



Engineered for the  
**future**

**Adani Transmission Limited  
Annual Report 2015-16**







Adani Transmission Limited, India's largest private power transmission company.

The company is the largest private power transmission company in India. The company's objective is to address the vast potential in India's transmission sector.

The company has responded to this vast national opportunity with corresponding urgency: a vision to achieve the ambitious target of 13,000 circuit km (ckt km) of transmission lines by 2020 to help the country deliver power to the 'last mile'.

At Adani Transmission, we encapsulated our long-term commitment in just four words: 'Transmitting Power, Distributing Hope'.

While remaining 'Engineered for the future!'

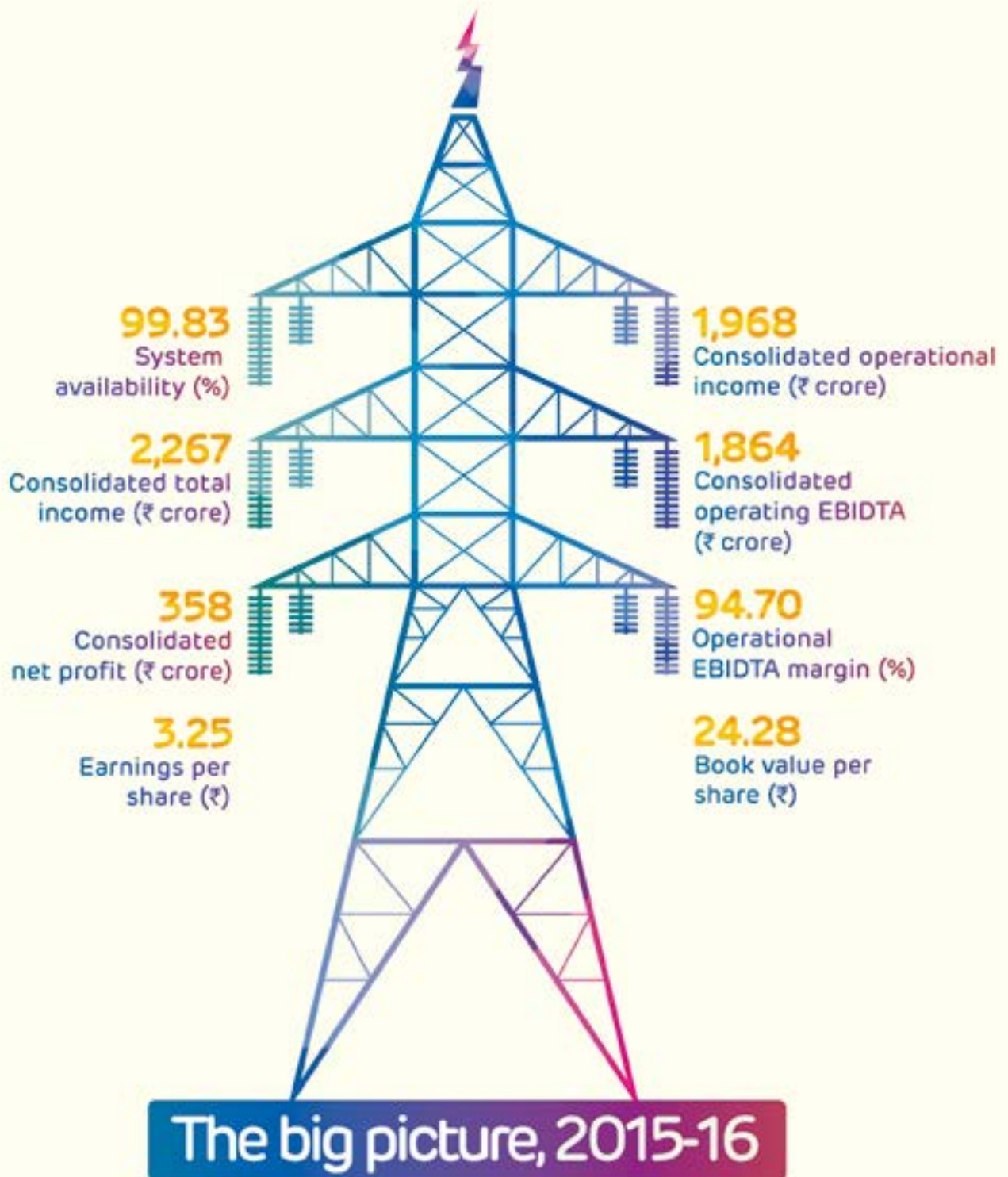


India suffers from a growing appetite for power at one end and the absence of power transmission capacity on the other.

Adani Transmission brings to this reality a combination of scale, certification and first-mover's advantage.

- India's largest private sector transmission company.
- India's first private HVDC utility.
- India's first private sector player to receive the Global Investment Grade rating in the power sector.

Right capacity. Right capability.  
Right credentials.





Adani Transmission Ltd. is a part of the USD 10 billion Adani Group, one of India's largest industrial conglomerates with extensive interests in resources, logistics and energy.

**One vision, one brand**

As part of preparing the Adani Group for the next phase of our growth, we have re-formulated our 2020 vision: To be the globally-admired leader in integrated infrastructure businesses with a deep commitment to nation-building. We shall be known for the scale of our ambition, speed of execution and quality of operation.

**Our 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

**Our culture**



**Passion**  
Performance with enthusiasm and energy



**Results**  
Consistently achieving goals



**Integration**  
Working across functions and businesses to create synergies



**Dedication**  
Working with commitment in the pursuit of our aims



**Entrepreneurship**  
Seizing new opportunities with initiative and ownership

Adani Group revenues (consolidated, ₹ crore)

| 2006-07 | 2007-08 | 2008-09 | 2009-10 | 2010-11 |
|---------|---------|---------|---------|---------|
| 16,953  | 19,649  | 26,273  | 26,019  | 26,827  |

### About the Adani Group

The Adani Group is one of India's leading business houses with revenues of over USD 10 billion. Founded in 1988, the Group has grown to become a global integrated infrastructure player with businesses in key industry verticals:

- Resources
- Logistics
- Energy

The Group has also made significant strides in the agri-infrastructure business by setting up grain storage silos and cold storage facilities. It is also a market leader in the edible oils sector through the Fortune brand.

### Resources

The Group's resources business obtains coal from mines and trading and will extend to oil and gas production.

The Group is developing and operating mines in India, Indonesia and Australia. It is also importing and trading coal from a number of countries. Currently, we are the largest coal importer into India. Our extractive capacity increased three-fold to 5 MMT in 2015 and we aim to extract 200 MMT per annum by 2020, making ours one of the largest mining groups in the world.

### Logistics

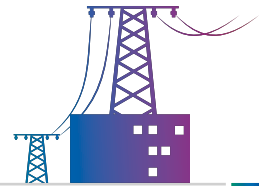
The Group's logistics business comprises a large network of ports, special economic zones (SEZ) and multi-modal logistics – railways and ships.

The Group owns and operates seven ports and terminals: Mundra Port, Dahej Port, Kandla Terminal and Hazira Port in Gujarat, Dhamra Port in Odisha, Murmugao Terminal in Goa and Vizag Terminal in Andhra Pradesh. The Group is also developing a terminal at Ennore in Tamil Nadu and a mega transshipment terminal at Vizhinjam, Kerala.

### Energy

The Group's energy business comprises power generation, transmission and gas distribution.

Adani is the largest thermal power producer in India's private sector with an installed capacity of 10,560 MW (including a 40 MW solar plant at Bitta, Gujarat). Four of our power projects are spread across Gujarat, Maharashtra, Karnataka and Rajasthan. We also provide a range of reliable environment-friendly CNG and PNG energy solutions.



**Leveraging scale, building the nation – our pride**

- Largest private sector power producer in India
- Largest coal importer in India with a 33%+ market share\*
- Largest port operator in India
- Largest edible oil manufacturing capacity in India
- Largest private sector power transmission company in India

\*Including coal trading

| 2011-12 | 2012-13 | 2013-14 | 2014-15 | 2015-16 |
|---------|---------|---------|---------|---------|
| 39,904  | 47,352  | 56,226  | 65,520  | 45,148  |



Dear shareholder,

"DOUBT IS NOT A PLEASANT CONDITION, BUT CERTAINTY IS ABSURD", SAID VOLTAIRE, THE FAMOUS FRENCH PHILOSOPHER.

Today, while the global markets seek some degree of certainty within a highly volatile environment, India has emerged as a beacon of hope especially as the other BRIC nations start to slowdown or stay in recession. The next decade could well be India's decade in the world.

Over the last couple of years, the energy sector in India has seen a transformational transition as a consequence of several policy level changes accompanied by a superb execution of directives. These include amendments to the Electricity Act, coal auction and allocation, Integrated Power Development Scheme, the Ujwal DISCOM Assurance Yojana (UDAY), Deendayal Upadhyaya Gram Jyoti Yojana (DDUGJY) and an unmatched global ambition in establishing a renewable energy ecosystem.

India's transmission network comprises 320,000 circuit kms of transmission and 615,000 MVA of sub-station capacity fed by 275,000 MW of generating capacity. While generation has grown over 9% CAGR over the last decade, transmission has lagged and has grown at less than 4% as over the past few years the ratio of investment in transmission and distribution to power generation has remained at less than 50%. Based on CEA's estimates an investment of ₹1 trillion is required over the next five years in the country's transmission sector to expand and take India's transmission and distribution losses from the current levels of



24% down to 18%. This mismatch in power generation and transmission capacity provides a massive opportunity for the players in this sector, especially as the Government focuses on facilitating the entry of private players and introduces far reaching policy initiatives to transform the face of transmission in India.

The Government's UDAY scheme will enhance distribution efficiencies, reduce power costs, moderate interest expenses of discoms, enhance financial discipline, align consumer tariff with electricity generating cost and restructure ₹4.3 lakh crore of utilities' debt. Also, the initial allocation of ₹500 crores to the DDUGJY scheme will augment rural power supply and strengthen sub-transmission and distribution systems by separating electricity feeders for domestic and agriculture consumption. In addition, the launch of the 'green-energy corridor' infrastructure aimed at evacuating and synchronization of the grid for electricity produced from renewable sources with conventional power sources will require the deployment of nine high capacity green-transmission corridors.

The Adani Group's foray into power transmission is recent, having been spun out of Adani Power Limited in 2014-15. Over the past 5 years, we have invested \$1.7 billion in this business and currently operate around 5,050 circuit kms of transmission lines. This makes us the largest private player in the transmission sector. Our investments have focused on adopting the latest technologies and this has resulted in a network availability of over 99.8%, thereby helping us achieve global standards when it comes to network availability.

At the end of the year 2015-16, the Company had four operational Transmission Systems serving the Northern and Western regions of India. I am pleased to state that the revenues for the year 2015-16 stood at ₹2,267 crores and the bottom-line came in at ₹358 crores. We operated the business at an EBIDTA margin of 95%, which is easily one of the best in the industry. The Company is also constructing another 1,900 circuit kms in Rajasthan, Chhattisgarh, Madhya Pradesh, Maharashtra, Jharkhand and Bihar, all of which were awarded through a Tariff Based Competitive Bidding process. During the current year, the Company signed a Definitive Agreement with GMR Energy Ltd. to acquire 74% shares of Maru Transmission Service Company (MTSCL) and 49% shares of Aravali Transmission Service Company (ATSCL) with an option to acquire 100% in a manner consistent with the Transmission Service Agreement and applicable consents. With the completion of all on-going projects and closure of the acquisition, the network is expected to increase to 7,300 circuit kms and will further consolidate our presence in the transmission sector in India and put us comfortably on our way to reach our target of 13,000 circuit kms of transmission line by 2020.

While the business continues to perform strongly, our proudest moments come from the stories we hear about the lives we have the opportunity to influence. Adani Foundation's education programs have already touched the lives of over 150,000 young students, its healthcare programs touch the lives of over 200,000 people every year, the sustainable livelihood programs have made over 35,000 people and their entire families self-reliant and the Foundation has

improved the lives of over 500,000 people across 177 villages by helping provide better roads, drinking water and other basic facilities. We are grateful that we have been given this opportunity.

The days ahead are exciting and I would like to thank our customers, employees, shareholders and the Board for making 2015-16 another excellent year.

**Gautam Adani**





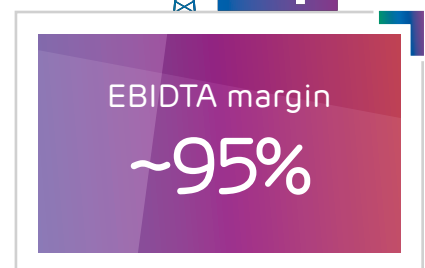
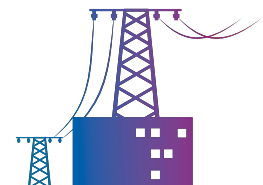
**Dear shareholders,**

The latest Mckinsey report states that "From 2016 through 2030, the world needs to invest about 3.8 percent of GDP, or an average of \$3.3 trillion a year, in economic infrastructure just to support expected rates of growth.

.....

Emerging economies account for some 60% of that need. But if the current trajectory of underinvestment continues, the world will fall short by roughly 11 %, or \$350 billion a year." This essentially indicates the market size and potential of infrastructure development, more from Indian perspective where infrastructure development would drive the economic growth as well as aid job creation.

Power would be one of the most important sectors within infrastructure as availability of power would have a direct bearing on the economic growth. Power generation has done quite well in last few years and we have seen the highest capacity addition numbers as far as India is concerned. This has resulted in large capacity but availability to the consumers still remains a challenge. Transmission still remains a bottleneck which needs to be taken care of if we want to sustain the economic growth and provide quality life to the citizens of our country.



This need of making power available at competitive price is a business opportunity for the industry however; benign policy regime and certainty is the prerequisite as far as industry is considered. This is wherein we have seen the surefooted movement from the Government of the day. Opening up of transmission sector for private participation, introducing "Tariff Based Competitive Bidding" and conceiving multiple strengthening schemes (i.e. projects) are positives for the sector. Also transmission planning has been delinked from generation planning which has given further fillip to this sub-sector because of the requirement of redundancy in the system. As per the transmission perspective plan, the capacity addition at 765 KV and HVDC is slated to grow at 14% CAGR in next 5 years, whereas substation capacity is expected to grow at 11% CAGR in next 5 years. This is expected to provide a robust pipeline of projects not only at inter-state domain but at intra-state as well.

The financial year 2015-16 was the first full year of operations at Adani Transmission Limited post the demerger. With more than 5,050 ckt kms of operational assets and another 1900 Ckt kms under construction we are the largest private sector transmission company in the nation. With signing of the definitive document with GMR, we have acquired two of the operational transmission assets i.e. Maru and Aravali transmission company in Rajasthan which is

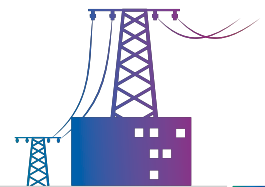
the first ever acquisition in the transmission sector in the country. The performance of your company has been one of the best in the industry with availability topping more than 99.5%. The best in class O&M practices and quest for excellence has helped us achieve robust financial performance in FY 15. The top line and bottom-line for FY 15 was INR 2,267 crores and INR 358 crores respectively and we operated at an EBIDTA margin of ~95%, which is one of the best in the industry.

The Power transmission sector is well poised for growth, and interest from multiple private players augers well for the sector. With enabling policy landscape and business environment we foresee a robust growth which will be beneficial for all the stakeholders particularly end consumers.

As an organization, we take inspiration from our group objective of "Sustainable Development" and work closely with the community that we work in. Adani Foundation's education programs have already touched the lives of over 150,000 young students, its healthcare programs touch the lives of over 200,000 people every year, the sustainable livelihood programs have made over 35,000 people and their entire families self-reliant and the Foundation has improved the lives of over 500,000 people across 177 villages by helping provide better roads, drinking water, and other basic facilities.

The days ahead are exciting and we foresee robust growth in the transmission sector. With Industrial corridors, Smart Cities becoming a reality this sector will see another round of growth. I would like to take this opportunity to thank our customers, employees, shareholders and the Board and expect to deliver robust growth year on year performance in the times to come.

**Deepak Bhargava**  
Chief Executive Officer



Lives improved by  
Adani Foundation  
**500,000**



### Overview

At Adani Foundation, we foster grassroots economic growth in the regions we operate. We empower grassroots communities through development initiatives across the education, health, sustainable livelihoods and rural infrastructure segments.

### Our key CSR initiatives

**Education:** We focused on three strategic interventions – program support, material support and infrastructure support – to widen and strengthen the reach of education.

#### Programme support

Adani Foundation enhanced education quality in Government schools by adding teaching tools and training teachers. We periodically engaged with government officials, share information and experiences to enhance their effectiveness.

Our strategic initiatives comprised establishing people-led institutions like School Management Committees, engaging the youth as education volunteers, undertaking awareness drives and organising interactive confidence-enhancing forums.

Over the years, we invested in increasing employability among school drop-outs. We enhanced the girl child's access to education

through Meena Communicative Initiatives, following UNICEF guidance.

We conducted educational tours. We sustained our project 'Dream Big... Achieve Better', which comprised all-expenses paid student exposure visits to our Group port and power plant facilities in Mundra.

We celebrated events like Khel Mahakumbh/ sports competitions, Maths/Science Fairs, National Days, World Environment Day and Talent Hunt programs, among others.

#### Material support

Adani Foundation promoted information technology, inculcated a reading habit among children, enhanced health and personal hygiene awareness, facilitated active learning and encouraged creativity cum all-round development through material support to schools. We provided school uniforms, bags and bicycles to high school students (especially

girl students) commuting more than two km with the objective to increase attendance.

We provided a reading corner/library stocked with magazines and books wherever necessary. We supported education through laboratory equipment, furniture and teaching aids. We introduced e-learning hardware and software to enhance teaching effectiveness in schools.

#### Infrastructure support

Adani Foundation provided adequate infrastructure support to strengthen elementary education. We provided potable water and segregated sanitation units for boys and girls.

During the last few years, we developed school buildings, classrooms (including computer rooms), multipurpose activity halls, kitchen shed for MDM, water purification plant room, water source development and school upgradation.

### Adani Vidya Mandir (AVM), Ahmedabad

The school was started with the objective of providing free education to meritorious students from economically-challenged backgrounds. The school provides facilities that enable deserving students to become achievers. A learning ambience, well-equipped campus, range of activities, spacious classrooms, modern teaching aids, extracurricular activities and remedial coaching have graduated this institution into an inclusive educational model.

### Adani Vidya Mandir, Bhadreswar:

This Gujarati-medium school (started June 2012) provides free education to the children of fishermen and economically-challenged parents without compromising infrastructure and teaching quality.

