been commissioned. The Company intends to sell the power generated from these projects under a combination of long term Power Purchase Agreements and on merchant basis. The Company gets synergetic benefit of the integrated value chain of Adani group.

During the year, the Group's three Power Generating Units of 660 MW each (Previous Year - Total 1,320 MW) commenced commercial operations resulting into total power generating capacity to 5,280 MW and commissioned 500 KVA high voltage direct current transmission line with a capacity to wheel up to 2,500 MW of power, from Mundra, Gujarat to Mohindergarh, Haryana and also commissioned 400 KV Tiroda - Warora Transmission Line.

2 Significant accounting policies

a. Basis of Preparation of Financial Statements

The consolidated financial statements which comprise of the financial statements of the parent company, Adani Power Limited (APL) and the subsidiaries (together referred to as "Group") have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on accrual basis under historical cost convention and going concern basis. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

b. Use of Estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

c. Principles of Consolidation

The consolidated financial statements relate to Adani Power Limited ("the Company") and its subsidiary companies. The consolidated financial statements have been prepared on the following basis:

The financial statements of the Company and its subsidiary companies are combined on a line-by-line basis by adding together the book value of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealised profits or losses in accordance with Accounting Standard-21 - "Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India.

The operations of foreign subsidiaries are not considered as an integral part of the operations of the parent. Hence all revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at the rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognised in the "Foreign Currency Translation Reserve".

Minority Interest's share of net profit of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company.

Minority Interest's share of net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the company's shareholders.

As far as possible, the Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate Financial Statements.

Investments made by the parent company in subsidiary companies subsequent to the holding-subsidiary relationship coming into existence are eliminated while preparing the consolidated financial statement.

Intragroup balances and intragroup transactions are eliminated to the extent of share of the parent company in full.

Unrealised profits on account of intra group transactions have been accounted for depending upon whether the transaction is an upstream or a downstream transaction.

d. Tangible Assets

Fixed assets are stated at cost of acquisition including any attributable cost for bringing the assets to its working condition for its intended use, less accumulated depreciation and impairment losses, if any. Borrowing costs directly attributable to qualifying assets / capital projects are capitalized and included in the cost of fixed assets.

e. Project Development Expenditure

Expenditure related to and incurred during implementation of capital projects is included under "Capital Work in Progress" or "Project Development Expenditure" as the case may be. The same is allocated to the respective fixed assets on completion of construction/ erection of the capital project/ fixed assets.

f. Intangible Assets

Computer Software cost is capitalized and recognized as Intangible Assets in terms of Accounting Standard -26 "Intangible Assets" based on materiality, accounting prudence and significant economic benefits expected to flow there from for a period longer than one year.

g. Depreciation

- i) Depreciation is provided on additions / deductions of the assets during the period from / up to the month in which the asset is added / deducted.

In respect of tangible assets, depreciation is provided on Straight Line Method considering the rates provided in Appendix III of CERC (Terms and conditions of Tariff) Regulations, 2009.

- ii) Depreciation on assets acquired / disposed off during the year is provided on pro-rata basis with reference to the date of addition/ disposal.
- iii) Assets costing less than ₹ 5,000/- are written off in the year of purchase.
- iv) Cost of Leasehold land is amortized over a period of lease.
- v) Cost of intangible assets are amortised over a period of five years.

h. Leases

Assets acquired on leases where a significant portion of risks and rewards incidental to ownership is retained by the lessor are classified as operating lease.

i. Investments

Long term investments are stated at cost. Provision for diminution in the value of long-term investments is made only if, such a decline is permanent in the opinion of the management. Current Investments are carried at lower of cost or fair value.

j. Revenue recognition

- i) Revenue (income) is recognized when no significant uncertainty as to the measurability or collectability exists.
- ii) Interest income is accounted for on an accrual basis. Dividend income is accounted for when the right to receive income is established.
- iii) Delayed payment charges and interest on delayed payment for power supply are recognized, on grounds of prudence, as and when recovered.
- iv) Transmission Service Charges have been computed as per Maharashtra Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2005 effective 1st April, 2012 as per Multi Year Tariff (MYT) Principles for Second Control Period from FY 2012-13 to FY 2015-16. As per the MERC Regulations, 2005, transmission income is to be computed by taking Return on Equity (ROE) at the rate of 15.5% on post tax basis and after grossing up with MAT tax rate of 20.01% (as applicable for current financial year) for the purpose of recognition of Revenue.

k. Inventories

Inventories are valued at weighted average cost or net realizable value, whichever is lower.

l. Borrowing costs

Borrowing costs includes interest on borrowings and amortisation of ancillary costs incurred for borrowings. Such costs to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the borrowings.

m. Impairment of Assets

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the period in which an asset is identified as impaired. The impairment loss, if any, recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

n. Foreign exchange transactions

- i) Transactions denominated in foreign currencies are normally recorded at the exchange rates prevailing at the time of the transaction.
- ii) Monetary items denominated in foreign currencies at the balance sheet date are restated at the rates prevailing on that date. In case of monetary items which are covered by forward exchange contracts, the difference between the rate prevailing on the balance sheet date and rate on the date of the contract is recognized as exchange difference and the premium paid on forward contracts is recognized over the life of the contract.
- iii) Non monetary foreign currency items are carried at cost.
- iv) Any income or expense arising on restatement / settlement, other than that arising on long-term foreign currency monetary items, are recognised in the Statement of Profit and Loss for the period in which the difference takes place.
- v) The exchange differences arising on restatement / settlement of long-term foreign currency monetary items are regarded entirely as exchange differences and capitalized as part of the depreciable fixed assets to which the monetary item relates and depreciated over remaining useful life of such assets.

o. Derivative transactions

Pursuant to the announcement on accounting for derivatives issued by the Institute of Chartered Accountants of India, the Group, in accordance with the principle of prudence as enunciated in AS – 1, “Disclosure of Accounting Policies”, provides for losses in respect of all outstanding derivative contracts at the Balance Sheet date by marking them to market. Any net unrealized gains arising on such mark to market are not recognized as income.

p. Employee Benefits**i) Gratuity**

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.

ii) Provident Fund

Retirement Benefits in the form of Provident Fund and Family Pension Fund, which are defined benefit contribution schemes, are charged to the Project Development Expenditure Account till the commencement of commercial production otherwise, the same is charged to the Statement of Profit and Loss for the period, in which the contributions to the respective funds accrue.

iii) Leave Encashment

Provision for Leave Encashment is determined and accrued on the basis of actuarial valuation.

q. Taxes on Income

Provision for income tax is made on the basis of estimated taxable income for the year at current rates.

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

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date. Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off. Deferred tax assets and deferred tax liabilities relate to the taxes on income levied by the same governing taxation laws. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. If the Group has carry forward unabsorbed depreciation or carry forward tax losses, deferred tax assets are recognized only if there is a virtual certainty supported by convincing evidences that they can be realized against future taxable profits. Unrecognized deferred tax assets of earlier years are re-assessed and recognized to the extent that it has become reasonably certain that future taxable income will be available against which such deferred tax assets can be realized.

r. Provisions, contingent liabilities and contingent assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

| Particulars | As at 31 st March, 2013 (₹ in Crores) | As at 31 st March, 2012 (₹ in Crores) |
|--|--|--|
| 3 Share Capital | | |
| Authorised Share Capital 3,50,00,00,000 (As at 31 st March 2012 - 3,50,00,00,000) equity shares of ₹ 10 each with voting rights 50,00,00,000 (As at 31 st March 2012 - 50,00,00,000) Cumulative Compulsorily Convertible Participatory Preference shares of ₹ 10 each | 3,500.00 500.00 | 3,500.00 500.00 |
| | 4,000.00 | 4,000.00 |
| Issued, Subscribed and fully paid-up equity shares with voting rights 2,39,32,72,110 (As at 31 st March 2012 - 2,18,00,35,200) fully paid up equity shares of ₹ 10 each | 2,393.27 | 2,180.04 |
| Total | 2,393.27 | 2,180.04 |