**Adani DAV Public School:** This English-medium, co-educational, day school (started June 2001) is co-managed by Adani Foundation and Dayanand Anglo Vedic College Managing Committee, New Delhi. The school offers education from Nursery to class XII, follows the DAV and CBSE curriculums and offers Commerce and Science streams to students of classes XI and XII.

### Early childhood education

**Balwadis:** Adani Foundation runs Balwadis at the labour colony and for the fishing community in Mundra. It provides nutrition to children (2.5-5 years), enhances health awareness, imparts pre-school education and catalyses regular attendance.

### Upgrading Aanganwadis:

The Foundation upgrades Aanganwadis to facilitate psycho-social development. The joyful 'Building as Learning aid' (BaLA) learning environment. Besides, appropriate sanitation and hygiene interventions are provided through potable drinking water

and supplementary nutrition to Aanganwadis, Kishori/adolescent girls and women in Aanganwadis.

### Meena Communicative Initiatives

The initiative promotes gender equality. Children are organised into groups like Meena Manch and Meena Cabinet to enhance their administrative and organisational conduct. Competitions for village women help increase their participation in education activities. Meena Balotsav and Bal Melas enhance an awareness in constructive use of leisure.

### Health

**Mobile Health Care Units:** The Foundation operates mobile health care units to provide on-the-spot medical assistance where such facilities may not be available. The program runs successfully at Mundra (33 villages and three fishing community vasahats), Sainj in Himachal Pradesh (30 villages) and Tiroda in Maharashtra (18 villages) and Kawai in Rajasthan.

**Rural clinics:** The Foundation commissioned seven rural clinics in seven villages of Mundra Taluka supervised by a qualified medical officer.

**Health camps:** The Foundation organised periodic need-based health camps in remote areas.

**General:** The Foundation organised periodic health screening camps in coordination with village health committees.

**Gynaecological care:** The Foundation organised gynaecological camps to encourage women to seek medical aid for their reproductive health and well-being. Besides, couples counselling, adolescent girls training and other educational activities were undertaken.

**Cataract detection:** Eye check-up and cataract detection facilities were provided for early cataract

detection and probable surgery.

### HIV/AIDS awareness and testing camp:

Information was provided about HIV/AIDS and other communicable diseases to vulnerable truck operators, single male migrant labourers, pregnant women, as well as alcohol, tobacco and smoking addicts.

**Blood donation:** Myths surrounding blood donation were removed to promote voluntary blood donation.

### Specialty and multi-specialty camps:

The Foundation held specialty and multi-specialty camps where specialist doctors catered to a large number of patients.

### Financial medical aid for urban and rural poor:

Adani Foundation provides medical assistance to address major ailments (neurological, heart and kidney problems, stroke, paralysis and cancer etc.). This extended to the treatment for surgery, dialysis and hospitalisation. Prominent Ahmedabad chemists provided free medicines.

**Health awareness programs:** The community outreach programmes enhanced health awareness. The Swasthya Sahayata Scheme provided medical assistance to needy Adani Group employees.

**Scheme for urban poor:** To help patients navigate through Civil Hospital (Ahmedabad), Adani Foundation provided volunteers.

**Health card to senior citizens:** The Foundation issued a health card to senior citizens needing medical treatment resulting in cashless treatment in 14 empanelled hospitals upto ₹75,000 across three years.

### Total Sanitation Campaign (TSC):

The Foundation complements Rashtriya Swachhata Abhiyan initiated by the Government of India with the objective to achieve 100% sanitation in villages.

Social responsibility



**Anaemia control program:** A special integrated project (Anaemia Control Program) was put in practice at Tirora towards improving nutrition and reducing anaemia among

women and adolescent girls in. Our specialized doctors conduct periodic screening tests for Hb and Sickle cell anaemia to improve the health status among women

and girls. The Foundation also imparted training and inputs such as providing seeds to groups to develop and maintain kitchen gardens.

Building social capital

Adani Foundation has enriched social capital through the optimisation of human resources.

**Self-help groups (SHGs):** The Foundation promotes and nurtures a number of SHGs for organizing women/youth/senior citizen, inculcating a savings habit and become economically independent with minimal external support.

**Village Development Committees (VDCs):** The Foundation accelerates village development through the formation of village development committees with community representation.

**Enhancing youth employability:** The Foundation organises vocational training for local communities to enhance employability and recruitment within the Adani Group and other proximate industries.

**Skill development training for traditional occupations and entrepreneurship development training:** The Foundation organizes development and dissemination of appropriate technologies through the promotion of micro-irrigation systems (drip irrigation and innovative farming techniques) for rural men and women.

**Income generation support:** The Foundation supports marginalised groups (widows, disabled persons and fisher folk) through seed money or one-time equipment/ material support to enhance incomes. Individuals were supported for buying hand carts to sell vegetables, stock shops, poultry farming, buy livestock, set up a flour mill etc.

**Support to traditional artisan:** The Foundation helps preserve local Kutch art through skill training.

Scholarships to youngsters of artisan families encourage enrolment in a design school facilitated by Kala Raksha Trust, a grassroots social enterprise.

**Drip irrigation project:** The Foundation has widened the coverage of drip irrigation across Mundra villages through 25% subsidy and technical support, enhancing crop productivity despite limited water resources.

**Insurance service, Janashree Bima Yojana:** The Foundation provides life insurance protection to the fisher-folk community. The insurance cover is available to below or marginally above poverty line families in the age group 18-59. Insurance premium of ₹200 per annum is shared equally between the Government and Foundation.

Rural infrastructure development

**Water conservation:** The Foundation preserves rainwater, reduces salinity, recharges ground water and facilitates agriculture through water conservation structures (including pond deepening) constructed with local community involvement.

**Rural drainage project:** The Foundation, in partnership with

WASMO, provided drainage systems in 16 villages (including pipeline network and sewage treatment plants) at Mundra, Gujarat.

**Solar street lights:** The Foundation harnessed solar power and the setting-up of solar street lights to promote renewable energy for community benefit.

**School infrastructure development:** The Foundation undertook initiatives to strengthen school infrastructure (additional rooms, sanitation for boys and girls, multi-purpose activity halls, construction of boundary walls, computer rooms, repairs, construction of water tanks, water purification plants in schools, basic school amenities etc.).

## 3<sup>rd</sup> ANNUAL REPORT 2015-16

### COMPANY INFORMATION

#### BOARD OF DIRECTORS

Mr. Gautam S. Adani, Chairman  
 Mr. Rajesh S. Adani, Director  
 Mr. Deepak Bhargava, Whole-time Director  
 Mr. K. Jairaj, Director  
 Mr. V. Subramanian, Director  
 Dr. Ravindra H. Dholakia, Director  
 (w.e.f 26th May, 2016)  
 Ms. Meera Shankar, Director

#### COMPANY SECRETARY

Mr. Jaladhi Shukla

#### AUDITORS

M/s. Dharmesh Parikh & Co.  
 Chartered Accountants  
 Ahmedabad

#### REGISTERED OFFICE

"Adani House", Nr. Mithakhali Six Roads,  
 Navrangpura, Ahmedabad-380009, Gujarat (INDIA)  
 CIN : L40300GJ2013PLC077803

#### BANKERS

State Bank of India  
 Axis Bank Ltd.  
 IndusInd Bank Ltd.  
 IDBI Bank Ltd.  
 HDFC Bank Ltd.  
 IDFC Bank Ltd.  
 ICICI Bank Ltd.

#### REGISTRAR AND TRANSFER AGENT

M/s. Link Intime India Private Limited  
 C-13, Pannalal Silk Mills Compound,  
 L.B.S. Marg, Bhandup (W), Mumbai-400078.  
 Phone: +91-22-25946970  
 Fax: +91-22-25946969

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#### IMPORTANT COMMUNICATION TO MEMBERS

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

# DIRECTORS' REPORT

Dear Shareholders,

Your Directors are pleased to present the 3rd Annual Report along with the audited financial statements of your Company for the financial year ended on 31st March, 2016.

## Financial Performance Summary

The summarized financial highlight is depicted below:

(₹ in crores)

| Particulars  | Consolidated Results |               | Standalone Results |                |
|--|----------------------|---------------|--------------------|----------------|
|  | 2015-16              | 2014-15       | 2015-16            | 2014-15        |
| <b>Financial Results</b>   |                      |               |                    |                |
| Total Revenue  | 2267.37              | 138.63        | 421.38             | 23.83          |
| Total Expenditure other than Financial Costs and Depreciation                    | 265.89               | 34.08         | 205.39             | 22.59          |
| Gross Profit before Depreciation, Finance Costs and Tax                          | 2001.48              | 104.55        | 215.99             | 1.24           |
| Finance Costs  | 970.65               | 72.53         | 269.62             | 19.18          |
| Depreciation, Amortization and Impairment Expense                                | 561.06               | 37.07         | 0.03               | -              |
| Profit / (Loss) for the year before Exceptional and Extra Ordinary Items and Tax | 469.77               | (5.05)        | (53.66)            | (17.94)        |
| Add / (Less) Exceptional Items   | -                    | -             | -                  | -              |
| Profit / (Loss) for the year before Extra-Ordinary Items and Tax                 | 469.77               | (5.05)        | (53.66)            | (17.94)        |
| Profit / (Loss) for the year before Taxation                                     | 469.77               | (5.05)        | (53.66)            | (17.94)        |
| Total Tax Expenses   | 112.04               | 1.70          | -                  | -              |
| Net Profit / (Loss) before Minority Interest                                     | 357.73               | (6.75)        | (53.66)            | (17.94)        |
| Add / (Less) Share of Minority Interest  | -                    | -             | -                  | -              |
| <b>Net Profit / (Loss) for the year after Minority Interest</b>                  | <b>357.73</b>        | <b>(6.75)</b> | <b>(53.66)</b>     | <b>(17.94)</b> |
| <b>Balance carried to Balance Sheet</b>  | <b>357.73</b>        | <b>(6.75)</b> | <b>(53.66)</b>     | <b>(17.94)</b> |

Clarification note: The Company acquired its subsidiaries viz. Adani Transmission (India) Limited and Maharashtra Eastern Grid Power Transmission Company Limited in the month of March, 2015. Accordingly, the results of the current period / year reported are not comparable with the previous period / year numbers.

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

## Performance of your Company

Your Company is the largest private sector transmission company in India with over 5,000 circuit kms of operational transmission lines across Western & Northern regions of India along with 12,000 MVA transformation capacity.

Your Company's operating performance in FY16 has set the best benchmark in the country in terms of system availability which ranges from 99.57% to 99.94%. During the year under review, your Company continues to maintain its leadership position in the country and

is poised to keep growing leverage benefits of new opportunities and create value for its stake holders.

### Consolidated Financial Results:

The audited consolidated financial statements of your Company as on 31st March, 2016, prepared in accordance with the relevant applicable Accounting Standards and Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2016 and provisions of the Companies Act, 2013, forms part of this Annual Report.



The key aspects of your Company's Consolidated performance during the financial year 2015-16 are as follows:

#### Operational Highlights:

- Systems Availability was above normative level for all the four lines as follows:
  - 765 kV Tiroda to Aurangabad System achieved average availability of 99.84% for the year ended March 2016 against 98% of normative availability.
  - 400 kV Tiroda to Warora System achieved average availability of 99.94% for the year ended March 2016 against 98% of normative availability.
  - 400 kV Mundra to Dehgam System achieved average availability of 99.85% for the year ended March 2016 against 98% of normative availability.
  - 500 kV HVDC Mundra to Mohindergarh System achieved average availability of 99.57% for the year ended March 2016 against 95% of normative availability.

#### Financial Highlights:

- Consolidated total income for FY 16 was ₹2,267 Crore.
- Consolidated EBIDTA for FY 16 was ₹2,001 Crore.
- Consolidated PAT for FY 16 stood at ₹358 Crore.

#### Standalone Financial Results :

On standalone basis, your Company registered total revenue of ₹421 Crore.

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

#### Dividend

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

#### The Composite Scheme of Arrangement

During the year under review, the Hon'ble High Court of Gujarat had, vide its order dated 7th May, 2015 sanctioned the Composite Scheme of Arrangement between Adani Enterprises Limited ('AEL') and Adani Ports and Special Economic Zone Limited ('APSEZ') and Adani Power Limited ('APL') and Adani Transmission Limited ('the Company' or 'ATL') and Adani Mining Private Limited ('AMPL') and their respective shareholders and creditors ('the Scheme').

The Scheme, with effect from 1st April 2015, inter alia, provided for Demerger of the Transmission Undertaking of AEL comprising the undertaking, businesses, activities,

operations, assets (moveable and immoveable) and liabilities pertaining to the Mundra-Zerda transmission line and the investment of AEL in ATL into ATL.

Upon the Scheme coming into effect and in consideration of the transfer and vesting of the Transmission Undertaking of AEL into the Company, in terms of the Scheme, the equity shareholders of AEL whose names appeared in the Register of Members of AEL as on the Record Date i.e. 4th June, 2015 ("Eligible Shareholders of AEL") were entitled for allotment of 1 (one) equity share in ATL of ₹10/- each credited as fully paid-up for every 1 (one) equity share of ₹1/- each fully paid-up held by such equity shareholder in AEL.

Accordingly, 109,98,10,083 Equity Shares of ₹10/- each of the Company were issued and allotted to the Eligible Shareholders of AEL on 8th June, 2015. Further, pursuant to the scheme existing holding of 109,00,00,000 Equity Shares of ₹10 each of AEL in the Company was extinguished and cancelled.

The Equity Shares of the Company so issued pursuant to the Scheme were listed and admitted for trading on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") with effect from 31st July, 2015.

#### Fixed Deposits

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

#### Non-Convertible Debentures

During the year under review, your Company has issued 1,000 Rated, Listed, Taxable, Secured, Redeemable, Non-Convertible Debentures of face value of ₹10 lacs each aggregating to ₹1,000 Crores on private placement basis listed on the Wholesale Debt Market Segment of BSE Limited.

#### Particulars of Loans, Guarantees or Investments

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

#### Subsidiaries, Joint Ventures and Associate Companies

Your Company had 2 direct subsidiaries as on 31st March, 2015. During the year under review, the

following changes have taken place in Subsidiary / Joint Venture Companies:-

- Your Company has acquired Chhattisgarh-WR Transmission Limited, Raipur-Rajnandgaon-Warora Transmission Limited and Sipat Transmission Limited from PFC Consulting Limited.
- Adani Transmission (Rajasthan) Limited was incorporated as a Wholly Owned Subsidiary for execution & implementation of 400 KV D/C Suratgarh – Bikaner Transmission line Project on design, build, finance, operate and transfer (DBFOT) basis.

In view of the above, the total number of subsidiaries as on 31st March, 2016 was 6.

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

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

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

### Directors and Key Managerial Personnel

Mr. Gautam S. Adani (DIN: 00006273), Mr. Rajesh S. Adani (DIN: 00006322), Mr. K. Jairaj (DIN: 01875126), Mr. V. Subramanian (DIN: 00357727) and Ms. Meera Shankar (DIN: 06374957) were appointed as Additional Directors of the Company w.e.f 17th June, 2015 to hold office upto the ensuing Annual General Meeting. Dr. Ravindra H. Dholakia (DIN: 00069396) was appointed as an Additional Director of the Company w.e.f. 26th May, 2016 to hold office upto the ensuing Annual General

Meeting. The Company has received notice(s) from a member proposing their appointment as Directors of the Company.

In accordance with the provisions of Section 149 of the Companies Act, 2013, Mr. K. Jairaj, Mr. V. Subramanian, Dr. Ravindra H. Dholakia and Ms. Meera Shankar are being appointed as Independent Directors to hold office as per their tenure of appointment mentioned in the Notice of the ensuing Annual General Meeting of the Company.

The terms and conditions of appointment of Independent Directors are as per Schedule IV of the Act. The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ("SEBI Listing Regulations") and there has been no change in the circumstances which may affect their status as independent director during the year.

Pursuant to the requirements of the Companies Act, 2013 and Articles of Association of the Company, Mr. Deepak Bhargava (DIN: 05247943) is liable to retire by rotation and being eligible offers himself for re-appointment.

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

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

During the year under review, Mr. Devang Desai (DIN: 00005743), Mr. Dev Prakash Joshi (DIN: 05192222) and Mr. Jayadeb Nanda (DIN: 06578925) resigned from the Directorship of the Company with effect from 17th June, 2015 due to their pre occupation. The Board places on record its sincere appreciation for the valuable contribution and guidance rendered by Mr. Devang Desai, Mr. Dev Prakash Joshi and Mr. Jayadeb Nanda during their tenure with the Company.

Pursuant to the provisions of Section 203 of the Companies Act, 2013, Mr. Kaushal G. Shah was appointed as Chief Financial Officer of the Company with effect from 20th October, 2015 in place of Mr. Rajiv Kumar Rustagi.

### Directors' Responsibility Statement

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

- a. that in the preparation of the annual financial statements, the applicable accounting standards

have been followed along with proper explanation relating to material departures, if any;

- b. that such accounting policies have been selected and applied consistently and judgement and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2016 and of the profit of the Company for the year ended on that date;
- c. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. that the annual financial statements have been prepared on a going concern basis;
- e. that proper internal financial controls were in place and that the financial control were adequate and were operating effectively;
- f. that proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

### Number of Board Meetings

The Board of Directors met 7 (seven) times during the year under review. The details of board meetings and the attendance of the Directors are provided in the Corporate Governance Report which forms part of this report.

### Independent Directors' Meeting

The Independent Directors met on 30th March, 2016, without the attendance of Non-Independent Directors and members of the Management. The Independent Directors reviewed the performance of non-independent directors and the Board as a whole; the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

### Board Evaluation

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

### Policy on Directors' Appointment and Remuneration

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

### Internal Financial Control System and Their Adequacy

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

### Risk Management

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

### Committees of Board

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

### Corporate Social Responsibility

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

### Corporate Governance and Management Discussion and Analysis Report

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

In compliance with Corporate Governance requirements as per the SEBI Listing Regulations, your Company has formulated and implemented a Code of Business Conduct and Ethics for all Board members and senior management personnel of the Company, who have affirmed the compliance thereto.

## Business Responsibility Report

The Business Responsibility Report for the year ended 31st March, 2016 as stipulated under Regulation 34 of the SEBI Listing Regulations is annexed which forms part of this Annual Report.

## Prevention of Sexual Harassment at Workplace

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

## Extract of Annual Return

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

## Related Party Transactions

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

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

## Significant and Material orders passed by the Regulators or courts or tribunals impacting the Going Concern Status of the Company

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

## Insurance

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

## Auditors & Auditors' Report

Pursuant to the provisions of Section 139 of the Companies Act, 2013 read with rules made thereunder, M/s. Dharmesh Parikh & Co., Chartered Accountants (Firm Registration No.: 112054W), were appointed as Statutory Auditors of the Company to hold office till conclusion of the 5th Annual General Meeting (AGM) of the Company to be held in the calendar year 2018, subject to ratification of their appointment at every AGM. Accordingly, the appointment of M/s. Dharmesh Parikh & Co., Chartered Accountants as Statutory Auditors of the Company is placed for ratification by the Shareholders. In this regard, the Company has received a certificate from the auditors to the effect that if they are re-appointed, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

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

## Secretarial Audit Report

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the rules made thereunder, the Company had appointed Mr. Chirag Shah, Practising Company Secretary to undertake the Secretarial Audit of the Company. The Secretarial Audit Report for FY 2015-16 is annexed, which forms part of this report as Annexure-B. There were no qualifications, reservation or adverse remarks given by Secretarial Auditors of the Company.

## Particulars of Employees

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

The statement containing particulars of employees as required under Section 197 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, will be provided upon request. In terms of Section 136 of the Companies Act, 2013, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the members at

the Registered Office of the Company during business hours on working days of the Company. If any member is interested in obtaining a copy thereof, such Member may write to the Company Secretary in this regard.

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

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

### Acknowledgment

Your Directors are highly grateful for all the guidance, support and assistance received from the Government of

India, various State Governments, Financial Institutions and Banks. Your Directors thank all shareowners, esteemed customers, suppliers and business associates for their faith, trust and confidence reposed in the Company.

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

For and on behalf of the Board of Directors

Place : Ahmedabad

Date : 26.05.2016

**Gautam S. Adani**

Chairman

(DIN: 00006273)

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## Annexure – A

### to the Directors' Report Form No. MGT-9

**EXTRACT OF ANNUAL RETURN**  
**as on the financial year ended 31st March, 2016**  
[Pursuant to Section 92(3) of the Companies Act, 2013, and Rule 12(1) of the  
Companies (Management and Administration) Rules, 2014]

#### I. Registration and Other Details:

|   |   |
|---|---|
| CIN   | L40300GJ2013PLC077803   |
| Registration Date   | 9th December, 2013  |
| Name of the Company   | Adani Transmission Limited  |
| Category / Sub-Category of the Company                                    | Company limited by shares   |
| Address of the Registered office and contact details                      | Adani House, Nr. Mithakhali Six Roads, Navrangpura,<br>Ahmedabad-380009, Gujarat, India<br>Tel: +91-79-2656 5555  |
| Whether listed company  | Yes   |
| Name, Address and Contact details of Registrar and Transfer Agent, if any | M/s. Sharepro Services (India) Private Limited#<br>416-420, 4th Floor, Devnandan Mall, Opp. Sanyash Ashram,<br>Ashram Road, Ellisbridge, Ahmedabad – 380006.<br>Tel: +91-79-26582381 to 84<br>Fax : +91-79-26582385 |

# The Company is in process of changing R&T Agent as per SEBI order dated 22nd March, 2016.

#### II. Principal Business Activities of the Company:

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

| Name and description of main Product / Services | NIC Code of the Product / Services | % to total turnover of the company |
|---|------------------------------------|------------------------------------|
| Transmission of electric energy                 | 35107                              | 46%                                |
| Trading of castor oil                           | 46309                              | 54%                                |

#### III. Particulars of Holding, Subsidiary and Associate Companies:

| Sr. No. | Name and address of the Company  | CIN/GLN               | Holding/ Subsidiary/ Associate | % of shares held | Applicable Section |
|---------|--|-----------------------|--------------------------------|------------------|--------------------|
| 1.      | Adani Transmission (India) Limited<br>Adani House, Nr. Mithakhali Six Roads,<br>Navrangpura, Ahmedabad – 380 009                             | U40101GJ2013PLC077700 | Subsidiary                     | 100%             | 2(87)              |
| 2.      | Maharashtra Eastern Grid Power<br>Transmission Company Limited<br>Adani House, Nr. Mithakhali Six Roads,<br>Navrangpura, Ahmedabad – 380 009 | U40100GJ2010PLC059593 | Subsidiary                     | 100%             | 2(87)              |
| 3.      | Chhattisgarh-WR Transmission Limited<br>C-105, Anand Niketan, New Delhi – 110 021  | U40105DL2014GOI274570 | Subsidiary                     | 100%             | 2(87)              |

| Sr. No. | Name and address of the Company  | CIN                   | Holding/ Subsidiary/ Associate | % of shares held | Applicable Section |
|---------|--|-----------------------|--------------------------------|------------------|--------------------|
| 4.      | Raipur-Rajnandgaon-Warora Transmission Limited<br>C-105, Anand Niketan, New Delhi – 110 021  | U40300DL2014GOI274544 | Subsidiary                     | 100%             | 2(87)              |
| 5.      | Sipat Transmission Limited<br>C-105, Anand Niketan, New Delhi – 110 021  | U40300DL2014GOI274541 | Subsidiary                     | 100%             | 2(87)              |
| 6.      | Adani Transmission (Rajasthan) Limited<br>31 (A), 6TH Floor, Plot No. 5, Swej Farm, Mahima Trinity, New Sanganer Road, Jaipur – 302019 | U40105RJ2016PLC049663 | Subsidiary                     | 100%             | 2(87)              |

#### IV. Share Holding Pattern (Equity Share Capital breakup as percentage of Total Equity) As on 31st March, 2016

##### i) Category-wise Share Holding

|           | Category of Shareholders  | No. of Shares held at the beginning of the year |                      |                      |                   | No. of Shares held at the end of the year |          |                  |                   | % Change during the year |
|-----------|---|---|----------------------|----------------------|-------------------|---|----------|------------------|-------------------|--------------------------|
|           |   | Demat   | Physical             | Total                | % of total Shares | Demat                                     | Physical | Total            | % of total Shares |                          |
| <b>A.</b> | <b>Promoter</b>   |   |                      |                      |                   |   |          |                  |                   |                          |
| <b>1</b>  | <b>Indian</b>   |   |                      |                      |                   |   |          |                  |                   |                          |
| a)        | Individuals/HUF   | -   | -                    | -                    | -                 | 894080                                    | -        | 894080           | 0.08              | 0.08                     |
| b)        | Central Government  | -   | -                    | -                    | -                 | -   | -        | -                | -                 | -                        |
| c)        | State Government(s)   | -   | -                    | -                    | -                 | -   | -        | -                | -                 | -                        |
| d)        | Bodies Corporate  | -   | 109,00,00,000        | 109,00,00,000        | 100.00            | 99491719                                  | -        | 99491719         | 9.05              | (90.95)                  |
| e)        | Banks/ FI   | -   | -                    | -                    | -                 | -   | -        | -                | -                 | -                        |
| f)        | Any Others  | -   | -                    | -                    | -                 | -   | -        | -                | -                 | -                        |
|           | Family Trust  | -   | -                    | -                    | -                 | 630034660                                 | -        | 630034660        | 57.29             | 57.29                    |
|           | <b>Sub Total (A) (1)</b>  | <b>-</b>  | <b>109,00,00,000</b> | <b>109,00,00,000</b> | <b>100.00</b>     | <b>730420459</b>                          | <b>-</b> | <b>730420459</b> | <b>66.41</b>      | <b>(33.59)</b>           |
| <b>2</b>  | <b>Foreign</b>  |   |                      |                      |                   |   |          |                  |                   |                          |
| a)        | NRIs-Individuals  | -   | -                    | -                    | -                 | 90749100                                  | -        | 90749100         | 8.25              | 8.25                     |
| b)        | Other-Individuals   | -   | -                    | -                    | -                 | -   | -        | -                | -                 | -                        |
| c)        | Bodies Corporate  | -   | -                    | -                    | -                 | 3688000                                   | -        | 3688000          | 0.34              | 0.34                     |
| d)        | Banks/ FI   | -   | -                    | -                    | -                 | -   | -        | -                | -                 | -                        |
| e)        | Any Other   | -   | -                    | -                    | -                 | -   | -        | -                | -                 | -                        |
|           | <b>Sub Total (A) (2)</b>  | <b>-</b>  | <b>-</b>             | <b>-</b>             | <b>-</b>          | <b>94437100</b>                           | <b>-</b> | <b>94437100</b>  | <b>8.59</b>       | <b>8.59</b>              |
|           | <b>Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)</b> | <b>-</b>  | <b>109,00,00,000</b> | <b>109,00,00,000</b> | <b>100.00</b>     | <b>824857559</b>                          | <b>-</b> | <b>824857559</b> | <b>75.00</b>      | <b>(25.00)</b>           |

|           | Category of Shareholders   | No. of Shares held at the beginning of the year |                      |                      |                   | No. of Shares held at the end of the year |               |                   |                   | % Change during the year |
|-----------|--|---|----------------------|----------------------|-------------------|---|---------------|-------------------|-------------------|--------------------------|
|           |  | Demat   | Physical             | Total                | % of total Shares | Demat                                     | Physical      | Total             | % of total Shares |                          |
| <b>B.</b> | <b>Public Shareholding</b>   |   |                      |                      |                   |   |               |                   |                   |                          |
| <b>1</b>  | <b>Institutions</b>  |   |                      |                      |                   |   |               |                   |                   |                          |
| a)        | Mutual Funds/ UTI  | -   | -                    | -                    | -                 | 2213988                                   | -             | 2213988           | 0.20              | 0.20                     |
| b)        | Banks/FI   | -   | -                    | -                    | -                 | 29246932                                  | -             | 29246932          | 2.66              | 2.66                     |
| c)        | Central Govt.  | -   | -                    | -                    | -                 | -   | -             | -                 | -                 | -                        |
| d)        | State Govt.  | -   | -                    | -                    | -                 | -   | -             | -                 | -                 | -                        |
| e)        | Venture Capital Funds  | -   | -                    | -                    | -                 | -   | -             | -                 | -                 | -                        |
| f)        | Insurance Companies  | -   | -                    | -                    | -                 | -   | -             | -                 | -                 | -                        |
| g)        | FII  | -   | -                    | -                    | -                 | 111893239                                 | -             | 111893239         | 10.17             | 10.17                    |
| h)        | Foreign Venture Capital Funds  | -   | -                    | -                    | -                 | -   | -             | -                 | -                 | -                        |
| i)        | Any Other  |   |                      |                      |                   |   |               |                   |                   | -                        |
|           | Foreign Portfolio Investor (Corporate)                                     | -   | -                    | -                    | -                 | -   | -             | -                 | -                 | -                        |
|           | <b>Sub-Total (B)(1)</b>  | -   | -                    | -                    | -                 | <b>143354159</b>                          | -             | <b>143354159</b>  | <b>13.03</b>      | <b>13.03</b>             |
| <b>2</b>  | <b>Non-Institutions</b>  |   |                      |                      |                   |   |               |                   |                   |                          |
| a)        | Bodies Corporate   |   |                      |                      |                   |   |               |                   |                   |                          |
| i         | Indian   | -   | -                    | -                    | -                 | 13123278                                  | 4,000         | 13127278          | 1.19              | 1.19                     |
| ii        | Overseas   | -   | -                    | -                    | -                 | -   | -             | -                 | -                 | -                        |
| b)        | Individuals  |   |                      |                      |                   |   |               |                   |                   |                          |
| i         | Individual shareholders holding nominal share capital up to ₹1 lakh        | -   | -                    | -                    | -                 | 20067124                                  | 360901        | 20428025          | 1.86              | 1.86                     |
| ii        | Individual shareholders holding nominal share capital in excess of ₹1 lakh | -   | -                    | -                    | -                 | 17410835                                  | 110000        | 17520835          | 1.59              | 1.59                     |
| c)        | Others (specify)   |   |                      |                      |                   |   |               |                   |                   |                          |
|           | Clearing Member  | -   | -                    | -                    | -                 | 819170                                    | -             | 819170            | 0.07              | 0.07                     |
|           | Non Resident Indian (Repat)  | -   | -                    | -                    | -                 | 6045951                                   | -             | 6045951           | 0.55              | 0.55                     |
|           | Non Resident Indian (Non Repat)  | -   | -                    | -                    | -                 | 387681                                    | -             | 387681            | 0.03              | 0.03                     |
|           | Foreign Companies  | -   | -                    | -                    | -                 | 10000                                     | -             | 10000             | 0.00              | 0.00                     |
|           | Corp. Body - Foreign Bodies  | -   | -                    | -                    | -                 | 73259425                                  | -             | 73259425          | 6.66              | 6.66                     |
|           | <b>Sub Total (B) (2)</b>   | -   | -                    | -                    | -                 | <b>131123464</b>                          | <b>474901</b> | <b>131598365</b>  | <b>11.97</b>      | <b>11.97</b>             |
|           | <b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>                        | -   | -                    | -                    | -                 | <b>274477623</b>                          | <b>474901</b> | <b>274952524</b>  | <b>25.00</b>      | <b>25.00</b>             |
| <b>C.</b> | <b>Shares held by Custodians for GDRs &amp; ADRs</b>                       | -   | -                    | -                    | -                 | -   | -             | -                 | -                 | -                        |
|           | <b>Grand Total (A)+(B)+(C)</b>   | -   | <b>109,00,00,000</b> | <b>109,00,00,000</b> | <b>100.00</b>     | <b>1099335182</b>                         | <b>474901</b> | <b>1099810083</b> | <b>100.00</b>     | <b>-</b>                 |



## ii) Shareholding of Promoters/Promoters Group:

| Sr. No. | Shareholder's Name  | Shareholding at the beginning of the year |                                  |   | Shareholding at the end of the year |                                  |   | % Change in shareholding during the year |
|---------|---|---|----------------------------------|---|-------------------------------------|----------------------------------|---|--|
|         |   | No. of Shares                             | % of total shares of the company | % shares pledged/encumbered to total shares | No. of Shares                       | % of total shares of the company | % shares pledged/encumbered to total shares |  |
| 1       | Adani Enterprises Limited (AEL) <sup>1</sup>  | 1090000000                                | 100.00                           | --  | --                                  | --                               | --  | (100.00)                                 |
| 2       | Shri Gautam S. Adani/<br>Smt. Priti G. Adani (on behalf Gautam S. Adani Family Trust) | --  | --                               | --  | 8836750                             | 0.80                             | 0.00  | 0.80                                     |
| 3       | Shri Gautam S. Adani/<br>Shri Rajesh S. Adani (on behalf S.B. Adani Family Trust)     | --  | --                               | --  | 621197910                           | 56.48                            | 15.03                                       | 56.48                                    |
| 4       | Adani Properties Pvt. Ltd.  | --  | --                               | --  | 99491719                            | 9.05                             | 1.96  | 9.05                                     |
| 5       | Shri Vinod Shantilal Adani  | --  | --                               | --  | 90749100                            | 8.25                             | 0.00  | 8.25                                     |
| 6       | Ventura Power Investments Pvt. Ltd., Mauritius  | --  | --                               | --  | 3688000                             | 0.34                             | 0.00  | 0.34                                     |
| 7       | Shri Bhavik B. Shah   | --  | --                               | --  | 37000                               | 0.00                             | 0.00  | 0.00                                     |
| 8       | Shri Rakesh R. Shah   | --  | --                               | --  | 611080                              | 0.06                             | 0.01  | 0.06                                     |
| 9       | Smt. Surekha B. Shah  | --  | --                               | --  | 34000                               | 0.00                             | 0.00  | 0.00                                     |
| 10      | Smt. Priti R. Shah  | --  | --                               | --  | 196000                              | 0.02                             | 0.02  | 0.02                                     |
| 11      | Shri Vinod N. Sanghvi   | --  | --                               | --  | 16000                               | 0.00                             | 0.00  | 0.00                                     |
|         | <b>Total</b>  | <b>1090000000</b>                         | <b>100.00</b>                    | <b>--</b>                                   | <b>824857559</b>                    | <b>75.00</b>                     | <b>17.02</b>                                | <b>(25.00)</b>                           |

1. Shares held by AEL including six nominees of AEL. Pursuant to the Composite Scheme of Arrangement approved by the Hon'ble High Court of Gujarat vide its order dated 7th May, 2015 existing holding of AEL was cancelled.

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

| Particulars   | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                                  |
|---|---|----------------------------------|---|----------------------------------|
|   | No. of Shares                             | % of total shares of the Company | No. of shares                           | % of total Shares of the Company |
| At the beginning of the year  | 109,00,00,000                             | 100.00                           | -                                       | -                                |
| Date-wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): |   |                                  |   |                                  |
| - Cancellation of Equity Shares held by Adani Enterprises Limited pursuant to the Composite Scheme of Arrangement   | (109,00,00,000)                           | (100.00)                         | -                                       | -                                |
| - Allotment pursuant to the Composite Scheme of Arrangement (Date of Allotment: 08.06.2015)   | -   | -                                | 824857559                               | 75.00                            |
| At the end of the year  | -   | -                                | 824857559                               | 75.00                            |

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

| Name of Shareholder                           | Shareholding at the beginning of the year |                                  | Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc) |            | Shareholding at the end of the year |                                  |
|---|---|----------------------------------|--|------------|-------------------------------------|----------------------------------|
|   | No. of Shares                             | % of total shares of the Company | Purchase   | Sell       | No. of Shares                       | % of total shares of the Company |
|   |   |                                  |  |            |                                     |                                  |
| Dimensional Emerging Markets Value Fund       | 3495161                                   | 0.32                             | -  | (54382)    | 3440779                             | 0.31                             |
| Morgan Stanley Asia (Singapore) Pte. Ltd.     | 5495005                                   | 0.50                             | -  | (3664819)  | 1830186                             | 0.17                             |
| HSBC Bank (Mauritius) Limited                 | 12719548                                  | 1.16                             | 1424189  | (1807320)  | 12336417                            | 1.12                             |
| Elara Capital Plc A/C Vespera Fund Limited    | 6741077                                   | 0.61                             | 6297297  | -          | 13038374                            | 1.19                             |
| Janus Overseas Fund                           | 7840044                                   | 0.71                             | -  | (7840044)  | Nil                                 | -                                |
| DB International (Asia) Ltd                   | 566248                                    | 0.05                             | 3872733  | (3743672)  | 695309                              | 0.06                             |
| Cresta Fund Ltd                               | 28765522                                  | 2.62                             | 12403337   | -          | 41168859                            | 3.74                             |
| Albula Investment Fund Ltd                    | 18206131                                  | 1.66                             | -  | -          | 18206131                            | 1.66                             |
| Gudami International Pte Ltd                  | 13965900                                  | 1.27                             | -  | (13965900) | Nil                                 | -                                |
| Life Insurance Corporation of India           | 27997267                                  | 2.55                             | -  | -          | 27997267                            | 2.55                             |
| Elara India Opportunities Fund Limited        | 26520917                                  | 2.41                             | 3956516  | -          | 30477433                            | 2.77                             |
| Emerging India Focus Funds                    | 25196129                                  | 2.29                             | -  | -          | 25196129                            | 2.29                             |
| EM Resurgent Fund                             | 5902000                                   | 0.54                             | 4442476  | -          | 10344676                            | 0.94                             |
| Swiss Finance Corporation (Mauritius) Limited | 6866962                                   | 0.62                             | 37852  | (174983)   | 6729831                             | 0.61                             |