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

| Particulars | As at 31 st March, 2013 | | As at 31 st March, 2012 | |
|------------------------------------|------------------------------------|-----------------|------------------------------------|-----------------|
| Equity Shares | No. Shares | (₹ in Crores) | No. Shares | (₹ in Crores) |
| At the beginning of the year | 2,18,00,35,200 | 2,180.04 | 2,18,00,35,200 | 2,180.04 |
| Issued during the year | 21,32,36,910 | 213.23 | - | - |
| Outstanding at the end of the year | 2,39,32,72,110 | 2,393.27 | 2,18,00,35,200 | 2,180.04 |

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 vote per share.

c. Shares held by holding company

| Particulars | As at 31 st March, 2013 (₹ in Crores) | As at 31 st March, 2012 (₹ in Crores) |
|--|--|--|
| Out of equity shares issued by the Company, shares held by its holding company are as under: Adani Enterprises Limited : 1,53,14,40,000 (As at 31 st March, 2012 - 1,53,14,40,000) Equity Shares of ₹ 10 each fully paid | 1,531.44 | 1,531.44 |

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

| Particulars | As at 31 st March, 2013 | | As at 31 st March, 2012 | |
|---|------------------------------------|---------------------------|------------------------------------|---------------------------|
| | No. Shares | % holding in the class | No. Shares | % holding in the class |
| Equity shares of ₹10 each fully paid | | | | |
| Adani Enterprises Limited, Holding Company | 1,53,14,40,000 | 63.99% | 1,53,14,40,000 | 70.25% |
| 3i Power Investments A1 Limited | 16,05,98,342 | 6.71% | 16,05,98,342 | 7.37% |
| OPAL Investment Pvt. Limited | 21,32,36,910 | 8.91% | - | - |
| | 1,90,52,75,252 | 79.61% | 1,69,20,38,342 | 77.62% |

- e. 21,32,36,910 Equity Shares allotted as fully paid-up pursuant to Amalgamation (refer note 39 (b)) without payment being received in cash.

| Particulars | As at 31 st March, 2013 (₹ in Crores) | As at 31 st March, 2012 (₹ in Crores) |
|---|--|--|
| 4 Reserves and surplus | | |
| a. Security Premium Account | 3,450.94 | 3,450.94 |
| b. Foreign Currency Translation Reserve | | |
| Opening Balance | 18.91 | (22.35) |
| Add / (Less) : Effect of foreign exchange rate variations during the year | (18.91) | 41.26 |
| Closing Balance | - | 18.91 |
| c. Surplus / (Deficit) in the Statement of Profit and Loss | | |
| Opening Balance | 391.42 | 678.69 |
| Less : Loss on Account of Amalgamation | (7.01) | - |
| Loss for the year | (2,295.01) | (287.27) |
| Closing Balance | (1,910.60) | 391.42 |
| d. Capital Reserve | | |
| Opening Balance | - | - |
| Add : Addition on account of amalgamation (Refer Note 39 (d)) | 359.80 | - |
| Closing Balance | 359.80 | - |
| Total | 1,900.14 | 3,861.27 |
| 5 Long-term borrowings | | |
| Secured borrowings | | |
| Term Loans | | |
| From Banks | 13,802.36 | 10,478.53 |
| From financial institutions | 1,476.38 | 713.80 |
| Bills discounted under letters of credit (to be converted into loans) | 12,485.09 | 15,870.26 |
| | 27,763.83 | 27,062.59 |
| Unsecured borrowings | | |
| Bills discounted under letters of credit | 115.98 | 758.59 |
| From holding company | 5,311.79 | 1,763.65 |
| | 5,427.77 | 2,522.24 |
| Total | 33,191.60 | 29,584.83 |

| Particulars | As at 31 st March, 2013 (₹ in Crores) | As at 31 st March, 2012 (₹ in Crores) |
|---|--|--|
| 6 Deferred tax asset / liability (net) | | |
| Deferred tax liability | | |
| Timing difference between book and tax depreciation | 1,082.49 | 612.67 |
| Gross deferred tax liability | 1,082.49 | 612.67 |
| Deferred tax assets | | |
| Tax benefit on share issue expenses set off against security premium | 3.50 | 10.36 |
| Gross deferred tax assets | 3.50 | 10.36 |
| Net deferred tax liability | 1,078.99 | 602.31 |
| 7 Other long term liabilities | | |
| Retention money | 343.59 | 1,038.99 |
| Total | 343.59 | 1,038.99 |
| 8 Long-term Provisions | | |
| Provision for employee benefits | 5.76 | 3.34 |
| Provision for indirect taxes | 288.34 | 215.17 |
| Total | 294.10 | 218.51 |
| 9 Short-term borrowings | | |
| Secured borrowings | | |
| Term Loans | | |
| From Banks | - | 247.00 |
| Bills discounted under letters of credit | 223.54 | 936.97 |
| Bills discounted under letters of credit (Inland LC) | 9.98 | - |
| Bills discounted under letters of credit (working capital facilities) | 1,505.14 | 1,300.15 |
| | 1,738.66 | 2,484.12 |
| Unsecured borrowings | | |
| From banks | - | 2,007.70 |
| Bills discounted under letters of credit | 410.73 | 1,040.75 |
| Bills discounted under letters of credit (working capital facilities) | 222.85 | 645.84 |
| Other Loans and Advances | 1,063.68 | - |
| Bank Overdraft | 141.14 | 241.53 |
| From Holding Company - Adani Enterprise Limited | 760.46 | - |
| From Related Parties | 73.67 | 0.56 |
| | 2,672.53 | 3,936.38 |
| Total | 4,411.19 | 6,420.50 |

| Particulars | As at 31 st March, 2013 (₹ in Crores) | As at 31 st March, 2012 (₹ in Crores) |
|--|--|--|
| 10 Trade payables | | |
| Trade payables | | |
| Acceptances | - | - |
| Other than Acceptances | 2,867.73 | 801.64 |
| Total | 2,867.73 | 801.64 |
| 11 Other current liabilities | | |
| Current maturities of long term borrowings | | |
| Secured borrowings | | |
| Term Loans | | |
| From Banks | 2,182.34 | 1,426.61 |
| From financial institutions | 171.81 | 102.38 |
| Bills discounted under letters of credit (to be converted into loans) | 587.23 | 75.00 |
| Bills discounted under letters of credit | 558.54 | 991.02 |
| | 3,499.92 | 2,595.01 |
| Unsecured borrowings | | |
| Bills discounted under letters of credit (Not to be converted into loans) | 692.73 | - |
| | 692.73 | - |
| Interest accrued but not due on borrowings | 148.54 | 175.80 |
| Interest accrued and due on borrowings | 0.02 | - |
| Equity share application money refundable (Refer note below) | 0.80 | 0.82 |
| Statutory liabilities | 32.98 | 31.06 |
| Retention money | 1,976.63 | 1,508.01 |
| Payable on purchase of fixed assets | 1,569.42 | 1,422.02 |
| Others current liabilities and other payables | 83.52 | 110.88 |
| Total | 8,004.56 | 5,843.60 |
| Note : | | |
| These do not include any amounts due and outstanding to be credited to "Investors' Education and Protection Fund". | | |
| 12 Short-term Provisions | | |
| Provision for employee benefits | 0.42 | 0.20 |
| Provision for Mark to Market loss on Derivative Instruments | 478.87 | 272.82 |
| Total | 479.29 | 273.02 |