1. The shares of the Company are traded on a daily basis and hence the date wise increase / decrease in shareholding is not indicated. Shareholding is consolidated based on Permanent Account Number (PAN) of the shareholder.
2. Shares allotted pursuant to the Composite Scheme of Arrangement have been considered.

v) Shareholding of Directors and Key Managerial Personnel

| For each of the Directors and KMP           | Shareholding at the beginning of the year |                                  | Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc) | Shareholding at the end of the year |                                  |
|---|---|----------------------------------|--|-------------------------------------|----------------------------------|
|   | No. of Shares                             | % of total shares of the Company |  | No. of Shares                       | % of total shares of the Company |
| <b>Directors</b>                            |   |                                  |  |                                     |                                  |
| Mr. Devang Desai <sup>1</sup>               | 0   | 0.00                             | -  | N.A.                                | N.A.                             |
| Mr. Dev Prakash Joshi <sup>1</sup>          | 0   | 0.00                             | -  | N.A.                                | N.A.                             |
| Mr. Jayadeb Nanda <sup>1</sup>              | 0   | 0.00                             | -  | N.A.                                | N.A.                             |
| Mr. Gautam S. Adani <sup>2, 6 &amp; 7</sup> | N.A.                                      | N.A.                             | -  | 0                                   | 0.00                             |
| Mr. Rajesh S. Adani <sup>2&amp;6</sup>      | N.A.                                      | N.A.                             | -  | 0                                   | 0.00                             |
| Mr. Deepak Bhargava <sup>3</sup>            | N.A.                                      | N.A.                             | -  | 0                                   | 0.00                             |
| Mr. K. Jairaj <sup>2</sup>                  | N.A.                                      | N.A.                             | -  | 0                                   | 0.00                             |
| Mr. V. Subramanian <sup>2</sup>             | N.A.                                      | N.A.                             | -  | 0                                   | 0.00                             |
| Ms. Meera Shankar <sup>2</sup>              | N.A.                                      | N.A.                             | -  | 0                                   | 0.00                             |

| For each of the Directors and KMP                             | Shareholding at the beginning of the year |                                  | Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc) | Shareholding at the end of the year |                                  |
|---|---|----------------------------------|--|-------------------------------------|----------------------------------|
|   | No. of Shares                             | % of total shares of the Company |  | No. of Shares                       | % of total shares of the Company |
| <b>Key Managerial Personnel</b>                               |   |                                  | -  |                                     |                                  |
| Mr. Rajiv Kumar Rustagi, Chief Financial Officer <sup>4</sup> | N.A.                                      | N.A.                             | -  | N.A.                                | N.A.                             |
| Mr. Kaushal G. Shah, Chief Financial Officer <sup>5</sup>     | N.A.                                      | N.A.                             | -  | 0                                   | 0.00                             |
| Mr. Jaladhi Shukla Company Secretary <sup>9</sup>             | N.A.                                      | N.A.                             | -  | 49                                  | 0.00                             |

- Resigned as Directors w.e.f. 17th June, 2015.
  - Appointed as Additional Directors w.e.f. 17th June, 2015.
  - Appointed as Whole-time Director w.e.f. 8th May, 2015.
  - Appointed as Chief Financial Officer w.e.f. 17th June, 2015 and ceased as Chief Financial Officer w.e.f. 20th October, 2015.
  - Appointed as Chief Financial Officer w.e.f. 20th October, 2015.
  - Gautam S. Adani/ Rajesh S. Adani (on behalf of S.B. Adani Family Trust) holds 62,11,97,910 (56.48%) shares of the Company allotted pursuant to the Composite Scheme of Arrangement.
  - Gautam S. Adani/ Priti G. Adani (on behalf of Gautam S. Adani Family Trust) holds 88,36,750 (0.80%) shares of the Company allotted pursuant to the Composite Scheme of Arrangement.
  - Dr. Ravindra H. Dholakia was appointed as an Additional Director w.e.f. 26th May, 2016.
  - Appointed as Company Secretary and Compliance Officer w.e.f. 30th March, 2015.
- N.A.= Not Applicable

## V. Indebtedness

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

(₹ in crores)

| Particulars  | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|--|----------------------------------|-----------------|----------|--------------------|
| <b>Indebtedness at the beginning of the financial year</b> |                                  |                 |          |                    |
| i) Principal Amount  | -                                | 2627.26         | -        | 2627.26            |
| ii) Interest due but not paid                              | -                                | -               | -        | -                  |
| iii) Interest accrued but not due                          | -                                | -               | -        | -                  |
| <b>Total (i+ii+iii)</b>                                    | -                                | <b>2627.26</b>  | -        | <b>2627.26</b>     |
| <b>Change in Indebtedness during the financial year</b>    |                                  |                 |          |                    |
| • Addition   | 2882.17                          | 2560.93         | -        | 5443.10            |
| • Reduction  | -                                | 2660.49         | -        | 2660.49            |
| <b>Net Change</b>  | <b>2882.17</b>                   | <b>(99.56)</b>  | -        | <b>2782.61</b>     |
| <b>Indebtedness at the end of the financial year</b>       |                                  |                 |          |                    |
| i) Principal Amount  | 2850.00                          | 2510.61         | -        | 5360.61            |
| ii) Interest due but not paid                              | -                                | -               | -        | -                  |
| iii) Interest accrued but not due                          | 32.17                            | 17.09           | -        | 49.26              |
| <b>Total (i+ii+iii)</b>                                    | <b>2882.17</b>                   | <b>2527.70</b>  | -        | <b>5409.87</b>     |

## VI. Remuneration of Directors and Key Managerial Personnel

### A. Remuneration to Managing Director and Whole-time Directors:

(₹ in crores)

| Sr. No. | Particulars of Remuneration  | Deepak Bhargava<br>Whole-time Director <sup>1</sup>                       | Total Amount |
|---------|--|---|--------------|
| 1       | Gross Salary   |   |              |
|         | a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961 | 1.61  | 1.61         |
|         | b) Value of perquisites u/s 17(2) Income-tax Act, 1961                             | -   | -            |
|         | c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961              | -   | -            |
| 2       | Stock Option   | -   | -            |
| 3       | Sweat Equity   | -   | -            |
| 4       | Commission   |   |              |
|         | - as % of profit   | -   | -            |
|         | - Other, specify   | -   | -            |
| 5       | Others, please specify - contribution towards PF, super annuation, etc.            | 0.10  | 0.10         |
|         | Total (A)  | 1.71  | 1.71         |
|         | Ceiling as per the Act   | Not applicable in view of loss incurred by the Company during FY 2015-16. |              |

1. Appointed as a Whole-time Director w.e.f. 8th May, 2015.

2. Mr. Gautam S. Adani, Chairman and Mr. Rajesh S. Adani, Director are not drawing any remuneration from the Company.

### B. Remuneration to other Directors:

#### 1. Independent Directors

(₹ in Lacs)

| Particulars of Remuneration                   | K. Jairaj <sup>1</sup> | V. Subramanian <sup>1</sup> | Ms. Meera Shankar <sup>1</sup> | Dr. Ravindra H. Dholakia <sup>3</sup> | Total       |
|---|------------------------|-----------------------------|--------------------------------|---------------------------------------|-------------|
| a) Fee for attending Board committee meetings | 1.60                   | 1.60                        | 1.40                           | -                                     | 4.60        |
| b) Commission                                 | -                      | -                           | -                              | -                                     | -           |
| c) Other, Please specify                      | -                      | -                           | -                              | -                                     | -           |
| <b>Total (1)</b>                              | <b>1.60</b>            | <b>1.60</b>                 | <b>1.40</b>                    | <b>-</b>                              | <b>4.60</b> |

#### 2 Other Non-Executive Directors

| Particulars of Remuneration                    | Devang Desai <sup>2</sup> | Dev Prakash Joshi <sup>2</sup> | Jayadeb Nanda <sup>2</sup> | Total       |
|--|---------------------------|--------------------------------|----------------------------|-------------|
| a) Fee for attending board, committee meetings | -                         | -                              | -                          | -           |
| b) Commission                                  | -                         | -                              | -                          | -           |
| c) Other, Please specify                       | -                         | -                              | -                          | -           |
| <b>Total (2)</b>                               | <b>-</b>                  | <b>-</b>                       | <b>-</b>                   | <b>-</b>    |
| <b>Total (1+2)</b>                             |                           |                                |                            | <b>4.60</b> |

1. Appointed as Additional Directors w.e.f 17th June, 2015.

2. Resigned as Directors w.e.f. 17th June, 2015.

3. Appointed as an Additional Director w.e.f. 26th May, 2016.

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

(₹ in Crores)

| Sr. No. | Particulars of Remuneration  | Kaushal G. Shah, CFO <sup>1</sup> | Total Amount |
|---------|--|-----------------------------------|--------------|
| 1       | Gross Salary   |                                   |              |
|         | a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961 | 0.58                              | 0.58         |
|         | b) Value of perquisites u/s 17(2) Income-tax Act, 1961                             | 0.02                              | 0.02         |
|         | c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961              | --                                | --           |
| 2       | Stock Option   | --                                | --           |
| 3       | Sweat Equity   | --                                | --           |
| 4       | Commission   | --                                | --           |
|         | – as % of profit   | --                                | --           |
|         | – Other, specify   | --                                | --           |
| 5       | Others – contribution towards PF etc.  | 0.05                              | 0.05         |
|         | <b>Total</b>   | <b>0.65</b>                       | <b>0.65</b>  |

1. Appointed as Chief Financial Officer w.e.f. 20th October, 2015.

2. Mr. Rajiv Kumar Rustagi was appointed as Chief Financial Officer w.e.f. 17th June, 2015 and ceased as Chief Financial Officer w.e.f. 20th October, 2015. He was not drawing any remuneration from the Company.

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

## VII. Penalties/Punishment/Compounding of Offences:

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

## Annexure – B to the Directors' Report

### FORM NO. MR-3 – SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2016

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

To,  
The Members,  
**Adani Transmission Limited**

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

Based on our verification of the Adani Transmission Limited (books, papers, minute books, forms and returns filed and other records maintained by the Company) and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2016, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Adani Transmission Limited ("the Company") for the financial year ended on 31st March, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made hereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and amendments from time to time;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (Not Applicable to the Company during the Audit Period);
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not Applicable to the Company during the Audit Period); and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not Applicable to the Company during the Audit Period);
- (vi) Laws specifically applicable to the industry to which the Company belongs, as identified by the management, that is to say:
  - (a) The Electricity Act, 2003
  - (b) The Grid Code, the grid connectivity standards applicable to the Transmission Line and the sub-

station as per the Central Electricity Authority (Technical Standards for Connectivity to the Grid) Regulations, 2007, Central Electricity Authority (Technical Standards for Construction of Electrical Plants and Electric Lines) Regulations, 2010.

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

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

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

**We further report that -**

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

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

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

**We further report that -**

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

**We further report that -**

1. During the year under review, the Hon'ble High Court of Gujarat had, vide its order dated 7th May, 2015 sanctioned the Composite Scheme of Arrangement between Adani Enterprises Limited ('AEL') and Adani Ports and Special Economic Zone Limited ('APSEZ') and Adani Power Limited ('APL') and Adani Transmission Limited ('the Company' or 'ATL') and Adani Mining Private Limited ('AMPL') and their respective shareholders and creditors ('the Scheme').

The Scheme, with effect from 1st April 2015, inter alia, provided for Demerger of the Transmission Undertaking of AEL comprising the undertaking, businesses, activities, operations, assets (moveable

and immovable) and liabilities pertaining to the Mundra-Zerda transmission line and the investment of AEL in ATL into ATL.

Upon the Scheme coming into effect and in consideration of the transfer and vesting of the Transmission Undertaking of AEL into the Company, in terms of the Scheme, the equity shareholders of AEL whose names appeared in the Register of Members of AEL as on the Record Date i.e. 4th June, 2015 ("Eligible Shareholders of AEL") were entitled for allotment of 1 (one) Equity Share in ATL of ₹10/- each credited as fully paid-up for every 1 (one) Equity Share of ₹1/- each fully paid-up held by such equity shareholder in AEL.

Accordingly, 109,98,10,083 Equity Shares of ₹10/- each of the Company were issued and allotted to the Eligible Shareholders of AEL on 8th June, 2015. Further, pursuant to the scheme existing holding of 109,00,00,000 Equity Shares of ₹10 each of AEL in the Company was extinguished and cancelled.

The Equity Shares of the Company so issued pursuant to the Scheme were listed and admitted for trading on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") with effect from 31st July, 2015.

2. During the year under review, the Company has issued 1,000 Rated, Listed, Taxable, Secured, Redeemable, Non-Convertible Debentures of face value of ₹10 lacs each aggregating to ₹1,000 Crores on private placement basis listed on the Wholesale Debt Market Segment of BSE Limited.
3. During the year under review, one Special Resolution was passed through Postal Ballot Process under Section 13 of the Companies Act, 2013 for alteration of the Main Object Clause of the Memorandum of Association of the Company.
4. During the audit period SEBI has passed an order dated 22/03/2016 thereby besides other observations made therein, directed the clients of Sharepro Services (I) Private Limited to conduct a thorough audit of the records and systems of RTA. The Company has appointed an agency to conduct such audit.

**CS Chirag Shah**  
Partner

**Samdani Shah & Associates**

Place: Ahmedabad  
Date: 26th May, 2016

FCS No. 5545  
C P No.: 3498

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

## Annexure – A

### TO THE SECRETARIAL AUDIT REPORT

To,  
The Members,  
**Adani Transmission Limited**

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

#### **Management's Responsibility**

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

#### **Auditor's Responsibility**

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We believe that audit evidence and information obtain from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.

#### **Disclaimer**

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

Place: Ahmedabad  
Date: 26th May, 2016

**CS Chirag Shah**  
Partner  
**Samdani Shah & Associates**  
FCS No. 5545  
C P No.: 3498



## Annexure – C

### to the Directors' Report

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

- i) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2015-16 and the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the financial year 2015-16:

| Name of Director and KMP                   | Ratio of remuneration to median remuneration of Employees | % increase in remuneration in the financial year |
|--|---|--|
| <b>Executive Directors</b>                 |   |  |
| Mr. Gautam S. Adani <sup>1</sup>           | -   | -  |
| Mr. Rajesh S. Adani <sup>1</sup>           | -   | -  |
| Mr. Deepak Bhargava <sup>2 &amp; 7</sup>   | 15.24:1   | -  |
| <b>Non-Executive Directors</b>             |   |  |
| Mr. K. Jairaj <sup>1, 3 &amp; 7</sup>      | 0.14:1  | -  |
| Mr. V. Subramanian <sup>1, 3 &amp; 7</sup> | 0.14:1  | -  |
| Ms. Meera Shankar <sup>1, 3 &amp; 7</sup>  | 0.12:1  | -  |
| Mr. Devang Desai <sup>4</sup>              | -   | -  |
| Mr. Dev Prakash Joshi <sup>4</sup>         | -   | -  |
| Mr. Jayadeb Nanda <sup>4</sup>             | -   | -  |
| <b>Key Managerial Personnel</b>            |   |  |
| Mr. Kaushal G. Shah <sup>5 &amp; 7</sup>   | 5.80:1  | -  |
| Mr. Rajiv Kumar Rustagi <sup>6</sup>       | -   | -  |
| Mr. Jaladhi Shukla                         | -   | -  |

1. Appointed as Additional Directors w.e.f. 17th June, 2015.
2. Appointed as a Whole-time Director w.e.f. 8th May, 2015.
3. Reflects sitting fees.
4. Resigned as Directors w.e.f. 17th June, 2015.
5. Appointed as Chief Financial Officer w.e.f. 20th October, 2015.
6. Appointed as Chief Financial Officer of the Company w.e.f. 17th June, 2015 and resigned w.e.f. 20th October, 2015.
7. Appointed during FY 2015-16, therefore, increase in remuneration is not applicable.
8. Dr. Ravindra H. Dholakia was appointed as an Additional Director w.e.f. 26th May, 2016.

- ii) The percentage increase in the median remuneration of employees in the financial year: 16.93%
- iii) The number of permanent employees on the rolls of Company: 211 as on 31st March, 2016.
- iv) The explanation on the relationship between average increase in remuneration and Company performance:  
The average increase in remuneration is closely linked to and driven by achievement of annual corporate goals and overall business, financial and operational performance of the Company.

**v) Comparison of the remuneration of the key managerial personnel against the performance of the Company:**

The total remuneration of key managerial personnel's in FY16 was ₹2.36 Crore, whereas during the year under review, the Company registered total revenue of ₹421 Crore on standalone basis and ₹2,267 Crore on consolidated basis.

**vi) Variations in the market capitalisation of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year:**

| Particulars                         | 31st March, 2016 | 31st March, 2015            | % Change |
|-------------------------------------|------------------|-----------------------------|----------|
| Market Capitalisation (₹ in crores) | 3772             | Not Applicable <sup>1</sup> | ---      |
| Price Earnings Ratio                | (70)             | Not Applicable <sup>1</sup> | ---      |

1. The Equity Shares of the Company issued pursuant to the Scheme were listed and admitted for trading on BSE and NSE w.e.f. 31st July, 2015.

**vii) Percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer:**

The Market Price of per share as on 31st March, 2016 was ₹34.30 on BSE and ₹34.35 on NSE.

The Company has not made any public offer in the recent past and accordingly, comparison of public offer price and the current market price of the Company's shares is not relevant.

The Equity Shares of the Company issued pursuant to the Scheme were listed and admitted for trading on BSE and NSE w.e.f. 31st July, 2015.

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

- Average increase in remuneration of employees excluding KMPs: N.A.
- Average increase in remuneration of KMPs: N.A.

**ix) Comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company:**

The total remuneration of key managerial personnel's in FY 16 was ₹2.36 Crore as disclosed in Form no. MGT-9 above, whereas during the year under review, the Company registered total revenue of ₹421 Crore on standalone basis and ₹2,267 Crore on consolidated basis.

**x) The key parameters for any variable component of remuneration availed by the Directors:**

Not Applicable.

**xi) The ratio of the remuneration of the highest paid Director to that of the employees who are not Directors but receive remuneration in excess of the highest paid Director during the year:**

Not Applicable

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

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

## Annexure – D

### to the Directors' Report

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

#### A. Conservation of Energy:

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

- Voltage optimization through reactive power compensation
- Exploring use of Renewable energy
- Implemented Process for Energy Wastage minimization
- Power factor improvement
- High efficiency lighting control, motors, pumps & fans
- Control building insulation & windows
- Operation of transformer in order to get high efficiency
- Ensuring of good electrical contact to attain low resistance at conductor joints (splices) and parallel groove (PG) clamps through periodical inspection and maintenance.
- Use of Silicon Rubber Insulator for less break down of line

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

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

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

Nil

#### B. Technology Absorption:

Nil

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

The particulars relating to foreign exchange earnings and outgo during the year under review are as under:

(₹ in crores)

| Particulars             | 2015-16 | 2014-15 |
|-------------------------|---------|---------|
| Foreign exchange earned | --      | --      |
| Foreign exchange outgo  | 2.81    | --      |

## Annexure to the Directors' Report

### ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES AS PER SECTION 135 OF THE COMPANIES ACT, 2013

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

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

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

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

- Mr. Rajesh S. Adani, Chairman
- Mr. Deepak Bhargava, Member
- Mr. K. Jairaj, Member

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

Average net loss: ₹8.97 Crore on standalone basis.

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

In view of average losses, the Company was not required to make mandatory CSR expenditure during the year 2015-16 as per Section 135 of the Companies Act, 2013.

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

- a) Total amount spent for the financial year: Not Applicable
- b) Amount unspent, if any: Nil
- c) Manner in which the amount spent during the financial year is detailed below: Not Applicable

During FY 2015-16, the Company's subsidiaries have spent 1.49 Crores towards CSR activities.

6. **In case the company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof:** Not Applicable

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

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

Adani Foundation is the CSR arm of the Adani Group. Since its inception in 1996, the Foundation has been working in four core areas of Education, Community Health, Sustainable Livelihood Development and Rural Infrastructure Development to extend its support to communities. Working closely with the communities, we have been able to assume the role of a facilitator by creating an enabling environment for numerous families. Adani Foundation is currently operational in 12 states reaching out to 4 lac plus families from 1470 villages and towns of India with a human-centric approach to make the processes sustainable, transparent and replicable. The Company as a business entity firmly believes in the notion of sustainable community development. Assuming the role of a responsible corporate, it strives to create an environment of coexistence where there is an equitable sharing of resources followed by sustained growth and development of the community around. Hence, the Company has been promoting CSR activities through the Adani Foundation.

Education is believed to be the stepping stone to improve the quality of life, especially for the poor and the most vulnerable. The ideology behind all the education initiatives undertaken lies in the very essence of transforming lives through the continuous generation of knowledge and empowerment. Taking forward this ideology, Adani Foundation established Adani Vidya Mandir, Ahmedabad (AVM-A) with a unique concept which not only comprise providing cost free quality education to the meritorious students of the underprivileged background, but also free of cost transportation facilities, uniform, textbooks and notebooks, breakfast, lunch and refreshments to them. During 2015-16 academic year, 871 children are studying in AVM-A. They have excelled in education, sports, art and culture. AVM-A also received the Brands Academy Excellence Award 2015 for being adjudged as the "Most Promising CBSE School at Ahmedabad".

**Deepak Bhargava**  
Whole-time Director  
(DIN: 05247943)

**Rajesh S. Adani**  
Chairman – CSR Committee  
(DIN: 00006322)

# CORPORATE SOCIAL RESPONSIBILITY REPORT

## Overview

### Igniting Minds for Nation Building...

Adani Foundation came into existence in the year 1996 as a CSR wing of Adani Group of companies. The Foundation, since its inception, has been working relentlessly with an objective of contributing towards the socio-economic development of communities and for an inclusive & sustainable development towards nation building.

Adani Foundation has come a long way in bringing transformative changes and touching the lives of more than 4,00,000 families across the nation. Over a period of time, the Foundation's resolutions, energy, determination and dedication have been silently converted into revolutions with continuous and persevering actions. In the forthcoming years ahead; the momentum of Foundation's actions has been envisaged to get accelerated further nationally. It is planned to continue its efforts for engendering positive and profound societal impacts.

**Our Vision** - Accomplish passionate commitment to the social obligations towards communities, fostering sustainable and integrated development, thus improving quality of life.

**Our Mission** - To play the role of facilitator for the benefit of the public without distinction of caste or community, sector religion, class or creed in the fields of education, community health and promotion of social and economic welfare and uplift of the people in general.

**Approach** - Adani Foundation works towards facilitating appropriate processes to bring about equitable, gender sensitive and self-sustaining development in the communities it functions in. The foundation's chosen scope of work to build better lives at the grassroots are in the following areas:

- Education
- Community Health
- Sustainable Livelihood Development
- Rural Infrastructure Development Geographical Spread

The Foundation has a presence across the nation at 21 sites, covering more than 1400 villages & towns. Presently, the foundation is spread across the States of Gujarat, Maharashtra, Himachal Pradesh, Rajasthan, Chhattisgarh, Madhya Pradesh, Andhra Pradesh, Karnataka, Kerala, Orissa, Haryana and Goa through various innovative efforts.

**Education** - The Foundation believes that Education is the stepping stone to improve the quality of life, especially for the poor and the most vulnerable. The ideology behind all the education initiatives undertaken lies in the very essence of transforming lives through the continuous enhancement of knowledge and empowerment. The main objective behind the education initiatives is to provide 'quality' education to all and a unique learning experience to young minds.

The Adani Vidya Mandir (AVM), a school under the aegis of Adani Foundation is developed with a unique concept which aims at providing cost free quality education to meritorious students coming from underprivileged backgrounds. Adani Vidya Mandir, Ahmedabad established in the year 2008 is a CBSE affiliated English medium school and is the first of its kind initiative. The AVM model has been successfully replicated in other locations at Bhadrashwar (Gujarat) and Surguja (Chhattisgarh) benefiting more than 1631 underprivileged students. These students, most of them being first generation learners, have priceless treasures of desire and ability, but lack of resources play deterrent in making them chase their dreams. AVM supports the dreams of those parents who due to their financial constraints are not in a position to provide quality education to their children.

Besides AVM schools, the Foundation has also established many schools providing subsidized education to the students. Adani Vidyalayas at Tiroda & Kawai, Adani Public School and NavChetan Vidyalaya at Junagam in Choryasi block of Surat district, has also been adopted by the Adani Foundation. At Dhamra, an English Medium school is also supporting around 300 students from nearby community.

**Support to Government Schools** - The Foundation complements the existing efforts of the Government by filling the gaps and playing a supporting & complementary role in imparting quality education. It helps in increasing the enrolment rate in the schools, especially that of the girl child. The Foundation provides infrastructure and material support to the Government schools. Also, special emphasis is given to increase teacher's effectiveness through organizing teacher's trainings, exposure tours & introduction of technology through E-Learning solutions in schools.

Adani Foundation has initiated several projects in the Government schools such as MKEN, "Disha" career counselling program, Parvarish & Science on Wheels, etc. benefiting more than 55,000 students cumulatively in 2015-16 covering more than 235 schools.

In a special school adoption program of Government of Rajasthan, Adani Foundation has adopted 34 schools with support in repairing, refurbishing and bridging the gaps. This year support was provided in the form of winter wear to 8,642 children of 34 schools and 43 anganwadi centres.

Apart from these, the Foundation has also been providing scholarship for the under privileged students to take up higher education at prestigious institutes. Promotion of sports in the country has been a special focus area of the Foundation wherein the Foundation has been sponsoring & is providing specialized trainings and other facilities of the international level players like Mandeep Jangra (Boxing), Inderjeet Singh (Shot put), Khushbir Kaur (Race Walker), Malaika Goel (Air Gun), Sanjivani Jadhav (Athletics), Ankita Raina (Tennis) and Pinki Rani (Boxing) heading to Rio and other international events.

**Project Udaan** - Another innovative program initiated by the foundation is "Project Udaan". Udaan is a learning based initiative focusing on the youth coming from various educational institutes across the State of Gujarat. Under this project, a two days exposure tour is organized wherein students are given an opportunity to visit the Adani Port, Adani Power & Adani Wilmar facilities to get an insight and be inspired to dream big and start envisioning career options including entrepreneurship. Around 1.47 lakhs students from more than 1,922 educational institutes have been benefited through this unique initiative.

**Community Health** - The major objective behind the health initiatives of the foundation is to provide "Affordable and Accessible health care to all". To provide good medical facilities even to the remotest of the villages; the group has started Mobile Healthcare Units & rural clinics. Six Mobile Units are run by the foundation

in the regions of Mundra, Kawai, Tiroda, Dahej & Shimla attending more than 15,000 patients monthly and 12 rural clinics treating approximately 5,000 patients in a month. Many general & speciality camps are also organized catering to 8,000-10,000 patients per year.

The Adani Senior Citizen Health card was initiated in the year 2011, keeping in mind the prevalent issues related to old age. The scheme provides free of cost health check-up and health coverage upto ₹50,000 over a period of 3 years to people over the age of 60. The Senior Citizen Health Card scheme currently is spread across 66 villages in Mundra block of Kutch District with a total number of beneficiaries counting to 7487. Adani Foundation also launched a Project in coordination with Integrated Child Development Services (ICDS), for "Reducing Malnourishment in Children" at various sites.

A special project on Reduction of Anemia amongst adolescent girls and women in Tiroda region has impacted more than 1271 beneficiaries. CBC testing of 1,500 adolescent girls as well as women in 22 villages was also conducted. 120 children in Mundra area identified and 109 treated to overcome from mal-nourished stage; 11 are under treatment.

Adani Foundation entered into a Public Private Partnership with the Government of Gujarat and the Gujarat Adani Institute of Medical Science (GAIMS) came into existence in 2009. The college which at present has a total strength of 750 students and GK General Hospital accommodates 700 beds is the only medical college in entire Kutch District. GAIMS has made the best healthcare available to the people of Kutch with all modern equipment and expert doctors.

**Sustainable Livelihood Development** - Livelihoods, is one of the major components that need to be focused upon to bring about a holistic development in the communities. The Foundation has been working towards providing the beneficiaries with a number of livelihoods and income generating initiatives. In 2011, Adani Group started Adani Skill Development Centre (ASDC). ASDC offers many courses to train young men & women with limited educational background and skill-sets. This year 1,016 youths were trained in soft skill and technical trainings. These youths are trained in various fields like IT, crane operations, automobile assistance, electrician, beautician, tailoring etc. so as to enable them to earn a livelihood for themselves & become financially independent.

To promote skill building among youth the foundation has collaborated with the Government under a Public Private Partnership model with the Industrial Training Institutes (ITIs) in Mundra, Deesa and Tiroda.

Women Empowerment through Self-Help Groups (SHGs) formation & trainings is also carried out making women self-reliant and independent. Women members of SHGs were trained on various home based vocational skills such as soap, shampoo, cleaner etc. production.

Organic farming initiatives like System of Rice Intensification (SRI) was initiated in cooperation with Agriculture Department benefiting 1,050 farmers from 35 villages of Tirora. It has been estimated that on an average there has been 30% increase in production and 31% decrease in expenditure. Other initiatives in this line are - Biogas construction, treatment and vaccination camps for animal, motivating farmers to make vermi compost etc. The Foundation also facilitated 109 students with solar table lamps to and 50 SHGs women with solar lantern.

#### **Special Projects for Fisher folk Communities -**

Fisher folk Community has been a major stakeholder for the group and many of the Foundation's intervention are focused upon enhancing their skills & introduction of technology. These up-skilling techniques include shrimp preservation, pearl growing techniques, etc. During the non-fishing months, the Foundation provides alternate avenues for employment for the fisher folk community. The community is given trainings and activities in terms of mangrove plantations. It does not only act as an income generating activity for the fishermen but is also a part of the Foundation's environment sustainability initiatives. 3,861 man-days employment through mangrove plantation and 7,020 man-days through painting work. Modern solar fish dryers have been introduced at Dhamra helping more than 100 fisher folk communities.

Adani Foundation has concentrated its efforts for improving the living condition of fishermen and their families by providing basic amenities such as

strengthening of approach roads, solar lights, water tank stands and water tanks, extension of support school, fish landing shed, foldable housing, skill development center etc.

#### **Rural Infrastructure Development -**

Rural Infrastructure Development projects aim at bridging the gap in existing infrastructure needs without duplicating the Government efforts and thus creating better living conditions. This includes projects in areas of Water conservation/recharge, Drinking Water availability; Education, Health & Hygiene and Community Development related infrastructures in Rural India.

Taking forward the vision of "Swachh Bharat" of our Hon'ble Prime Minister Shri Narendra Modi, Adani Foundation has constructed sanitation facilities in several villages. The Foundation has also organized several cleanliness drives in its all states of operations to sensitize communities and mobilize them for a cleaner nation. The Foundation has also been working on 'Nirmal Bharat', since 2008 under which support materials for individual household toilet construction and so far have converted 26 villages with 100% household sanitation coverage.

Further, rural infrastructure development projects include construction of education-related infrastructure such as assembly halls, classrooms, computer labs, playgrounds, mid-day meal shelters and health related infrastructure such as CHCs, up gradation of rural clinics etc. Community development activities such as building up roads, fodder storage rooms, bus stands, community halls, cricket grounds, training centres etc. are also constructed for the overall rural development.

In all, Adani Foundation aims at improving the quality of lives of the communities in all spheres of lives, making the community a partner in development to achieve a larger goal of Nation Building.

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## Annexure to the Directors' Report

# MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### 1. Economic Outlook

#### a. Global Economy

The global economic recovery is expected to strengthen in 2016 and 2017, driven primarily by emerging market and developing economies, as conditions in stressed economies start gradually to normalize. While growth in emerging market and developing economies still accounts for the lion's share of projected world growth of 3.2% in 2016, prospects across countries remain uneven and anticipated to pickup in 2017 at 3.5% as per IMF.

#### b. Indian Economy

India continues to remain a bright spot in the otherwise bleak global economic forecast of the International Monetary Fund. The macro environment of India has been on a steady improvement in the last one year. There are economic constraints related to the prolonged weakness in external demand and the weak trend in private corporate capital spending. The growth trend has been supported by a pickup in public capex and acceleration in foreign investment flows. Trend in private capex has remained weak, and recovery in consumption has not been broad-based. However, going forward the Investment is expected to pick up gradually as excess capacity fades, deleveraging continues for corporations and banks, and infrastructure projects mature.

The Indian economy has continued to consolidate the gains achieved in restoring macroeconomic stability. According to advance estimates of the Central Statistics Office (CSO), the growth rate of GDP at constant market prices is projected to increase to 7.6% in 2015-16 from 7.2% in 2014-15, mainly because private final consumption expenditure has accelerated. Inflation remains under control due to large falls in international commodity prices, especially oil. Similarly, the external position appears robust. The current account deficit has declined and is at comfortable levels.

### 2. Sector Overview

#### Power Sector outlook

The Twelfth Five Year Plan lays special emphasis on development of the infrastructure sector including energy as an imperative for sustaining high growth. According to the Twelfth Plan projections, during the Plan period, i.e. 2012-17, an investment of US\$ 1 trillion is required in the infrastructure sector in India. During the Twelfth Plan period, the power generation capacity addition is estimated at 88,537 MW. Summary of Capacity Addition Program during Twelfth Plan is as under\*:

(MW)

| Type/Sector  | Central       | State         | Private       | Total         |
|--------------|---------------|---------------|---------------|---------------|
| Thermal      | 14,878        | 13,922        | 43,540        | 72,340        |
| Hydro        | 6,004         | 1,608         | 3,285         | 10,897        |
| Nuclear      | 5,300         | -             | -             | 5,300         |
| <b>Total</b> | <b>26,182</b> | <b>15,530</b> | <b>46,825</b> | <b>88,537</b> |

\* Source: CEA website- [www.cea.nic.in](http://www.cea.nic.in)





Against aforesaid target of 88,537 MW, 84,990.72 MW capacity has been added till March, 2016, which constitutes 95.99 per cent of the target envisaged in the Twelfth Plan. The individual targets achieved by the center, states, and private sector during this period are 61.65 per cent, 124.22 per cent, and 105.84 per cent, respectively. Achievement up to March, 2016 during the Twelfth Plan is as under:

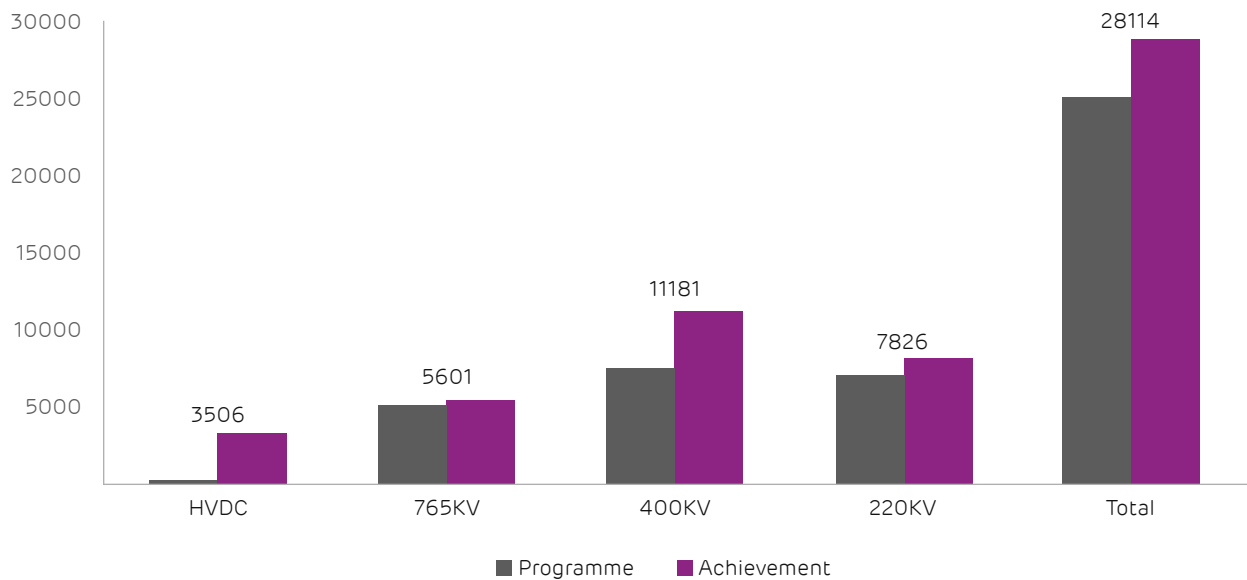
(MW)

| Type/Sector          | Central          | State            | Private          | Total            |
|----------------------|------------------|------------------|------------------|------------------|
| Thermal              | 12638.10         | 18,579.10        | 48,962.50        | 80179.70         |
| Hydro                | 2504.02          | 712.00           | 595.00           | 3,811.02         |
| Nuclear              | 1,000.00         | 0.00             | 0.00             | 1,000.00         |
| <b>Total</b>         | <b>16,142.12</b> | <b>19,291.10</b> | <b>49,557.50</b> | <b>84,990.72</b> |
| <b>Achievement %</b> | <b>61.65</b>     | <b>124.22</b>    | <b>105.84</b>    | <b>95.99</b>     |

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

### Transmission Sector:

The Government of India (GoI) is now increasing its focus more on transmission sector. The GoI has taken number of steps such as expediting forest clearances and intensive monitoring of critical transmission lines. 28,114 circuit kilometers (ckt kms) of transmission lines have been commissioned during the year 2015-16 against the target of 23,712 circuit kilometers (ckt kms) (118%).