| Particulars | GROSS BLOCK (AT COST) | | | | | | DEPRECIATION AND AMORTISATION | | | | NET BLOCK | |
|-----------------------------------|--------------------------------------|---------------------------------|----------------------------------|------------------------|-------------------|---------------------------------------|--------------------------------------|-----------------|----------------------------------|---|---------------------------------------|---------------------------------------|
| | As at 1 st April, 2012 | Additions During the Year | Deductions During the Year | Exchange Difference | Other adjustments | As at 31 st March, 2013 | As at 1 st April, 2012 | For the Year | Deductions During the Year | Foreign Currency Translation Reserve | As at 31 st March, 2013 | As at 31 st March, 2012 |
| Tangible Assets | | | | | | | | | | | | |
| Land (Lease Hold) | 415.54 | 114.52 | - | - | - | 530.06 | 41.23 | 14.61 | - | - | 474.22 | 374.31 |
| Freehold Land | 168.93 | 16.46 | - | - | - | 185.39 | - | - | - | - | 185.39 | 168.93 |
| Building | 328.48 | 312.84 | 0.02 | 6.83 | - | 668.35 | 25.20 | 18.77 | 0.02 | - | 624.40 | 303.28 |
| Fleet | 834.27 | 317.80 | 1,152.07 | - | - | - | 50.92 | 26.47 | 77.39 | - | - | 783.35 |
| Plant and Equipment | 14,856.94 | 11,658.14 | 2.37 | 2,111.22 | - | 29,713.33 | 760.74 | 1,239.41 | 0.33 | - | 27,713.51 | 14,096.20 |
| Furniture and Fixtures | 16.17 | 3.51 | - | - | - | 19.68 | 5.04 | 1.29 | - | - | 13.35 | 11.13 |
| Railway Sidings | 6.39 | - | - | - | - | 6.39 | 0.78 | 0.34 | - | - | 5.27 | 5.61 |
| Computers | 22.08 | 4.80 | 0.09 | - | - | 26.79 | 5.76 | 4.08 | 0.02 | - | 16.97 | 16.32 |
| Office Equipments | 17.08 | 3.81 | 0.11 | - | - | 20.78 | 2.79 | 1.32 | * | - | 16.67 | 14.29 |
| Electrical Installation | 23.19 | 0.16 | - | - | - | 23.35 | 2.26 | 1.23 | - | - | 19.86 | 20.93 |
| Vehicles | 9.86 | 3.61 | 0.13 | - | - | 13.34 | 1.59 | 1.17 | 0.04 | - | 10.62 | 8.27 |
| Total Tangible Assets | 16,698.93 | 12,435.65 | 1,154.79 | 2,118.05 | - | 31,207.46 | 896.31 | 1,308.69 | 77.80 | - | 2,127.20 | 15,802.62 |
| Intangible Assets | | | | | | | | | | | | |
| (Other than internally generated) | | | | | | | | | | | | |
| Computer Software | 3.25 | 0.57 | - | - | - | 3.82 | 1.67 | 0.76 | - | - | 2.43 | 1.58 |
| Total Intangible Assets | 3.25 | 0.57 | - | - | - | 3.82 | 1.67 | 0.76 | - | - | 2.43 | 1.58 |
| Total Fixed Assets | 16,702.18 | 12,436.22 | 1,154.79 | 2,118.05 | - | 31,211.28 | 897.98 | 1,309.45 | 77.80 | - | 2,129.63 | 15,804.20 |
| Previous Year | 9,028.34 | 6,302.39 | 1.83 | 989.43 | 106.11 | 16,702.18 | 281.10 | 613.60 | 0.45 | 3.73 | 897.98 | 15,804.20 |

Notes:

- Depreciation of ₹ 19.77 Crores (Previous Year ₹ 23.16 Crores) relating to the Project Assets has been transferred to Project Development Expenditure (Note - 14.2).
- Depreciation of ₹ 35.33 Crores (Previous Year ₹ 10.78 Crores) has been transferred from Project Development Expenditure (Refer note 14.2) to additions during the year as the same are pertaining to the projects capitalised during the year.
- Additions during the year include ₹ 2,792.36 Crores (Previous Year - ₹ 1010.18 Crores) capitalised / allocated from Project Development Expenditure Account on commissioning of the projects.

| Particulars | As at 31 st March, 2013 (₹ in Crores) | As at 31 st March, 2012 (₹ in Crores) |
|---|--|--|
| 14 Capital Work In Progress | | |
| 14.1 Capital Work In Progress | | |
| Land & Site Development | 58.00 | 39.23 |
| Building & Civil Work | 876.78 | 744.27 |
| Plant & Equipment (Including in transit ₹ 35.76 Crores (as at 31 st March, 2012 ₹ 665.54 Crores)) | 15,734.28 | 20,098.96 |
| Electrical Installations | 588.05 | 491.80 |
| Railway Sidings | - | 0.18 |
| Desalination Plant | - | 0.46 |
| Transmission Line | 27.00 | 3,031.81 |
| (A) | 17,284.11 | 24,406.71 |
| 14.2 Project Development Expenditure | | |
| Salaries, Wages and Allowances | 73.32 | 124.34 |
| Contribution to Provident and Other Funds | 4.27 | 5.83 |
| Employee Welfare Expenses | 13.17 | 24.17 |
| Sub-lease Rent for Land | 1.65 | 2.39 |
| Project Insurance | 49.93 | 39.11 |
| Professional Fees | 53.95 | 71.59 |
| Payment to Auditors | 0.01 | 0.02 |
| Statutory Expenses | 0.05 | 1.40 |
| Communication Expenses | 1.22 | 2.88 |
| Administration and Office Expenses | 84.01 | 124.01 |
| Stationery & Courier Expenses | 0.94 | 2.07 |
| Vehicle Running Expenses | 9.96 | 14.22 |
| Travelling Expenses | 2.68 | 24.84 |
| Miscellaneous Expenses | 4.27 | 6.77 |
| Depreciation | 25.12 | 40.68 |
| Interest and Finance Charges | 1,474.23 | 2,032.29 |
| | 1,798.78 | 2,516.61 |
| Other Income | | |
| Interest | 88.22 | 191.86 |
| Miscellaneous Income | 18.17 | 9.98 |
| | 106.39 | 201.84 |
| (B) | 1,692.39 | 2,314.77 |
| Total capital work in progress | (A + B) | 18,976.50 |
| | | 26,721.48 |

| Particulars | As at 31 st March, 2013 (₹ in Crores) | As at 31 st March, 2012 (₹ in Crores) |
|---|--|--|
| 15 Non-current Investments | | |
| a. Government and Trust Securities (unquoted) | | |
| Investment in government securities (National Savings Certificate) (Lying with Government Authorities) | 0.01 | 0.01 |
| | 0.01 | 0.01 |
| | | |

| Particulars | As at 31 st March, 2013 | As at 31 st March, 2012 | As at 31 st March, 2013 | As at 31 st March, 2012 |
|--|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| | No. shares / bonds | No. shares / bonds | (₹ in Crores) | (₹ in Crores) |
| b. Other Investments | | | | |
| Investments in Bonds (quoted) | | | | |
| 15 Years Yes Bank Bonds (Face Value of ₹ 10 Lacs each) | 100 | 100 | 10.00 | 10.00 |
| Other investments (Unquoted) | | | | |
| Adani Renewable energy LLP (# As at 31 st March, 2012 - ₹ 5,000) | | | - | # |
| | | | 10.00 | 10.00 |
| Total non-current investments | | Total | 10.01 | 10.01 |
| Aggregate value of quoted investments | | | 10.00 | 10.00 |
| - Cost | | | 10.00 | 10.00 |
| - Market value | | | | |
| Aggregate value of unquoted investments | | | 0.01 | 0.01 |
| - Cost | | | | |

| Particulars | As at 31 st March, 2013 (₹ in Crores) | As at 31 st March, 2012 (₹ in Crores) |
|---|--|--|
| 16 Long-term loans and advances (Unsecured, considered good) | | |
| Capital advances | 856.74 | 1,692.28 |
| Advance Income Tax (Net of Provision) | 62.47 | 52.09 |
| Other loans and advances | 574.75 | 512.85 |
| Balances with government authorities | 56.98 | 31.61 |
| Employee advances | 4.86 | 3.99 |
| Security deposit (non interest bearing) | 5.32 | 1.96 |
| Prepaid expenses | 1.41 | 1.71 |
| Unamortised ancillary borrowing costs | 119.54 | 136.83 |
| Total | 1,682.07 | 2,433.32 |