(Ckt kms)

| Voltage Level | Programme    | Achievement  |
|---------------|--------------|--------------|
| HVDC          | 0            | 3506         |
| 765KV         | 5461         | 5601         |
| 400KV         | 9168         | 11181        |
| 220KV         | 9083         | 7826         |
| <b>Total</b>  | <b>23712</b> | <b>28114</b> |

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

The overall increase in the transformation capacity has been 62,859 MVA during 2015-16 against the target of 50542 MVA fixed for 2015-16.

(MVA)

| Voltage Level | Programme    | Achievement  |
|---------------|--------------|--------------|
| HVDC          | 1500         | 1500         |
| 765KV         | 18000        | 19500        |
| 400KV         | 19930        | 17045        |
| 220KV         | 11652        | 24804        |
| <b>Total</b>  | <b>50542</b> | <b>62849</b> |

\* Source: CEA website- [www.cea.nic.in](http://www.cea.nic.in)

An extensive network of Transmission lines has been developed over the years for evacuating power produced by different electricity generating stations and distributing the same to the consumers. Depending upon the quantum of power and the distance involved, lines of appropriate voltages are laid.

The capacity of transmission system of 220 kV and above voltage levels, in the country as on date was 3,43,033 ckt km of transmission lines and 6,66,884 MVA of transformation capacity of Substations.

Going forward, the following imperatives will facilitate in creating the huge opportunities for private players in transmission business:

#### Investment spending in 13th Five-Year Plan:

According to the Working Group on Power for 12th Plan, the Plan capital expenditure on transmission is expected to be ₹1.8 trillion, and preliminary estimate for 13th Plan projects a capital expenditure of ₹2.3 trillion on transmission. Around 109,440 ckms (circuit kilometers) of transmission lines and 270,000MVA of capacity are to be added in the 12th Plan.

| Details                                | 11th Plan | 12th Plan | 13th Plan |
|--|-----------|-----------|-----------|
| Transmission investment (₹ bn)         | 1,000     | 1,800     | 2,300     |
| Inter-state transmission system (₹ bn) | 550       | 1,250     | 1,350     |
| Intra-state transmission system (₹ bn) | 550       | 950       | 950       |
| Transmission lines (ckm)               | 69,926    | 109,440   | 130,000   |
| Transmission capacity (MVA)            | 150,362   | 270,000   | 300,000   |
| Inter-regional capacity (MVA)          | 27,750    | 65,550    | NA        |

Source: Report of Working Group Committee on Power – 12th FYP

#### Amendments in Tariff Policy:

The amended "Power Tariff Policy" facilitates competition in the inter-state as well as intra-state transmission projects. The policy highlights that the Intra-State Transmission projects shall be developed by State Government through competitive bidding process for projects costing above a threshold limit, which shall be decided by the State Regulator. Inter-State transmission projects to be developed through competitive bidding with flexibility to meet exigencies.

#### Integration with renewable energy:

Integration of Renewable Energy Resources with conventional sources is a top priority worldwide and special attention is being given in our country to harness the Green Energy. CERC has provided a framework

for trading in Green Certificates (Renewable Energy Certificates or RECs) and National Load Despatch Centre (NLDC) of POSOCO has been designated as the Central agency for this purpose. The integration of renewable energy will offer many opportunities for the transmission business.

#### Business Highlights

Adani Transmission Ltd. ("ATL" or "the Company") is the largest power transmission company operating in the private sector in India and owns, operate and maintain around 5050 ckt kms of transmission lines ranging from 400 KV to 765 KV, with a total transformation capacity of more than 12,000 MVA. ATL has four fully operational Transmission Systems that primarily serve the Northern and Western regions of India and are constructing

additional projects of approx. 1700 ckms in Rajasthan, Chhattisgarh, Madhya Pradesh and Maharashtra, which were awarded through Tariff based Competitive Bidding process. ATL has successfully executed many EHV Sub Stations (HVDC, 765kV & 400kV sub stations) along with transmission lines in India.

#### Key Achievements of the Company:

- ATL is the First Private Sector Company in India to execute 765 KV Transmission lines & Substations in the State of Maharashtra.
- ATL has established India's only Private HVDC transmission system (more than 1,000 km) for efficient transmission of power to the State of Haryana with maximum evacuation capacity of 2500 MW.
- ATL has obtained approval for the Transmission line methodology under CDM (Clean Development Mechanism) from United Nations Framework Convention on Climate Change (UNFCCC).

#### Particulars of Projects under execution

##### Additional System Strengthening of Sipat STPS

- The project is awarded on Build, Own, Operate & Maintain (BOOM) basis, involves two Transmission Lines of length 344 Ckt Kms, and Bay at Sipat. The project will provide transmission system strengthening benefits to 7 beneficiaries viz Gujarat Urja Vikas Nigam Ltd (GUVNL), Maharashtra State Electricity Distribution Co Ltd (MSEDCL), MP Power Management Company Ltd (MPPMCL), Chhattisgarh State Power Distribution Co Ltd (CSPDCL), Electricity Department, Govt of Goa, Electricity Department, Daman and Diu, Electricity Department, DNH Power Distribution Corp. Ltd., Administration of Dadra and Nagar Haveli.
- Transmission License has already been granted by CERC for 25 years.
- Approval under Section 68 of Electricity Act 2003 obtained from MoP and other clearances are under process.
- Transmission Service Agreement has been signed with all the beneficiaries.
- The project progress is satisfactory.

##### Additional System Strengthening Scheme for Chhattisgarh IPPS (Part-B)

- The project is awarded on Build, Own, Operate & Maintain (BOOM) basis, involves two Transmission Lines of length 612 Ckt Kms, and Switching Station at Rajnandgaon. The project will provide transmission

system strengthening benefits to 7 beneficiaries viz Gujarat Urja Vikas Nigam Ltd (GUVNL), Maharashtra State Electricity Distribution Co Ltd (MSEDCL), MP Power Management Company Ltd (MPPMCL), Chhattisgarh State Power Distribution Co Ltd (CSPDCL), Electricity Department, Govt of Goa, Electricity Department, Daman and Diu, Electricity Department, DNH Power Distribution Corp. Ltd., Administration of Dadra and Nagar Haveli.

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

##### System Strengthening for IPPS in Chhattisgarh and other Generation Projects in Western Region

- The project is awarded on Build, Own, Operate & Maintain (BOOM) basis involves six Transmission Lines of length 427 Ckt Kms, Sub-Station at Morena and Bays at two locations. The project will provide transmission system strengthening benefits to 7 beneficiaries viz Gujarat Urja Vikas Nigam Ltd (GUVNL), Maharashtra State Electricity Distribution Co Ltd (MSEDCL), MP Power Management Company Ltd (MPPMCL), Chhattisgarh State Power Distribution Co Ltd (CSPDCL), Electricity Department, Govt of Goa, Electricity Department, Daman and Diu, Electricity Department, DNH Power Distribution Corp. Ltd., Administration of Dadra and Nagar Haveli.
- Transmission License has already been granted by CERC for 25 years.
- Approval under Section 68 of Electricity Act 2003 obtained from MoP and other clearances are under process.
- Transmission Service Agreement has been signed with all the beneficiaries.
- The project progress is satisfactory.

##### Development of 400 KV D/C Suratgarh to Bikaner Transmission Line

- The Project is awarded on Design, Build, Finance, Construction, Maintenance and Operation (DBFOT) basis, involves 400 KV Transmission Lines of length appx. 284 Ckt Kms. The project will provide transmission system strengthening benefits to Rajasthan Raja Vidhyut Nigam Ltd.

### 3. Conservation of Energy

#### Energy conservation measures taken and on hand:

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

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

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

#### 4. Technology Absorption:

- New type of monitoring and surveillance system is being evaluated to prevent theft and vandalism on earth electrode line.

- Use of Unmanned aerial vehicles (UAVs) is being explored on pilot basis for the maintenance work.
- Employed the modern survey tools & techniques for the route selection, length optimization and estimation of BOQ for the transmission lines.
- Fixed Series Compensators (FSC) were used in Mundra-Dehgam Transmission line to enhance the power evacuation capacity.
- Special insulators like polymer composite insulators have been adopted in transmission lines in the polluted areas to prevent failures.
- GIS technology at 400kV and 765kV level has been adopted in substations where space constraints exist.
- On line transformer monitoring techniques are being used for monitoring of critical parameters of power transformers.
- The feasibility of remote operations of substation is being explored & evaluated.

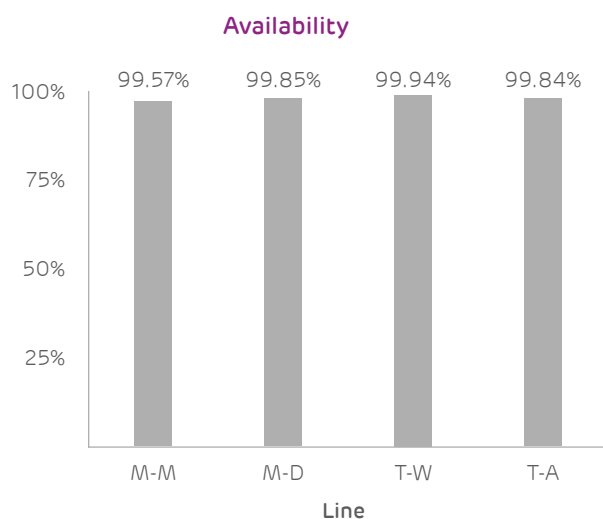
### 5. Financial Performance

Highlight of the Company's consolidated performance for the year are as under:

|                                       | (₹ in crores)   |               |
|---------------------------------------|-----------------|---------------|
| Particulars                           | 2015-16         | 2014-15       |
| Tariff Revenue/ O&M Revenue           | 1,909.13        | 135.34        |
| Incentive                             | 58.77           | -             |
| Income From Operations                | 1,967.90        | 135.34        |
| Less: O&M Exp.                        | 104.29          | 34.08         |
| <b>EBIDTA from Operations</b>         | <b>1,863.61</b> | <b>101.26</b> |
| <b>EBIDTA Margin (Operations)</b>     | <b>94.70%</b>   | <b>74.82%</b> |
| Sales of Traded Material/EPC          | 151.68          | -             |
| Carrying Cost income                  | 77.42           | -             |
| Delayed Payment Charges Income        | 56.34           | -             |
| Other Income                          | 14.03           | 3.29          |
| Less: Purchase of Traded Material/EPC | 161.61          | -             |
| <b>EBIDTA with other Income</b>       | <b>2,001.47</b> | <b>104.55</b> |
| Less: Finance Cost                    | 970.64          | 72.53         |
| Less: Depreciation                    | 561.06          | 37.07         |
| <b>PBT</b>                            | <b>469.77</b>   | <b>(5.05)</b> |
| Less: Tax (MAT @ 21.34%)              | 112.04          | 1.70          |
| <b>PAT</b>                            | <b>357.73</b>   | <b>(6.75)</b> |

Clarification Note: The Company acquired its subsidiaries namely, Adani Transmission (India) Ltd. and Maharashtra Eastern Grid Power Transmission Company Ltd. in the month of March 2015, In view of the same, the results of the current year reported FY 2015-16 are not comparable with the previous year numbers.

In FY 15-16 the transmission system availability was as under:



|          |   |
|----------|---|
| M-M Line | DC system:(+/- 500 KV Mundra-Mohindergardh HVDC System) |
| M-D Line | 400 KV D/C AC Mundra Dehgam Line                        |
| T-W Line | 400 KV D/C Tiroda- Warora Line                          |
| T-A Line | 2 x 765 KV S/C Tiroda-Koradi-Akola-Aurangabad Lines     |

### Capacity Addition planned during the year

The Company has also been successful in winning various Projects on Build, Own, Operate and Maintain ("BOOM") basis under Tariff Based Competitive Bidding (TBCB) route.

The following projects have been won during the year:

| Sr No | Project            | Appx. Ckt. kms. | Discription |
|-------|--------------------|-----------------|-------------|
| 1     | Sipat              | 344             | Interstate  |
| 2     | Rajnandgaon        | 612             | Interstate  |
| 3     | Morena             | 427             | Interstate  |
| 4     | Suratgardh-Bikaner | 284             | Intrastate  |
|       | <b>Total</b>       | <b>1667</b>     |             |

## 6. Human Resources

In just over a year, we at ATL have grown exponentially and have seen a drastic change in the way our people are performing. We firmly believe that people are the biggest strength and that is how we differ from other companies. It is the display of our Values of Courage, Trust and Commitment by our employees that provides us the ability to expand our horizons at this pace.

We are keenly focused on the overall development of our people with the same level of excellence and with huge business opportunities.

With increasing complexity of doing business globally as well as in India, we have recognized the need to further strengthen HR systems by Recruiting best talent from the Industry, Motivating and retaining the best talent by providing Challenging opportunities.

### Developing our Human Resource for a strong business organization:

- Learning and Development gains precedence, while we are looking at development of our people for future.
- We identify and develop Hi-potential people as they are critical while building the future.
- Succession Planning for leadership positions and for all critical positions has been on our priority.
- Standardized HR SOP's across the business enables us to provide a seamless experience of HR services to all the employees with speed and quality.
- To motivate exceptional performers as well as encourage the right behaviour among employees, we have established formal systems of Reward and Recognition.

Significant efforts have gone into developing a strong leadership potential across organization by imparting leadership capability in employees through highly focused leadership development programs. A lot of focus is being given to enhance people capability through learning management system.

## 7. Risks Management Plan

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

### Indian Economy Risk -

We derive, and expect to continue to derive in the foreseeable future, most of our revenues and operating profits from India. Changes in macroeconomic conditions generally impact the power industry and could negatively impact our power transmission business. Accordingly, our business is highly dependent on the state of development of the Indian economy and the macroeconomic environment prevailing in India.

### Legislative and Regulatory Risks -

Changes to the regulatory environment and the laws, rules and directives of the Government of India, including as they impact statutory payment pooling bodies and dispatch bodies, may negatively impact the management of our operations and our ability to secure required

approvals, permits or licenses. We have a team which continuously monitor the changes in regulatory and statutory environment and take corrective steps as and when required.

**Currency Risk -**

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

**Technological risk -**

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

**8. Internal Control System**

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

A well-established multidisciplinary Management Audit & Assurance Services consists of professionally qualified accountants, engineers and SAP experienced executives which carries out extensive audit throughout the year, across all functional areas and submits its reports to Management and Audit Committee about the compliance with internal controls and efficiency and effectiveness of operation and key processes and risks. Some Key Features of the Company's internal controls system are:

- Adequate documentation of Policies & Guidelines.
- Preparation & monitoring of Annual Budgets through monthly review for all operating & service functions.
- Management Audit department prepares Risk Based Internal (RBIA) Scope with the frequency of audit being decided by risk ratings of areas / functions. Risk based scope is mutually accepted by various functional heads / process owners / CEO & CFO.

- The entire internal audit processes are web enabled and managed on-line by Audit Management System (AMS).
- The Company has a strong Compliance Management System which runs on an online monitoring system.
- Company has a well-defined Delegation of Power with authority limits for approving revenue & capex expenditure.
- Company uses ERP system to record data for accounting, consolidation and management information purposes and connects to different locations for efficient exchange of information.
- Internal Audit is carried out in accordance with auditing standards to review design effectiveness of internal control system & procedures to manage risks, operation of monitoring control, compliance with relevant policies & procedure and recommend improvement in processes and procedure.

The audit committee of the Board of directors regularly reviews the adequacy & effectiveness of internal audit environment and monitor implementation of internal audit recommendations including those relating to strengthening of the Company's risk management policies & systems.

**9. Cautionary Note**

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations and others may constitute "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results may differ from those expressed or implied. Several factors that could significantly impact the Company's operations include economic conditions affecting demand, supply and price conditions in the markets, changes in technology, changes in the Government regulations, tax laws and other statutes, climatic conditions and such incidental factors over which the Company does not have any direct control.

The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

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## Annexure to the Directors' Report

# CORPORATE GOVERNANCE REPORT

### Company's Philosophy on Corporate Governance

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

#### Tenets of our Corporate Governance Philosophy -

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

The Company has complied with all the requirements stipulated under Clause 49 of the Listing Agreements and provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ("SEBI Listing Regulations"), as applicable, with regard to Corporate Governance and listed below is the status with regard to same.

### 1. Board of Directors

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

#### Composition of the Board

The Company has a balanced board with optimum combination of Executive and Non-Executive Directors, including independent professionals, which plays a crucial role in Board processes and provides independent judgment on issues of strategy and performance. The Board currently comprises 7 (Seven) Directors out of which 4 (Four) Directors (57%) are Independent Directors. Independent Directors are Non-Executive Directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations. The maximum tenure of the Independent Directors is in compliance with the Companies Act, 2013. All the Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and Section 149 of the Companies Act, 2013. The present strength of the Board reflects judicious mix of professionalism, competence and sound knowledge which enables the Board to provide effective leadership to the Company.

None of the Directors on the Company's Board is a Member of more than 10 (ten) Committees and Chairman of more than 5 (five) Committees (committees being, Audit Committee and Stakeholders' Relationship Committee) across all the companies in which he / she is a Director. All the Directors have made necessary disclosures regarding Committee positions held by them in other companies and do not hold the office of Director in more than 10 (ten) public companies as on 31st March, 2016.