| Particulars | As at 31 st March, 2013 (₹ in Crores) | As at 31 st March, 2012 (₹ in Crores) |
|---|--|--|
| 17 Other Non-current Assets (Unsecured, Considered Good) | | |
| Margin Money Fixed Deposits (Original maturity more than twelve months) | 154.31 | 426.13 |
| Total | 154.31 | 426.13 |
| 18 Current Investments (At lower of Cost and Net Realisable Value) | | |
| Investment in Mutual Funds (Unquoted) | 12.36 | 9.00 |
| Total | 12.36 | 9.00 |
| Notes: | | |
| 1. Details of Mutual Funds : | | |
| Reliance Money Manager Fund-Growth Plan Growth Option | 12.36 | - |
| ICICI Prudential Liquid Super Institutional Plan - Growth | - | 5.00 |
| Baroda Pioneer Liquid Fund - Institutional Growth Plan | - | 4.00 |
| 2. Aggregate repurchase value of unquoted investments - Cost | 12.36 | 9.00 |
| 3. Current investments includes investments in the nature of "Cash and cash equivalents" (as defined in AS 3 Cash Flow Statements) amounting to ₹ 12.36 Crores (As at 31 st March, 2012 ₹ 9.00ores), considered as part of Cash and cash equivalents in the Cash Flow Statement. | | |
| 19 Inventories (At lower of Cost and Net Realisable Value) | | |
| Raw material and components | | |
| Coal, Oil, stores and spares | 1,555.67 | 816.42 |
| (Includes in transit ₹ 339.17 Cr.) | | |
| (As at 31 st March 2012 - ₹ 128.38 Cr.) | | |
| Marine Diesel Oil and Lubricants | - | 10.33 |
| Total | 1,555.67 | 826.75 |
| 20 Trade receivables | | |
| Outstanding for a period exceeding six months from the date due for payment | 212.79 | 2.32 |
| (Unsecured, considered good) | | |
| Other receivables | 545.69 | 446.88 |
| (Unsecured, considered good) | | |
| Total | 758.48 | 449.20 |

| Particulars | As at 31 st March, 2013 (₹ in Crores) | As at 31 st March, 2012 (₹ in Crores) |
|---|---|---|
| 21 Cash and cash equivalents | | |
| Balances with banks : | | |
| In current accounts | 137.22 | 346.41 |
| Unclaimed share application money in escrow account | 0.80 | 0.82 |
| Cash on hand | - | * |
| | 138.02 | 347.23 |
| Other bank balances (with original maturity for less than twelve months) | | |
| Margin money deposits | 1,372.83 | 2,772.35 |
| Other Deposits | 207.24 | 121.22 |
| | 1,580.07 | 2,893.57 |
| *(₹ 9,929) | | |
| Total | 1,718.09 | 3,240.80 |
| 22 Short-term loans and advances (Unsecured, Considered Good) | | |
| Security deposit (non interest bearing) | 22.34 | 18.56 |
| Prepaid expenses | 43.17 | 48.39 |
| Unamortised ancillary borrowing costs | 35.71 | - |
| Prepaid insurance | 7.97 | 18.87 |
| Advance recoverable in cash or in kind or for value to be received | 189.50 | 77.73 |
| Balances with Central Excise Authorities | 73.16 | 20.62 |
| Loans and advances to related parties | - | 744.52 |
| Total | 371.85 | 928.69 |
| 23 Other current assets | | |
| Interest receivable | 46.24 | 37.22 |
| Unbilled revenue (Unsecured, to the extent considered good) | 590.28 | 496.95 |
| Total | 636.52 | 534.17 |
| | | |
| Particulars | For the year ended 31 st March, 2013 (₹ in Crores) | For the year ended 31 st March, 2012 (₹ in Crores) |
| 24 Revenue from Operations | | |
| (a) Operating Revenue | | |
| Revenue from power supply | 6,584.83 | 3,948.90 |
| Revenue from transmission line | 82.04 | - |
| Revenue from fleet operations | 107.92 | 140.89 |
| | 6,774.79 | 4,089.79 |
| (b) Other Operating Revenue | | |
| Revenue from fly ash sale | 4.57 | 2.37 |
| | 4.57 | 2.37 |
| Total | 6,779.36 | 4,092.16 |
| | | |

| Particulars | For the year ended 31 st March, 2013 (₹ in Crores) | For the year ended 31 st March, 2012 (₹ in Crores) |
|---|---|---|
| 25 Other income | | |
| Interest Income | 155.45 | 142.08 |
| Income from mutual fund | 10.29 | 3.85 |
| Gain on sale of fixed assets | 6.89 | 2.86 |
| Sale of Scrap | 11.30 | - |
| Dividend Income | 0.02 | - |
| Miscellaneous income | 6.70 | 1.26 |
| Total | 190.65 | 150.05 |
| 26 Employee benefits expenses | | |
| Salaries, wages and allowances | 120.99 | 58.59 |
| Contribution to provident and other funds | 5.22 | 1.96 |
| Employee welfare expenses | 22.76 | 2.01 |
| Total | 148.97 | 62.56 |
| 27 Finance costs | | |
| (a) Interest Expenses on : | | |
| Interest on Letters of Credit | 234.03 | 102.80 |
| Interest on Loans | 1,296.22 | 576.73 |
| | 1,530.25 | 679.53 |
| (b) Other borrowing costs : | | |
| Loss on derivatives/swap contracts* | 56.51 | 146.92 |
| Other Finance Costs | 116.10 | 58.00 |
| | 172.61 | 204.92 |
| Total | 1,702.86 | 884.45 |
| *(Considered as Exceptional Item during the Previous Year) | | |
| 28 Transmission, Administration and Other Operating Expenses | | |
| 28.1 Transmission Expenses | 126.55 | 62.36 |
| 28.2 Administration and Other Operating Expenses | | |
| Stores and spares | 65.79 | 43.18 |
| Vessel operating expenses | 15.19 | 4.21 |
| Repairs and maintenance | | |
| Plant and Equipment | 32.21 | 9.80 |
| Others | 8.25 | 2.51 |
| Rent | 7.56 | 1.61 |
| Rates and taxes | 41.65 | 19.35 |
| Custom duty on electrical energy | 87.40 | 130.41 |

| Particulars | For the year ended 31 st March, 2013 (₹ in Crores) | For the year ended 31 st March, 2012 (₹ in Crores) |
|--|---|---|
| Legal expenses | 19.06 | 2.22 |
| Discount on prompt payment of bills | 87.32 | 57.65 |
| Directors' sitting fees | 0.07 | 0.07 |
| Payment to auditors | 0.39 | 0.35 |
| Communication expenses | 1.10 | 0.22 |
| Travelling expenses | 18.93 | 0.53 |
| Insurance expenses | 34.16 | 16.19 |
| Office expenses | 2.71 | 0.82 |
| Bad Debt Written Off | - | 16.07 |
| Foreign Exchange (Gain)/Loss | 108.40 | 142.13 |
| Miscellaneous expenses | 82.45 | 27.96 |
| Donation | 7.39 | 9.25 |
| Donation to a political party (Bharatiya Janata Party) | - | 0.03 |
| | 620.03 | 484.56 |
| Total | 746.58 | 546.92 |
| 29 Exceptional items | | |
| Profit on Sale of Investment in subsidiaries (Net) | 24.06 | - |
| Total | 24.06 | - |

30 Details of Subsidiaries:

The consolidated financial statements comprise the financial statements of the parent company, Adani Power Limited (APL) and the following subsidiaries (together referred to as "Group")

| Name of the subsidiary | Country of incorporation | Effective ownership in subsidiary as at | |
|---------------------------------|--------------------------|---|------------------------------|
| | | 31 st March, 2013 | 31 st March, 2012 |
| Adani Power Maharashtra Limited | India | 100% | 74% |
| Adani Power Dahej Limited | India | 100% | 100% |
| Adani Power Rajasthan Limited | India | 100% | 100% |
| Adani Pench Power Limited | India | 100% | 100% |
| Kutchh Power Generation Limited | India | 100% | 100% |
| Mundra Power SEZ Limited | India | - | 100% |
| Adani Shipping Pte Limited | Singapore | - | 100% |
| Rahi Shipping Pte Limited | Singapore | - | 100% |
| Vanshi Shipping Pte Limited | Singapore | - | 100% |
| Aanya Maritime Inc. | Panama | - | 100% |
| Aashna Maritime Inc. | Panama | - | 100% |
| Adani Power Pte Limited | Singapore | - | 100% |
| Adani Power (Overseas) Limited | United Arab Emirates | - | 100% |

- 31 During the year, the Group has sold investment in the wholly owned subsidiary Adani Shipping PTE Limited at a profit of ₹ 24.06 Crores. Investments in - Mundra Power SEZ Limited of ₹ 0.05 Crores, Adani Power PTE Limited of ₹ 0.01 Crores and Adani Power (Overseas) Limited of ₹ 0.05 Crores have been written off as these wholly owned subsidiaries have been wound-up during the year.

| Particulars | As at 31 st March, 2013 (₹ in Crores) | As at 31 st March, 2012 (₹ in Crores) |
|---|--|--|
| 32 Long-term Commitments - Not provided for : | | |
| Capital Commitment | 2,466.99 | 7,041.86 |
| Total | 2,466.99 | 7,041.86 |
| 33 Contingent liabilities not provided for in respect of: | | |
| Guarantees issued by the Group's bankers on behalf of the Group | 2,224.60 | 2,082.73 |
| Letter of Credit facilities provided by banks to the extent not utilised | 507.38 | 330.36 |
| Bonds submitted to Development Commissioner on behalf of Government of India | 3,758.00 | 3,758.00 |
| Bonds submitted to commissioner of Customs of Kandla on behalf of Government of India | 3,823.43 | 3,806.14 |
| Bonds submitted to commissioner of Customs Nhava Sheva on behalf of Government of India | 8,338.48 | 8,242.70 |
| Corporate Guarantees issued by a Group to the Banks | - | 511.57 |
| Claims against the Group not acknowledged as debts in respect of: | | |
| 1. Income Tax | 5.07 | 2.84 |
| 2. Service Tax | 5.11 | 9.37 |
| 3. Rajasthan Entry Tax | 11.63 | 6.25 |
| 4. Custom Duty | 5.77 | 5.77 |
| Total | 18,679.47 | 18,755.73 |

- 34 The Company entered into an agreement (PPA) dated 8th September, 2008 with Maharashtra State Electricity Distribution Company Limited (MSEDCL) for supply of Power on long term basis subject to certain conditions to be complied within stipulated time. Amongst others, one of the conditions subsequent was pertaining to tie up of fuel supply. The company has claimed for termination of PPA and return of performance guarantee, as Lohara Coal Block was cancelled by Ministry of Environment and Forest (MOEF). Such events which are beyond the control of either party are recognized as Force Majeure event under the PPA. However, MSEDCL has contested the termination and did not returned the performance guarantee. Due to the same the Company was compelled to file a Petition before Maharashtra State Electricity Board (MERC) to resolve the matter. MERC sought various details from time to time which has been duly supplied by the Company. The company has moved interim application which will be heard after submission of concerned parties. Pending the decisions of the said case, and the matter being sub-judice, no effect has been given in these financial statements.

- 35 The company had been granted a Licence to develop 400 KV Transmission line from Tiroda to Warora in July 2009 by Maharashtra Electricity Regulatory Commission (MERC). The commission had issued the order for approval of Multi Year Tariff (MYT) Business Plan for the second control period 2012-13 to 2015-16. The company had submitted a petition for approval of Aggregate Revenue Requirement (ARR) as per Multi Year Tariff (MYT) principles. The Hon'ble commission has, subject to fulfilment of certain conditions, approved the ARR and approved a net aggregate revenue requirement for ₹ 82.04 Crores for the year 2012-13. The company has recognized the revenue based on the said order.
- 36 The Government of India (GOI) has, vide its letter dated 19th December, 2006, granted approval to the Company's proposal for development, operation and maintenance of the sector specific Special Economic Zone (SEZ) for power over an area of 293-88-10 hectares of the Company's land at Village: Tunda & Siracha, Taluka Mundra, Gujarat. In view thereof, all the benefits available to SEZ developer under Special Economic Zones Act, 2005 and Special Economic Zones Rules, 2006 and amendment made there under are available to the Company.
- 37 Total number of electricity units sold during the year 20,684 MUs (Previous Year – 12,350 MUs)
- 38 The Company entered into an agreement (PPA) dated 2nd February, 2007 with Gujarat Urja Vikas Nigam Limited (GUVNL) for supply of Power on long term basis subject to certain conditions to be complied within stipulated time. Amongst others, one of the conditions was pertaining to tie-up of fuel supply based on coal to be provided by Gujarat Mineral Development Corporation (GMDC). This agreement did not materialize. Consequent to the same, the Company had terminated the PPA and offered to pay the liquidated damages. However, GUVNL has contested the termination and approached Gujarat Energy Regulatory Commission (GERC) to resolve the matter. GERC held that the agreement cannot be terminated. Against the decision of GERC, the Company filed an appeal before Appellate Tribunal for Electricity (APTEL). APTEL upheld the decision of GERC. The company has submitted a review petition with APTEL against its decision and has also challenged the decision of APTEL before the Hon'ble Supreme Court of India. Pending the decisions of the review petition filed before APTEL as well as the appeal filed before the Hon'ble Supreme Court, and the matter being sub-judice, no effect has been given in these financial statements.
- 39 (a) The Company's scheme of amalgamation ('the Scheme') between the Company (Transferee Company) and Growmore Trade and Investment Private Limited (referred to as 'Transferor Company') under section 391 to 394 of the Companies Act, 1956 has been sanctioned by the Hon'ble High Court of Gujarat vide its order dated 29th October, 2012. As per the Scheme, "the Appointed Date" is 1st April, 2011 and "the Effective Date" is 2nd November, 2012 (the date on which the order of Hon'ble High Court has been filed with the Registrar of Companies, Gujarat by the Company).
- In terms of the Scheme, the Transferor Company has been merged with the Company, upon which the undertaking and the entire business, including all assets and liabilities of the Transferor Company with retrospective effect from the Appointed Date i.e. 1st April, 2011 stand transferred to and vested in the Transferee Company. The amalgamation has been accounted under the "pooling of interest method" laid down by Accounting Standard 14 (Accounting for amalgamations) prescribed under Companies (Accounting Standard) Rules, 2006 and the assets and liabilities transferred have been recorded at their book values. Accordingly, Growmore's investment in the subsidiary of the Company - Adani Power Maharashtra Limited ("APML") is considered as investment of the Company, resulting into APML becoming 100% subsidiary of the Company.
- (b) Pursuant to the Scheme, in consideration of the transfer, the Company allotted 21,32,36,910 equity shares of ₹ 10 each to the shareholders of the Transferor Company in the ratio of 16,615 equity shares of the Transferee Company credited as fully paid up for every 10,000 equity shares fully paid up held by the shareholders of the Transferor Company.
- (c) The expenses of the Transferor Company for the period from the Appointed Date i.e. 1st April, 2011 to 2nd November, 2012 and thereafter, have been disclosed as expenses in the Statement of Profit and Loss of the Company.

- (d) Details of assets and liabilities acquired on amalgamation and treatment of the difference between the net assets acquired and cost of investment by the Transferee Company in the Transferor Company together with the shares issued to its shareholders with effect from the Appointed Date are as under:

| Particulars | Book Value As at 31 st March, 2011 (Appointed Date) ₹ in Crores. |
|--|---|
| Value of Assets and Liabilities acquired | |
| Investment | 572.97 |
| Cash on Hand | 0.10 |
| Debit Balance of Statement of Profit and Loss | 0.02 |
| Less : Borrowings | 0.04 |
| Less : Trade payables | 0.01 |
| Net Book Value of Transferor Company | 573.04 |
| Less : | |
| Total Equity shares issued by Transferee Company to Shareholders of Transferor Company | 213.24 |
| Difference considered as Capital Reserve on Amalgamation | 359.80 |

As per the order of Hon'ble High Court of Gujarat, the Capital Reserve created on amalgamation of ₹ 359.80 Crores shall be treated as free reserve of the Company.