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

The composition of the Board of Directors and the number of Directorships and Committee positions held by them as on 31st March, 2016 are as under:

| Name and Designation (DIN) of Director                                     | Category                    | No. of other Directorships held <sup>1</sup> (Other than ATL) | No. of Board Committees <sup>2</sup> (other than ATL) in which Chairman / Member. |        |
|--|-----------------------------|---|---|--------|
|  |                             |   | Chairman  | Member |
| Mr. Gautam S. Adani <sup>4</sup><br>Chairman<br>(DIN: 00006273)            | Promoter<br>Executive       | 4   | -   | -      |
| Mr. Rajesh S. Adani <sup>4</sup><br>Director<br>(DIN: 00006322)            | Promoter<br>Executive       | 7   | 4   | 3      |
| Mr. Deepak Bhargava <sup>5</sup><br>Whole-time Director<br>(DIN: 05247943) | Executive Director          | 1   | -   | -      |
| Mr. K. Jairaj <sup>4</sup><br>Director<br>(DIN: 01875126)                  | Non Executive (Independent) | 4   | 1   | 1      |
| Mr. V. Subramanian <sup>4</sup><br>Director<br>(DIN: 00357727)             | Non Executive (Independent) | 6   | -   | 3      |
| Ms. Meera Shankar <sup>4</sup><br>Director<br>(DIN: 06374957)              | Non Executive (Independent) | 2   | -   | -      |

**Notes :**

1. The Directorships held by the Directors, as mentioned above excludes alternate directorships, directorships in foreign companies, Companies under Section 8 of the Companies Act, 2013 and Private Limited Companies which are not the subsidiaries of Public Limited Companies.
2. Represents Membership / Chairmanship of two Committees viz. Audit Committee and Stakeholders' Relationship Committee as per Regulation 26 of the SEBI Listing Regulations.
3. As on 31st March, 2016, none of the Directors of the Company were related to each other except Mr. Rajesh S. Adani, Director being brother of Mr. Gautam S. Adani, Chairman.
4. Mr. Gautam S. Adani, Mr. Rajesh S. Adani, Mr. K. Jairaj, Mr. V. Subramanian and Ms. Meera Shankar were appointed as Additional Directors of the Company w.e.f. 17th June, 2015.
5. The members of the Company in the Annual General Meeting held on 1st June, 2015 approved the appointment of Mr. Deepak Bhargava as Whole-time Director liable to retire by rotation for a period of 3 years w.e.f. 8th May, 2015.
6. Mr. Devang Desai, Mr. Dev Prakash Joshi and Mr. Jayadeb Nanda resigned as Directors of the Company w.e.f. 17th June, 2015 due to their pre-occupation.
7. Dr. Ravindra H. Dholakia was appointed as an Additional Director of the Company w.e.f. 26th May, 2016.

**Board Meetings and Procedure :**

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

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

Agenda papers and Notes on Agenda are circulated to the Directors, in advance, in the defined Agenda format. All material informations are being circulated along with Agenda papers for facilitating meaningful and focused discussions at the meeting. Where it is not practicable to attach any document to the Agenda, the same is tabled before the meeting with specific reference to this effect in the Agenda. In special and exceptional circumstances, additional or supplementary



item(s) on the Agenda are permitted. In order to transact some urgent business, which may come up after circulation agenda papers, the same is placed before the Board by way of Table Agenda or Chairman's Agenda. Frequent and detailed deliberation on the agenda provides the strategic roadmap for the future growth of the Company.

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

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

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

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

7 (Seven) Board Meetings were held during the Financial Year 2015-16. The Company has held at least one Board meeting in every quarter and the gap between two meetings did not exceed one hundred and twenty days. The necessary quorum was present in all the meetings. Leave of absence was granted to the concerned directors who could not attend the respective board meeting on request. The dates on which the Board Meetings were held during FY 2015-16 are as follows:

8th May, 2015, 8th June, 2015, 17th June, 2015, 10th August, 2015, 20th October, 2015, 2nd February, 2016 and 30th March, 2016.

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

| Name of Directors                  | Name of Board Meetings held and attended during FY 2015-16 |          | Attended Last AGM |
|------------------------------------|--|----------|-------------------|
|                                    | Held during the tenure                                     | Attended |                   |
| Mr. Gautam S. Adani <sup>1</sup>   | 5  | 5        | N.A.              |
| Mr. Rajesh S. Adani <sup>1</sup>   | 5  | 5        | N.A.              |
| Mr. Deepak Bhargava <sup>2</sup>   | 7  | 7        | Yes               |
| Mr. K. Jairaj <sup>1</sup>         | 5  | 3        | N.A.              |
| Mr. V. Subramanian <sup>1</sup>    | 5  | 4        | N.A.              |
| Ms. Meera Shankar <sup>1</sup>     | 5  | 3        | N.A.              |
| Mr. Devang Desai <sup>3</sup>      | 3  | 1        | Yes               |
| Mr. Dev Prakash Joshi <sup>3</sup> | 3  | 3        | Yes               |
| Mr. Jayadeb Nanda <sup>3</sup>     | 3  | 2        | No                |

1. Appointed as Additional Directors w.e.f. 17th June, 2015.

2. Appointed as a Whole-time Director liable to retire by rotation w.e.f. 8th May, 2015 by members in the Annual General Meeting held on 1st June, 2015.

3. Resigned as Directors of the Company w.e.f. 17th June, 2015.

#### Notes on Directors appointment / re-appointment

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

## 2. Committees of the Board

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

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

### A. Audit Committee

The Board of Directors of the Company constituted Audit Committee on 17th June, 2015. The Audit Committee acts as a link among the Management, the Statutory Auditors, Internal Auditors and the Board of Directors to oversee the financial reporting process of the Company. The Committee's purpose is to oversee the quality and integrity of accounting, auditing and financial reporting process including review of the internal audit reports and action taken report.

#### Terms of Reference:

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

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the Statutory Auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Section 134(5) of the Companies Act, 2013.
  - b) Changes, if any, in accounting policies and practices and reasons for the same.
  - c) Major accounting entries involving estimates based on the exercise of judgment by the management.
  - d) Significant adjustments made in the financial statements arising out of audit findings.
  - e) Compliance with listing and other legal requirements relating to financial statements.
  - f) Disclosure of any related party transactions
  - g) Modified opinion(s) in the draft audit report
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency, monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the Auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;

11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, the performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults, if any, in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
21. Reviewing financial statements, in particular the investments made by the Company's unlisted subsidiaries.

#### Review of Information by Audit Committee:

1. The Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions submitted by management.
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the Chief Internal Auditor.
6. Statement of deviations :
  - a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s).
  - b. annual statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice.

#### Meetings, Attendance & Composition of the Audit Committee

During the year 2015-16, three meetings of the Audit Committee were held on 10th August, 2015, 20th October, 2015 and 2nd February, 2016. The intervening gap between two meetings did not exceed one hundred and twenty days.

The details of the Audit Committee meetings attended by its members as on 31st March, 2016 are given below:

| Sr. No | Name                | Designation(s) | Category                             | No. of Meetings during the year |          |
|--------|---------------------|----------------|--------------------------------------|---------------------------------|----------|
|        |                     |                |                                      | During the tenure               | Attended |
| 1      | Mr. K. Jairaj       | Chairman       | Non-Executive & Independent Director | 3                               | 2        |
| 2      | Mr. Rajesh S. Adani | Member         | Executive & Non Independent Director | 3                               | 3        |
| 3      | Mr. V. Subramanian  | Member         | Non-Executive & Independent Director | 3                               | 3        |
| 4      | Ms. Meera Shankar   | Member         | Non-Executive & Independent Director | 3                               | 3        |

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

Mr. Jaladhi Shukla, Company Secretary and Compliance Officer act as a Secretary of the Committee. The requirement of attending last Annual General Meeting (AGM) held on 1st June, 2015 by the Chairman of the Audit Committee to answer the shareholders' queries was not applicable as the requirement of constitution of Audit Committee was applicable after last AGM date.

## B. Nomination and Remuneration Committee

The Board of Directors of the Company constituted Nomination and Remuneration Committee on 17th June, 2015. The constitution and terms of reference of Nomination and Remuneration Committee of the Company are in compliance with provisions of Companies Act, 2013 and the SEBI Listing Regulations.

### Terms of reference:

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

### Meeting, Attendance & Composition of the Nomination & Remuneration Committee

During FY 2015-16, one meeting of the Nomination & Remuneration Committee was held on 20th October, 2015.

The details of the Nomination & Remuneration Committee meeting attended by its members as on 31st March, 2016 are given below:

| Sr. No | Name               | Designation(s) | Category                             | Number of Meetings held during FY 2015-16 |          |
|--------|--------------------|----------------|--------------------------------------|---|----------|
|        |                    |                |                                      | Held                                      | Attended |
| 1.     | Mr. V. Subramanian | Chairman       | Non-Executive & Independent Director | 1   | 1        |
| 2.     | Mr. K. Jairaj      | Member         | Non-Executive & Independent Director | 1   | 1        |
| 3.     | Ms. Meera Shankar  | Member         | Non-Executive & Independent Director | 1   | 1        |

The Quorum of the Committee is of two members.

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

The Company Secretary acts as a Secretary to the Committee.

#### Remuneration Policy

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

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

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

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

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

The details of sitting fees paid to Non Executive and Independent Directors for the Financial Year 2015-16 are as under:

(₹ In Lacs)

| Name of the Directors           | Sitting Fees paid during<br>FY 2015-16 |                   | Total | No. of Shares held as on<br>31st March, 2016 |
|---------------------------------|--|-------------------|-------|--|
|                                 | Board Meeting                          | Committee Meeting |       |  |
| Mr. K. Jairaj <sup>1</sup>      | 0.60                                   | 1.00              | 1.60  | Nil  |
| Mr. V. Subramanian <sup>1</sup> | 0.80                                   | 0.80              | 1.60  | Nil  |
| Ms. Meera Shankar <sup>1</sup>  | 0.60                                   | 0.80              | 1.40  | Nil  |

1. Appointed as Additional Directors of the Company w.e.f. 17th June, 2015.

#### Performance Evaluation Criteria for Independent Directors:

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

#### ii) Remuneration to Executive Directors.

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

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

Details of the remuneration paid to the Executive Directors of the Company during the year 2015-16 are as under:

(₹ in Crores)

| Name & Designation of Directors          | Salary | Perquisites & Allowances | Commission | Total |
|--|--------|--------------------------|------------|-------|
| Mr. Deepak Bhargava, Whole-time Director | 0.58   | 1.13                     | -          | 1.71  |

Mr. Gautam S. Adani, Chairman and Mr. Rajesh S. Adani, Director are not drawing any remuneration from the Company.

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

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

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

### C. Stakeholders' Relationship Committee

The Board of Directors of the Company constituted Stakeholders' Relationship Committee on 17th June, 2015. The constitution and terms of reference of Stakeholders' Relationship Committee of the Company are in compliance with provisions of Companies Act, 2013 and the SEBI Listing Regulations.

#### Terms of Reference:

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

#### Composition, Meetings and Attendance of Stakeholders' Relationship Committee

During FY 2015-16, two meetings of the said Committee were held on 20th October, 2015 and 2nd February, 2016.

The details of the Stakeholders' Relationship Committee meetings attended by its members as on 31st March, 2016 are given below:

| Sr. No | Name                | Designation(s) | Category                   | Number of Meetings held during FY 2015-16 |          |
|--------|---------------------|----------------|----------------------------|---|----------|
|        |                     |                |                            | Held during the tenure                    | Attended |
| 1.     | Mr. K. Jairaj       | Chairman       | Independent, Non-Executive | 2   | 2        |
| 2.     | Mr. Rajesh S. Adani | Member         | Executive Director         | 2   | 2        |
| 3.     | Mr. Deepak Bhargava | Member         | Executive Director         | 2   | 2        |

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

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

#### Redressal of Investor Grievances

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

During the year under review, total 6 (six) investors' complaints / correspondences were received and resolved. There was no unattended or pending investor grievance as on 31st March, 2016.

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

The Board of Directors of the Company constituted Corporate Social Responsibility Committee on 17th June, 2015 as required under Section 135 of the Companies Act, 2013 and rules framed there under. The Board of Directors of the Company in its meeting held on 26th May, 2016 changed the nomenclature of "Corporate Social Responsibility Committee" to "Corporate Social Responsibility & Sustainability (CSR&S) Committee" and modified its terms of reference as under-

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

1. To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by our Company as specified in Schedule VII of the Companies Act, 2013 and rules made thereunder.
2. To recommend the amount of expenditure to be incurred on CSR activities referred in the Corporate Social Responsibility Policy.
3. To monitor the Corporate Social Responsibility Policy of our Company and its implementation from time to time.
4. Approval and review of the Company's sustainability policy.
5. Overseeing management processes and standards designed to manage the Company's Sustainability performance (together "Sustainable Development").
6. Reviewing the Company's annual Sustainability Report assurance process and signing off the Sustainability Report for public disclosure.
7. Sub-delegation of authority and recommending the positioning to manage relevant sustainability issues and sharing information.
8. Regularly updating its competency on the subject of Sustainable Development and reviewing its own performance and effectiveness including its terms of reference for overseeing the Company's Sustainability performance.
9. To carry out any other function as mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification as may be applicable or as may be necessary or appropriate for performance of its duties.

##### CSR Policy

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

##### Composition, Meetings and Attendance of CSR Committee

During the year under review, one CSR&S Committee Meeting was held on 10th August, 2015

The details of the CSR&S Committee meetings attended by its members during FY 2015-16 are given below:

| Sr. No | Name                | Designation(s) | Category                   | Number of Meetings held during FY 2015-16 |          |
|--------|---------------------|----------------|----------------------------|---|----------|
|        |                     |                |                            | Held during the tenure                    | Attended |
| 1.     | Mr. Rajesh S. Adani | Chairman       | Promoter Executive         | 1   | 1        |
| 2.     | Mr. K. Jairaj       | Member         | Independent, Non-Executive | 1   | -        |
| 3.     | Mr. Deepak Bhargava | Member         | Executive Director         | 1   | 1        |

The Quorum of the Committee is of two members.

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

The Company Secretary acts as a Secretary to the Committee.

#### E. Risk Management Committee:

The Board of Directors of the Company constituted Risk Management Committee on 17th June, 2015. The Risk Management Committee of the Company is constituted in line with the provisions of Regulation 21 of the SEBI Listing Regulations.

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

#### Composition, Meetings and Attendance of Risk Management Committee

During the year under review, Risk Management Committee Meeting was held on 20th October, 2015.

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

| Sr. No | Name                | Designation(s) | Category           | Number of Meetings held during FY 2015-16 |          |
|--------|---------------------|----------------|--------------------|---|----------|
|        |                     |                |                    | Held during the tenure                    | Attended |
| 1.     | Mr. Deepak Bhargava | Chairman       | Executive Director | 1   | 1        |
| 2.     | Mr. Rajesh S. Adani | Member         | Promoter Executive | 1   | 1        |

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

The Quorum of the Committee is of two members.

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

The Company Secretary acts as a Secretary to the Committee.

#### F. Securities Transfer Committee

The Board of Directors of the Company constituted Securities Transfer Committee on 17th June, 2015. In order to provide efficient and timely services to investors, the Board of Directors has delegated the power of approving transfer/transmission of Company's Securities, issue of duplicate share / debenture certificates, split up / sub-division, and consolidation of shares, issue of new certificates on re-materialization, sub-division and other related formalities to the Securities Transfer Committee comprising of Mr. Gautam S. Adani, Chairman, Mr. Rajesh S. Adani, Director and Mr. Deepak Bhargava, Whole-time Director of Company.

The meetings of the said committee are usually held once in a fortnight. The Board of Directors review the Minutes of such Committee at subsequent Board Meeting.

No requests for transfers of any Securities were pending as on 31st March, 2016 except those that are disputed and / or sub-judiced.

#### Whistle Blower Policy:

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

#### Investor Services

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

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

Mr. Jaladhi Shukla, Company Secretary and Compliance Officer  
Adani Transmission Limited

"Adani House", Near Mithakhali Six Roads, Navarangpura, Ahmedabad – 380 009, Gujarat, India,

Tel No. (079) 25555 555, 26565 555, Fax No. (079) 26565 500, 25555 500,

E-mail ID: jaladhi.shukla@adani.com / investor.atl@adani.com



### 3. Annual General Meetings

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

| Financial Year | Date                     | Location of the Meeting  | Time       | No. of special Resolutions passed |
|----------------|--------------------------|--|------------|-----------------------------------|
| 2013-14        | Friday, 8th August, 2014 | Adani House, Near Mithakhali Six Roads, Navrangpura, Ahmedabad – 380 009 | 11:30 a.m. | 1                                 |
| 2014-15        | Monday, 1st June, 2015   | Adani House, Near Mithakhali Six Roads, Navrangpura, Ahmedabad – 380 009 | 1:30 p.m.  | 4                                 |

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

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

#### Special Resolution under Section 13 of the Companies Act, 2013 for alteration of the Main Object Clause of the Memorandum of Association of the Company.

The details of the voting pattern in respect of Special Resolution passed for alteration of the Main Object Clause of the Memorandum of Association of the Company are as under:-

| Promoter/Public                | No. of shares Held | No. of votes Polled | % of votes polled on outstanding shares | No. of votes – in favour | No. of votes – against | % of votes in favour on votes polled | % of votes against on votes polled |
|--------------------------------|--------------------|---------------------|---|--------------------------|------------------------|--------------------------------------|------------------------------------|
|                                | (1)                | (2)                 | (3)=[(2)/(1)]* 100                      | (4)                      | (5)                    | (6)=[(4)/(2)]* 100                   | (7)=[(5)/(2)]* 100                 |
| Promoter and Promoter Group    | 824857559          | 824034479           | 99.90                                   | 824034479                | 0                      | 100.00                               | 0.00                               |
| Public – Institutional holders | 233731560          | 151735814           | 64.92                                   | 151735814                | 0                      | 100.00                               | 0.00                               |
| Public – Others                | 41220964           | 1050527             | 2.55                                    | 1043745                  | 6782                   | 99.35                                | 0.65                               |
| <b>Total</b>                   | <b>1099810083</b>  | <b>976820820</b>    | <b>88.82</b>                            | <b>976814038</b>         | <b>6782</b>            | <b>100.00</b>                        | <b>0.00</b>                        |

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

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

#### Procedure for postal ballot:

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

### 4. Subsidiary Companies

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

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

- Financial statements, in particular investments made by unlisted subsidiary companies, are reviewed quarterly by the Company's Audit Committee.
- Minutes of unlisted subsidiary companies are placed before the Board of the Company regularly.

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

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

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

## 5. Other Disclosures

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

The details of materially significant related party transactions entered by the Company during the FY 2015-16 are as per notice calling Annual General Meeting of the Company. The details of Related Party Transactions are disclosed in the financial section of this Annual Report. The Company has developed a policy on materiality of Related Party Transactions and also on dealing with Related Party Transactions.

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

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

### c) Details of compliance

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

### d) ADANI Code of Conduct

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

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

#### Declaration as required under the SEBI Listing Regulations

All Directors and senior management of the Company have affirmed compliance with the ADANI Code of Conduct for the financial year ended 31st March, 2016.