- 40 Plant & Equipment under Capital Work in Progress includes stock of coal of ₹ 187.01 Crores, purchased for trial run and will be capitalised upon consumption.
- 41 The Group has sent request letters for balance confirmations to the trade receivables, trade payables and loans and advances parties. These balances as stated in the balance sheet, are subject to adjustments of differences, if any, on receipt of such confirmations from the parties.

42 Operating leases:

Lease rentals charged to Statement of Profit & Loss or Project Development Expenditure for lease agreements for right to use office premises, Land, Employee's Accommodation are :-

| Particulars | For the year ended 31 st March, 2013 (₹ in Crores) | For the year ended 31 st March, 2012 (₹ in Crores) |
|--|---|---|
| Future minimum lease payments under non-cancellable operating leases: | | |
| Not later than one year | 7.09 | 8.31 |
| Later than one year and not later than five years | 9.70 | 12.61 |
| Later than five years | 5.84 | 8.15 |
| Total | 22.63 | 29.07 |

The lease agreements are executed for a period ranging between 1 year to 14 years with a renewal clause and also provide for termination by either party by giving a prior notice.

43 Pursuant to the Accounting Standard (AS- 20) – Earnings per Share, the disclosure is as under:

| Particulars | | For the year ended 31 st March, 2013 | For the year ended 31 st March, 2012 |
|--|---------------|--|--|
| a. Basic and Diluted EPS | | | |
| Loss attributable to equity shareholders | (₹ in Crores) | (2,295.01) | (287.27) |
| Weighted average number of equity shares outstanding during the year | No | 2,39,32,72,110 | 2,18,00,35,200 |
| Nominal Value of equity share | ₹ | 10.00 | 10.00 |
| Basic and Diluted EPS | ₹ | (9.59) | (1.32) |
| b. Cash EPS | | | |
| Cash Profit / (Loss) | (₹ in Crores) | (553.65) | 788.32 |
| Weighted average number of equity shares outstanding during the year | No | 2,39,32,72,110 | 2,18,00,35,200 |
| Nominal Value of equity share | ₹ | 10.00 | 10.00 |
| Cash EPS | ₹ | (2.31) | 3.62 |

44 In the opinion of the management and to the best of their knowledge and belief, the value under the head of current assets are approximately of the value stated, if realized in ordinary course of business, unless stated otherwise. The provision for all the known liabilities is adequate and not in excess of amount considered reasonably necessary.

45 The Group has taken various derivatives to hedge its loans. The outstanding position of derivative instruments is as under :

| Nature | Purpose | As at 31 st March, 2013 (₹ in Crores) | As at 31 st March, 2012 (₹ in Crores) |
|---------------------|----------------------------------|--|--|
| Principal only swap | Hedging of loans | 3,862.06 | 2,439.79 |
| Cross currency swap | Hedging of loans | 161.71 | 161.71 |
| Forward cover | Hedging of working capital loans | 6,146.23 | - |
| | Total | 10,170.00 | 2,601.50 |

The details of foreign currency exposures not hedged by derivative instruments as at 31st March, 2013 and 31st March, 2012 are as under :

| Particulars | As at 31 st March, 2013 (₹ in Crores) | As at 31 st March, 2012 (₹ in Crores) |
|----------------------------------|--|--|
| 1. Import Creditors | 4,321.77 | 3,950.88 |
| 2. Loans under letters of credit | 10,332.16 | 21,618.57 |
| 3. Foreign Currency Loans | 6,882.07 | 6,509.73 |
| 4. Interest Accrued but not due | 120.73 | 175.81 |

46 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 AS-15 (revised):

| Particulars | For the Year Ended 31 st March, 2013 (₹ in Crores) | For the Year Ended 31 st March, 2012 (₹ in Crores) |
|---|---|---|
| i. Reconciliation of Opening and Closing Balances of defined benefit obligation | | |
| Liability at the beginning of the Year | 2.77 | 1.77 |
| Current Service Cost | 1.32 | 1.32 |
| Interest Cost | 0.23 | 0.15 |
| Past vested benefit | - | - |
| Liability Transferred in | 0.53 | 0.15 |
| Liability Transferred out | (0.11) | (0.09) |
| Benefit paid | (0.05) | (0.12) |
| Net Actuarial losses / (gain) Recognised | 0.87 | (0.41) |
| Liability at the end of the Year | 5.56 | 2.77 |
| ii. Reconciliation of Opening and Closing Balances of the Fair value of Plan assets | | |
| Plan assets at the beginning of the Year, at Fair value | 4.04 | 2.22 |
| Expected return on plan assets | 0.34 | 0.18 |
| Contributions | 2.63 | 1.83 |
| Benefit paid | (0.01) | (0.11) |
| Actuarial (gain) / loss on plan assets | 0.55 | (0.08) |
| Transfer to other Company | - | - |
| Plan assets at the end of the Year, at Fair Value | 7.55 | 4.04 |
| iii. Reconciliation of the Present value of defined benefit obligation and Fair value of plan assets | | |
| Obligations at the end of the Year | 5.56 | 2.77 |
| Plan assets at the end of the Year, at Fair value | 7.55 | 4.04 |
| Asset / (Liability) recognized in balance sheet as on 31 st March, 2013 | 1.99 | 1.27 |
| iv. Gratuity Cost for the Year | | |
| Current service cost | 1.32 | 1.32 |
| Interest cost | 0.23 | 0.15 |
| Expected return on plan assets | (0.34) | (0.18) |
| Actuarial (Gain) / Loss | 0.32 | (0.34) |
| Past service cost-vested benefit recognised during the year | - | - |
| Net Gratuity cost | 1.53 | 0.95 |
| v. Actuarial Assumptions | | |
| Discount Rate (per annum) | 8.00% | 8.50% |
| Expected rate of return on plan assets | 8.70% | 8.50% |
| Annual Increase in Salary Cost | 6.00% | 6.00% |

The Group has defined benefit plans for Gratuity to eligible employees. The contributions for which are made to Life Insurance Corporation of India who invests the funds as per Insurance Regulatory Development Authority guidelines.

Past five years data for defined benefit obligation and fair value of plan:

| Particulars | 2007-08 (₹ in Crores) | 2008-09 (₹ in Crores) | 2009-10 (₹ in Crores) | 2010-11 (₹ in Crores) | 2011-12 (₹ in Crores) |
|---|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Present value of defined benefit obligations at the end of the year | 2.35 | 0.97 | 1.58 | 1.77 | 2.77 |
| Fair value of plan assets at the end of the year | 2.06 | 0.98 | 1.94 | 2.22 | 4.04 |
| Net assets / (liability) at the end of year | (0.03) | 0.01 | 0.36 | 0.45 | 1.27 |

The actuarial Liability for compensated absences as at the year ended 31st March, 2013 is ₹ 4.63 Crores (As at 31st March, 2012 - ₹ 3.02 Crores)

47 Segment Reporting

1. Primary Segment

The Company has identified two reportable segments viz. Power and Shipping in line with Accounting Standard 17, "Segment Reporting". Segments have been identified and reported taking into account nature of products and services, the differing risks and returns and the internal business reporting systems.

Primary Segment Information

(₹ in Crores)

| Particulars | For the year ended 31 st March, 2013 | | | For the year ended 31 st March, 2012 | | |
|--|---|----------------|-------------------|---|---------------|-----------------|
| | Power | Shipping | Total | Power | Shipping | Total |
| (i) SEGMENT REVENUE | | | | | | |
| Sales and Operating Earning (External) | 6,671.44 | 107.92 | 6,779.36 | 3,951.27 | 140.89 | 4,092.16 |
| Total Segment Revenue | 6,671.44 | 107.92 | 6,779.36 | 3,951.27 | 140.89 | 4,092.16 |
| (ii) SEGMENT RESULT | | | | | | |
| Segment Result (PBIT) | (132.01) | (7.41) | (139.42) | 836.56 | 48.23 | 884.79 |
| Less : Finance Cost | 1,686.15 | 16.71 | 1,702.86 | 863.46 | 20.99 | 884.45 |
| Profit / (Loss) Before Exceptional Items and Tax | (1,818.16) | (24.12) | (1,842.28) | (26.90) | 27.24 | 0.34 |
| Add : Exceptional Items | 24.06 | - | 24.06 | - | - | - |
| Profit / (Loss) before tax | (1,794.10) | (24.12) | (1,818.22) | (26.90) | 27.24 | 0.34 |
| Less : Tax Expense | 476.79 | - | 476.79 | 294.84 | - | 294.84 |
| Net Profit / (Loss) after tax | (2,270.89) | (24.12) | (2,295.01) | (321.74) | 27.24 | (294.50) |
| Less : Share of Minority Interest | - | - | - | (7.23) | - | (7.23) |
| Net Profit / (Loss) Attributable to Share holders | (2,270.89) | (24.12) | (2,295.01) | (314.51) | 27.24 | (287.27) |
| (iii) OTHER INFORMATION | | | | | | |
| Segment assets | 54,964.46 | - | 54,964.46 | 50,567.08 | 816.66 | 51,383.74 |
| Segment liabilities | 7,524.56 | - | 7,524.56 | 3,599.00 | 24.19 | 3,623.19 |
| Depreciation/Amortisation | 1,263.21 | 26.47 | 1,289.68 | 551.45 | 38.99 | 590.44 |
| Capital Expenditure | 7,083.37 | - | 7,083.37 | 12,304.03 | - | 12,304.03 |

2. Secondary Segment

Two secondary segments have been identified based on geographical locations : within India and outside India

Secondary Segment Information

(₹ in Crores)

| Particulars | For the year ended 31 st March, 2013 | | | For the year ended 31 st March, 2012 | | |
|---------------------|---|---------------|-----------|---|---------------|-----------|
| | Within India | Outside India | Total | Within India | Outside India | Total |
| Segment Revenue | 6,671.44 | 107.92 | 6,779.36 | 3,951.27 | 140.89 | 4,092.16 |
| Segment Asset | 54,964.46 | - | 54,964.46 | 50,566.49 | 817.25 | 51,383.74 |
| Segment Liability | 7,524.56 | - | 7,524.56 | 3,598.41 | 24.78 | 3,623.19 |
| Capital Expenditure | 7,083.37 | - | 7,083.37 | 12,304.03 | - | 12,304.03 |

Notes :

- The reportable Segments are further described below :
 - Power Segment include Generation, and Distribution of Electricity under a combination of long term Power Purchase Agreements and on merchant basis.
 - Shipping Segment include chartering and owning of ships, barges and boats with crew.
- The Segment Revenue, Results, Assets and Liabilities include the respective amounts identifiable to each of the segment and amounts allocated on a reasonable basis.

48 Related party transactions**a. List of related parties and relationship****(I) Other related parties**

Holding Company

Adani Enterprises Limited

Fellow subsidiaries

Adani Mundra SEZ Infrastructure Private Limited

Adani Infra (India) Limited

Adani Mining Private Limited

Adani Gas Limited

Chemoil Adani Private Limited

Adani Ports and Special Economic Zone Limited

(Formerly Mundra Port and Special Economic Zone Limited)

MPSEZ Utilities Private Limited

Karnavati Aviation Private Limited

Adani Petronet (Dahej) Port Private Limited

Adani Global Pte Limited

Adani Shipping (India) Private Limited

Mundra International Airport Private Limited

Adani Kandla Bulk Terminal Private Limited

Adani Welspun Exploration Limited

Adani Hazira Port Private Limited

**Other parties which are significantly
influenced by the Group
(either individually or with other)**

Adani Wilmar Limited

Adani Properties Private Limited

Adani Renewable Energy LLP (up to 08.01.2013)

Shanti Builders - Partnership firm

Adani Foundation

Adani Advisory LLP

Key management personnel

Mr. Gautam S. Adani, Chairman

Mr. Rajesh S. Adani, Managing Director

Mr. Ravi Sharma, Whole-time Director (Up to 13.05.2012) and
Executive Director (from 14.05.2012 to 30.06.2012)

Mr. Vneet S Jaain, Executive Director (w.e.f 14.05.2012)
Relatives of above

| b.Transaction with related parties | | | | |
|---|-------------------|--|---|---|
| Related Party | Relation | Nature of Transaction | For the Year Ended 31 st March, 2013 (₹ in Crores) | For the Year Ended 31 st March, 2012 (₹ in Crores) |
| Adani Global Pte Ltd | Fellow Subsidiary | Coal purchased | 3,778.40 | 1,856.17 |
| | | Sale of Investment in Adani Shipping | 51.78 | - |
| Adani Mundra SEZ Infrastructure Pvt. Ltd. | Fellow Subsidiary | Advance for constructing employee township | - | 27.65 |
| | | Purchase of Fixed Assets | - | 24.69 |
| | | Reimbursement of expenses | - | 0.82 |
| Adani Enterprises Ltd | Holding Company | Purchase of Ingots | - | 0.39 |
| | | Open access charges | 22.74 | 34.68 |
| | | Sale of material | 0.83 | 0.38 |
| | | Sale of asset | - | 0.05 |
| | | Sale of power | 1,638.82 | 896.20 |
| | | Interest on loan | 314.39 | 105.30 |
| | | Interest Income | 16.26 | - |
| | | Repayment of Loan (Net) | - | 1,056.24 |
| | | Coal Handling Charges | 3.30 | - |
| | | Employee loan transfer | 0.03 | 0.03 |
| | | Loan taken | 4,278.86 | - |
| | | Loan Realised | 744.52 | - |
| | | Services Received | - | 1.11 |
| | | Purchase of coal | 603.93 | - |
| | | Sale of Scrap Material | 0.39 | - |
| | | Lease Rent | 3.75 | - |
| | | Reimbursement of expenses | 16.08 | 0.04 |
| | | Purchase of material | 21.05 | 3.67 |
| | | Purchase of asset | 0.64 | - |
| | | Training Charges | 0.33 | 1.09 |
| Adani Ports & SEZ Ltd. (Formerly known as Mundra Port & SEZ Ltd) | Fellow Subsidiary | Sale of fly ash | 0.23 | 0.48 |
| | | Interest on Loan | 27.41 | - |
| | | Reimbursement of expenses | - | 0.58 |
| | | Project Service Taken | 17.04 | - |
| | | Purchase of material | 3.36 | 0.02 |
| | | Employee loan transfer | 0.02 | - |
| | | Loan taken | 73.67 | - |
| | | Horticulture expenses at plant | 0.68 | 0.30 |
| | | Reimb. of Land Revenue Tax | 0.14 | 0.15 |
| | | Sale of asset | - | 0.10 |

| Related Party | Relation | Nature of Transaction | For the Year Ended 31 st March, 2013 (₹ in Crores) | For the Year Ended 31 st March, 2012 (₹ in Crores) |
|--|---|---|---|---|
| | | Sale of material | 1.14 | 0.16 |
| | | Electricity & Fuel expenses | 0.63 | 0.44 |
| | | Lease rent, infrastructure usage charges & land charges | 2.07 | 2.08 |
| | | Storage charges, terminal handling charges, wharf age, crane hiring, water front royalty, project services, etc. | 358.91 | 223.44 |
| Adani Hazira Port Pvt. Ltd. | Fellow Subsidiary | Transfer of employee loan | 0.01 | - |
| Adani Gas Ltd. | Fellow Subsidiary | Gas Purchase Expense | 0.03 | 0.01 |
| | | Purchase of Material | 0.87 | - |
| Adani Petronet (Dahej) Port Pvt. Ltd. | Fellow Subsidiary | Purchase of material | 0.33 | 0.75 |
| | | Service Received | 30.90 | - |
| Mundra International Airport Pvt. Ltd. | Fellow Subsidiary | Lease rent | * | * |
| Karnavati Aviation Pvt Ltd. | Fellow Subsidiary | Air Craft hiring charges | 12.40 | 11.69 |
| Adani Infra India Ltd. | Fellow Subsidiary | Reimbursement of expenses | 0.01 | - |
| | | Employee loan transfer | 0.28 | 0.14 |
| | | Capital advance given | - | * |
| | | Capital advance refund | - | 330.95 |
| | | Interest received on capital advances | - | 10.77 |
| | | Purchase of goods and services | 619.02 | 665.75 |
| | | Project consultancy expense | 43.75 | 174.82 |
| Adani Wilmar Ltd. | Other Parties Which Are Significantly Influenced By The | Electricity Expense | - | 0.05 |
| | | Reimbursement of Expenses | 0.04 | - |
| | | Rent | 0.05 | 0.03 |
| Adani Properties Pvt Ltd. Shanti Builders | Company (Either Individually Or | Rent | 0.06 | 0.06 |
| | | Site Development expense | 6.33 | 6.59 |

| Related Party | Relation | Nature of Transaction | For the Year Ended 31 st March, 2013 (₹ in Crores) | For the Year Ended 31 st March, 2012 (₹ in Crores) |
|--|--------------------|--|---|---|
| Adani Foundation Adani Advisory LLP | With Other) | Donation Employee loan transfer | 6.50 0.06 | 6.55 - |
| Chemoil Adani Pvt Ltd. | Fellow Subsidiary | Purchase of HSD | 55.56 | 101.18 |
| MPSEZ Utilities Pvt Ltd | Fellow Subsidiary | Electricity Expense Sale of power Open access charges Reimbursement of expenses Employee loan transfer | 3.71 55.39 - 0.05 0.01 | 13.92 26.15 0.03 0.01 - |
| Adani Kandla Bulk Terminal Pvt Ltd. | Fellow Subsidiary | Sale of Fly Ash Sale of Material | * 0.24 | - - |
| Adani Shipping (India) Pvt. Ltd. | Fellow Subsidiary | Services Received | - | 0.80 |
| Adani Mining Pvt. Ltd | Fellow Subsidiary | Reimbursement of expenses | 0.01 | - |
| Adani Welspun Exploration Ltd | Fellow Subsidiary | Employee Expenses transfer | * | - |
| Mr. Ravi Sharma | Key Mgmt Personnel | Salary And Allowance | 6.37 | 4.60 |

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

The transactions with related parties during the year are shown net of taxes.

c. Balances with related parties

| Related Party | Relation | As at 31 st March, 2013 (₹ in Crores) | As at 31 st March, 2012 (₹ in Crores) |
|--|-------------------------|--|--|
| Adani Global Pte Ltd. | Fellow Subsidiary | (1,633.70) | (453.04) |
| Adani Mundra SEZ Infrastructure Pvt. Ltd. | Fellow Subsidiary | - | 20.29 |
| Adani Enterprises Ltd. | Holding Company | (6,254.64) | (866.01) |
| Adani Ports & SEZ Ltd. | Fellow Subsidiary | (225.00) | (25.58) |
| Adani Gas Ltd. | Fellow Subsidiary | (0.02) | (0.01) |
| Karnavati Aviation Pvt Ltd. | Fellow Subsidiary | (7.28) | (0.47) |
| Adani Infra India Ltd. | Fellow Subsidiary | (84.31) | (80.98) |
| Adani Petronet (Dahej) Port Pvt. Ltd. | Fellow Subsidiary | (22.48) | - |
| Mundra International Airport Pvt. Ltd | Fellow Subsidiary | * | * |
| Adani Hazira Port Pvt. Ltd. | Fellow Subsidiary | 0.01 | - |
| Adani Wilmar Ltd. | Other Parties Which Are | (0.01) | 0.02 |

| Related Party | Relation | For the Year Ended 31 st March, 2013 (₹ in Crores) | For the Year Ended 31 st March, 2012 (₹ in Crores) |
|--------------------------------|-----------------------------|---|---|
| Shanti Builders | Significantly Influenced By | 0.52 | 0.68 |
| Adani Advisory LLP | The Company (Either | (0.06) | - |
| Adani Properties Pvt. Ltd. | Individually Or With Other) | 1.00 | 1.00 |
| Chemoil Adani Pvt Ltd. | Fellow Subsidiary | (6.99) | (12.59) |
| Adani Welspun Exploration Ltd. | Fellow Subsidiary | * | - |
| MPSEZ Utilities Pvt Ltd. | Fellow Subsidiary | 5.23 | 3.71 |
| Mr. Ravi Sharma | Key Mgmt Personnel | - | 4.36 |

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

49 The details of financial statements of subsidiaries, as at 31st March, 2013

(₹ in Crores)

| Name of the subsidiary company | Adani Power Maharashtra Limited | Adani Power Rajasthan Limited | Adani Power Dahej Limited | Adani Pench Power Limited | Kutchh Power Generation Limited |
|---|---------------------------------|-------------------------------|---------------------------|---------------------------|---------------------------------|
| Paid up Capital | 2,854.73 | 700.00 | 0.05 | 0.05 | 0.05 |
| Reserves & Surplus (adjusted for debit amount in Statement of Profit and Loss, where ever applicable) | 993.81 | (1.95) | (0.33) | (0.07) | (0.04) |
| Total Assets | 17,084.27 | 7,153.76 | 584.42 | 184.72 | 73.40 |
| Total Liabilities | 13,235.73 | 6,455.71 | 584.70 | 184.74 | 73.39 |
| Investments (excluding investments in subsidiaries) | - | * | * | - | - |
| Turnover | 338.46 | - | - | - | - |
| Profit / (Loss) Before Tax | (300.57) | 0.21 | 0.01 | (0.04) | (0.01) |
| Provision for Taxation | 18.40 | - | * | - | - |
| Profit / (Loss) after Tax | (318.97) | 0.21 | * | (0.04) | (0.01) |
| Proposed Dividend | - | - | - | - | - |

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

50 Previous year figures have been regrouped and rearranged wherever necessary to conform to this year's classification.

In terms of our report attached

For DELOITTE HASKINS & SELLS

Chartered Accountants

GAURAV J. SHAH

PARTNER

Date : 8th May, 2013

Place : Ahmedabad

For and on behalf of the Board of Directors

GAUTAM S. ADANI

CHAIRMAN

RAHUL SHAH

COMPANY SECRETARY

Date : 6th May, 2013

Place : Ahmedabad

RAJESH S. ADANI

MANAGING DIRECTOR

Date : 7th May, 2013

GREEN INITIATIVE

Dear Shareholder,

RE: Green Initiative in Corporate Governance: Go Paperless

The Ministry of Corporate Affairs (MCA) has taken a "Green Initiative in Corporate Governance" (Circular No. 17/2011 dated 21.04.2011 and Circular No. 18/2011 dated 29.04.2011) allowing paperless compliances by Companies through electronic mode. This move by the Ministry is welcome since it will benefit the society at large through reduction in paper consumption and contribution towards a Greener Environment. It will also ensure prompt receipt of communication and avoid loss in postal transit. All you have to do is to register your e-mail id with your Depository Participant (DP with whom you maintain your Demat Account) to receive communication through electronic mode.

Keeping in view the underlying theme and the circular issued by MCA, we propose to send all documents / notices including Annual Report and those covered under Section 219 of the Companies Act, 1956 (the Act) read with Section 53 of the Act ("these documents") to all shareholders through electronic mode to the e-mail addresses of the shareholders.

Please note that these documents will also be available on the Company's website: www.adanipower.com. Any physical copies of the same will also be available at the Registered Office in Ahmedabad for inspection during office hours.

Please note that as a shareholder, you are entitled to receive all these documents free of cost upon receipt of a requisition from you in physical form.

We are sure, that as a responsible citizen, you will whole-heartedly support this initiative and co-operate with the Company to make it a success.

Best Regards,

Adani Power Limited

This page has been left intentionally blank.



Adani Power Limited
"Shikhar", Near Adani House
Near Mithakhali Six Roads
Navrangpura
Ahmedabad 380 009
Gujarat, India

www.adanipower.com