Place: Ahmedabad

Date : 26th May, 2016

**Deepak Bhargava**

Whole-time Director

### Adani Code of Conduct for Prevention of Insider Trading

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

### e) CEO / CFO Certificate

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

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

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

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

- g)** The designated Senior Management Personnel of the Company have disclosed to the Board that no material, financial and commercial transactions have been made during the year under review in which they have personal interest, which may have a potential conflict with the interest of the Company at large.
- h)** The Company has also adopted Material Events Policy, Website Content Archival Policy and Policy on Preservation of Documents which is uploaded on the website of the Company at <http://www.adanitransmission.com/Investor-relation/investor-download>.
- i)** Details of the familiarization programmes imparted to the independent directors are available on the website of the company at <http://www.adanitransmission.com/Investor-relation/investor-download>.
- j)** With a view to regulate trading in securities by the directors and designated employees, the Company has adopted a Code of Conduct for Prohibition of Insider Trading.
- k)** The Company has put in place succession plan for appointment to the Board and to senior management.
- l)** The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub – regulation (2) of Regulation 46 of the SEBI Listing Regulations. It has obtained a certificate affirming the compliances from Statutory Auditors and the same is attached to this Report.
- m)** The Company has executed fresh Listing Agreements with the Stock Exchanges pursuant to the SEBI Listing Regulations.
- n)** As required under Regulation 36(3) of the SEBI Listing Regulations, particulars of Director seeking re-appointment at the forthcoming AGM are given in the Annexure to the Notice of the 3rd AGM to be held on 10th August, 2016.

**7. Means of Communication:****a) Financial Results:**

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

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

**b) Intimation to Stock Exchanges:**

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

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

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

**8. General Shareholders Information****A. Company Registration details:**

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

**B. Annual General Meeting:**

| Day and Date                    | Time      | Venue   |
|---------------------------------|-----------|---|
| Wednesday,<br>10th August, 2016 | 9.30 a.m. | J.B. Auditorium, Ahmedabad Management Association, AMA Complex,<br>ATIRA, Dr. Vikram Sarabhai Marg, Ahmedabad – 380 015 |

**C. Registered Office:**

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

**D. Financial Calendar for 2016-17:** (tentative schedule, subject to change)

| Period   | Approval of Quarterly results |
|--|-------------------------------|
| Quarter ending 30th June, 2016.                    | Mid August, 2016              |
| Quarter and half year ending 30th September, 2016. | Mid November, 2016            |
| Quarter ending 31st December, 2016.                | Mid February, 2017            |
| The year ending 31st March, 2017.                  | End May, 2017                 |

**E. Date of Book Closure:**

Wednesday, 3rd August, 2016 to Wednesday, 10th August, 2016 (both days inclusive) for the purpose of 3rd Annual General Meeting.

**F. Listing on Stock Exchanges:**

**(a) The Equity Shares of the Company are listed with the following stock exchanges w.e.f. 31st July, 2015.**

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

**(b) Depositories :**

- National Securities Depository Limited (NSDL)**  
Trade World, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013.
- Central Depository Services (India) Limited (CDSL)**  
Phiroze Jeejeebhoy Towers, 28th Floor, Dalal Street, Mumbai – 400 023.

Annual Listing fee has been paid to the BSE & NSE and Annual Custody / Issuer fee for the year 2016-17 will be paid by the Company to NSDL & CDSL on receipt of the invoices.

**G. Dividend Policy:**

Dividends, other than interim dividend(s), are to be declared at the annual general meetings of shareholders based on the recommendation of the Board of Directors. Generally, the factors that may be considered by the Board of Directors before making any recommendations for dividend include, without limitation, the Company's future expansion plans and capital requirements, profits earned during the fiscal year, cost of raising funds from alternate sources, liquidity position, applicable taxes including tax on dividend, as well as exemptions under tax laws available to various categories of investors from time to time and general market conditions. The Board of Directors may also from time to time pay interim dividend(s) to shareholders.

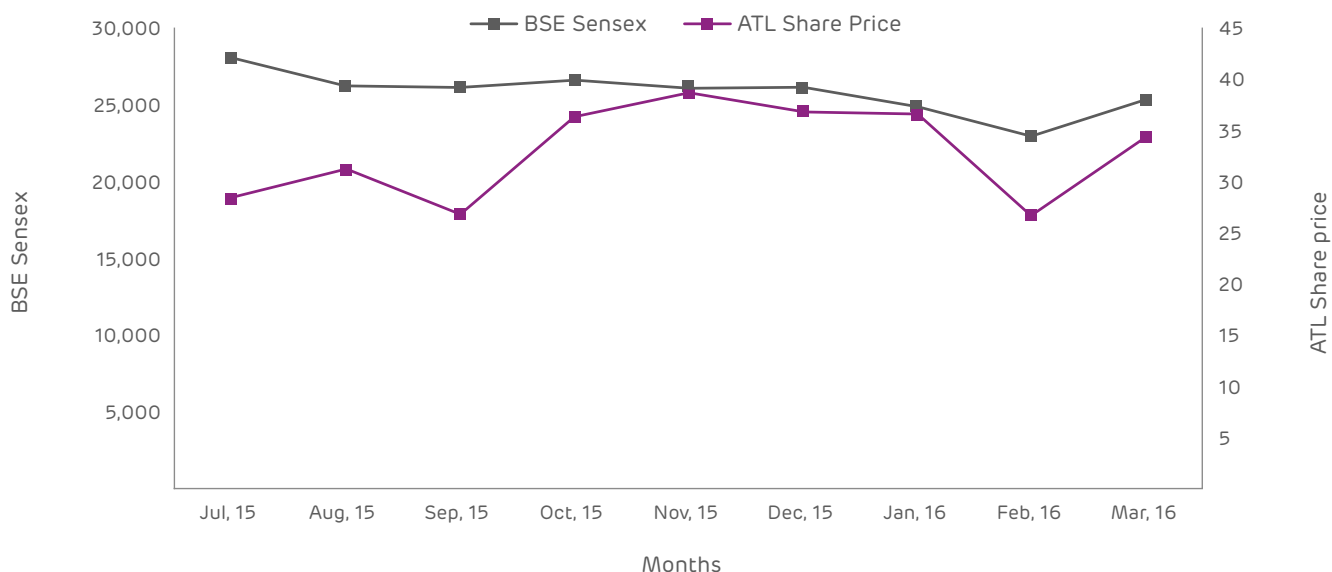
**H. Market Price Data: High, Low during each month in Financial Year 2015-16.**

Monthly share price movement during the year 2015-16 (listed w.e.f. 31st July, 2015) at BSE & NSE:

| Month           | BSE      |         |                        | NSE      |         |                        |
|-----------------|----------|---------|------------------------|----------|---------|------------------------|
|                 | High (₹) | Low (₹) | Volume (No. of shares) | High (₹) | Low (₹) | Volume (No. of shares) |
| July, 2015      | 28.35    | 25.65   | 8571999                | 27.60    | 26.00   | 1024657                |
| August, 2015    | 42.50    | 27.00   | 17175707               | 42.80    | 27.70   | 20517031               |
| September, 2015 | 31.00    | 25.25   | 3494375                | 30.60    | 25.00   | 17286321               |
| October, 2015   | 41.15    | 26.60   | 26090008               | 41.15    | 26.55   | 79775395               |
| November, 2015  | 40.50    | 31.65   | 9257700                | 40.50    | 31.60   | 29846934               |
| December, 2015  | 41.45    | 33.00   | 10104527               | 39.50    | 32.85   | 31711387               |
| January, 2016   | 42.60    | 29.70   | 12518826               | 42.70    | 29.70   | 45201010               |
| February, 2016  | 39.90    | 26.30   | 6002012                | 39.85    | 26.30   | 19944056               |
| March, 2016     | 35.20    | 26.50   | 4347242                | 35.35    | 26.60   | 16051444               |

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

I. Performance in comparison to broad-based indices such as BSE Sensex (Listed w.e.f. 31st July, 2015).



J. Registrar and Transfer Agents :

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

M/s. Sharepro Services (India) Private Limited  
 416-420, 4th Floor, Devnandan Mall, Opp. Sanyash Ashram,  
 Ashram Road, Ellisbridge, Ahmedabad – 380006.  
 Tel: +91-79-26582381 to 84  
 Fax : +91-79-26582385  
 Contact Person: Mr. Narendra Tavde

Shareholders are requested to correspond directly with the R & T Agent for transfer / transmission of shares, change of address, queries pertaining to their shares, dividend etc. The Company is in process of changing R&T Agent as per SEBI order dated 22nd March, 2016.

K. Share Transfer System:

The Company's shares are compulsorily traded in the demat segment on stock exchanges, bulk of the transfers take place in the electronic form. The share transfers received in physical form are processed through R & T Agent, within seven days from the date of receipt, subject to the documents being valid and complete in all respects. The Board has delegated the authority for approving transfer, transmission, issue of duplicate share certificate, dematerialization etc. to the Securities Transfer Committee. All the physical transfers received are processed by the R & T Agent and are approved by the Securities Transfer Committee well within the statutory period of one month. The Securities Transfer Committee meets every fortnight for approval of the transfer, transmission, issue of duplicate share certificate, dematerialization / rematerialization of shares etc. and all valid share transfers received during the year ended 31st March, 2016 have been acted upon. The share certificates duly endorsed are returned immediately to the shareholders by the R & T Agent.

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

1. Certificate confirming due compliance of share transfer formalities by the Company pursuant to erstwhile Clause 47(c) of the Listing Agreement with the Stock Exchanges on half yearly basis and pursuant to Regulation 40(9) of the SEBI Listing Regulations, as applicable.
2. Certificate regarding reconciliation of the share capital audit of the Company on quarterly basis.

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

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

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

As on 31st March, 2016, 109,93,35,182 (constituting 99.96%) were in dematerialized form.

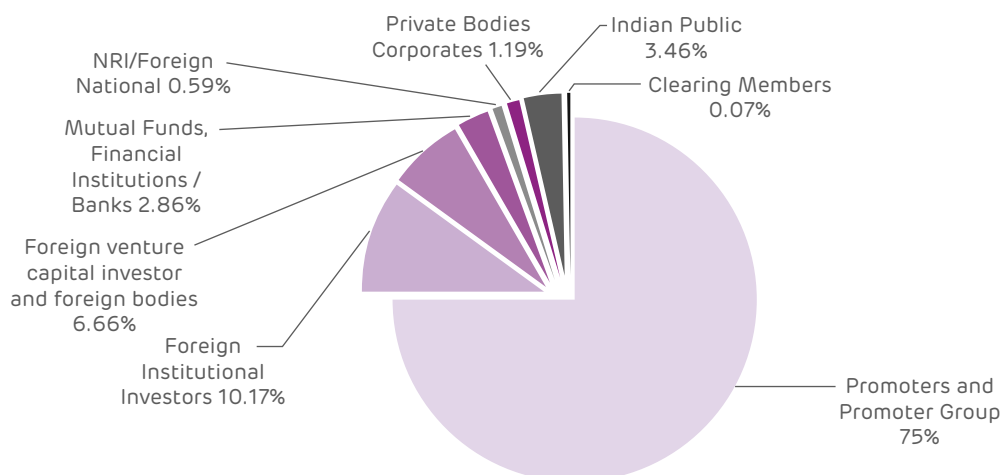
The Company's Equity Shares are frequently traded on the BSE Limited and National Stock Exchange of India Limited (NSE).

**M. The Distribution of Shareholding as on 31st March, 2016 is as follows:**

| Number of shares | Number of shareholders |               | Equity Shares held in each category |               |
|------------------|------------------------|---------------|-------------------------------------|---------------|
|                  | Holders                | % of Total    | Total Shares                        | % of Total    |
| 1 to 500         | 52084                  | 85.59         | 5355231                             | 0.49          |
| 501 to 1000      | 3842                   | 6.31          | 3253217                             | 0.30          |
| 1001 to 2000     | 1982                   | 3.26          | 3132395                             | 0.28          |
| 2001 to 3000     | 793                    | 1.30          | 2052663                             | 0.19          |
| 3001 to 4000     | 397                    | 0.65          | 1453710                             | 0.13          |
| 4001 to 5000     | 384                    | 0.63          | 1836760                             | 0.17          |
| 5001 to 10000    | 669                    | 1.10          | 5076517                             | 0.46          |
| 10001 and 20000  | 285                    | 0.47          | 4174758                             | 0.38          |
| Above 20000      | 412                    | 0.69          | 1073474832                          | 97.61         |
| <b>TOTAL</b>     | <b>60848</b>           | <b>100.00</b> | <b>1099810083</b>                   | <b>100.00</b> |

**N. Shareholding Pattern as on 31st March, 2016 is as follows:**

| Category  | No. of Shares held   | (%) of total  |
|---|----------------------|---------------|
| Promoters and Promoter Group                        | 824,857,559          | 75.00         |
| Foreign Institutional Investors                     | 111,893,239          | 10.17         |
| Foreign Venture Capital Investor and Foreign Bodies | 73,259,425           | 6.66          |
| Mutual Funds, Financial Institutions / Banks        | 31,460,920           | 2.86          |
| N.R.I. and Foreign National                         | 64,43,632            | 0.59          |
| Private Bodies Corporate                            | 13,127,278           | 1.19          |
| Indian Public                                       | 37,948,860           | 3.46          |
| Clearing Members (Shares in Transit)                | 819170               | 0.07          |
| <b>Total</b>  | <b>1,099,810,083</b> | <b>100.00</b> |



**O. Listing of Debt Securities.**

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

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

IDBI Trusteeship Services Limited

Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai - 400 001

Phone No. +91 22 4080 7000 Fax: +91 22 6631 1776

E-mail ID: itsl@idbitrustee.com Website: www.idbitrustee.com

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

There were no outstanding GDRs/ADRs/Warrants or any convertible instruments as at 31st March, 2016.

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

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

**S. Plant Locations:**

Not Applicable

**T. Address for correspondence:**

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

|  |  |
|--|--|
| 1. Mr. Jaladhi Shukla<br>Company Secretary and Compliance Officer<br>Adani Transmission Limited<br>"Adani House", Near Mithakhali Six Roads,<br>Navarangpura, Ahmedabad 380 009<br>Tel No. (079) 25555 555, 26565 555.<br>Fax No. (079) 26565 500, 25555 500<br>Email id: jaladhi.shukla@adani.com | 2 M/s. Sharepro Services (India) Private Limited#<br>416-420, 4th Floor, Devnandan Mall,<br>Opp. Sanyash Ashram,<br>Ashram Road, Ellisbridge Ahmedabad – 380 006.<br>Tel: +91-79-26582381 to 84<br>Fax : +91-79-26582385<br>Contact Person : Mr. Narendra Tavde<br>Email id: sharepro@shareproservices.com |
|--|--|

# The Company is in process of changing R&T Agent as per SEBI order dated 22nd March, 2016.

**Non-Mandatory Requirements**

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

**1. The Board:**

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

**2. Shareholders Right:**

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

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

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

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

Mr. Gautam S. Adani is the Chairman and Mr. Deepak Bhargava is a Whole-time Director of the Company.

**5. Reporting of Internal Auditor**

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

## AUDITORS' CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To,  
The Members of  
**Adani Transmission Limited**

We have examined the compliance of conditions of Corporate Governance by Adani Transmission Limited, for the year ended 31st March, 2016 as stipulated in Regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (collectively referred to as "SEBI Listing Regulations, 2015").

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance, issued by the Institute of Chartered Accountants of India and 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 as stipulated in the SEBI Listing Regulations, 2015.

We 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.

**For Dharmesh Parikh & Co.**  
Chartered Accountants  
Firm Reg No: 112054W

Place : Ahmedabad  
Date : 26th May, 2016

**(Chirag Shah)**  
Partner  
(Membership No. 122510)



## CERTIFICATION BY CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO)

We have reviewed the financial statements and the cash flow statements for the year ended 31st March, 2016 and that to the best of our knowledge and belief:

1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
3. To the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2016 which are fraudulent, illegal or violation of the Company's Code of Conduct.
4. We accept responsibility for establishing and maintaining internal control system and that we have evaluated the effectiveness of the internal control system of the Company and we have disclosed to the auditors and the Audit Committee, efficiencies in the design or operation of internal control system, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
5. We further certify that we have indicated to the auditors and the Audit Committee:
  - a) There have been no significant changes in internal control system during the year;
  - b) There have been no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - c) There have been no instances of significant fraud of which we have become aware, involving management or an employee having a significant role in the Company's internal control system.

Place : Ahmedabad  
Date : 26th May, 2016

**Deepak Bhargava**  
Whole-time Director

**Kaushal G. Shah**  
Chief Financial Officer

# BUSINESS RESPONSIBILITY REPORT

## Section A: General Information about the Company

1. Corporate Identity Number (CIN) : L40300GJ2013PLC077803
2. Name of the Company : Adani Transmission Limited
3. Registered Office Address : 'Adani House', Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad - 380 009, Gujarat, India
4. Website : www.adanitransmission.com
5. Email id : investor.atl@adani.com
6. Financial year reported : 01.04.2015 to 31.03.2016

### 7. Sector(s) that the Company is engaged in (industrial activity code-wise):

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

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

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

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

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

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

- (i) Number of international locations: N.A.
- (ii) Number of national locations: 12 (including offices)

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

## Section B: Financial Details of the Company

1. Paid up capital (INR) : 1099.81 Crores
2. Total turnover (INR) : 274.45 Crores
3. Total profit/(loss) after taxes (INR) : (53.66) Crores

### 4. Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax:

The Company carries its CSR activities through its dedicated CSR wing viz. Adani Foundation. During FY 2015-16, the Company's subsidiaries have spent ₹1.49 Crores towards CSR activities.

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

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

## Section C: Other Details

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

Yes, the Company has 6 subsidiary companies as on 31st March, 2016.

### 2. Do the subsidiary Company / Companies participate in the BR initiatives of the parent Company?

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

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

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

## Section D: BR Information

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

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

- **DIN:** 05247943
- **Name:** Mr. Deepak Bhargava
- **Designation:** Whole-time Director

a) Details of the BR head:

| Sr. No. | Particulars                | Details                   |
|---------|----------------------------|---------------------------|
| 1       | DIN Number (if applicable) | 05247943                  |
| 2       | Name                       | Mr. Deepak Bhargava       |
| 3       | Designation                | Whole-time Director       |
| 4       | Telephone Number           | (079) 2555 7249           |
| 5       | E mail Id                  | deepak.bhargava@adani.com |

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

| Sr. No. | Questions  | Business Ethics  | Product Life Responsibility | Employee Well-being | Stakeholder Engagement | Human Rights | Environment | Policy Advocacy | Inclusive Growth | Customer Value |
|---------|--|--|-----------------------------|---------------------|------------------------|--------------|-------------|-----------------|------------------|----------------|
|         |  | P1   | P2                          | P3                  | P4                     | P5           | P6          | P7              | P8               | P9             |
| 1.      | Do you have a policy /policies for...  | Y  | Y*                          | Y                   | Y                      | Y            | Y           | Y               | Y                | Y              |
| 2.      | Has the policy been formulated in consultation with the relevant stakeholders?   | Y  | Y                           | Y                   | Y                      | Y            | Y           | Y               | Y                | Y              |
| 3.      | Does the policy conform to any national / international standards? If yes, specify? (The policies are based on the NVG-guidelines in addition to conformance to the spirit of international standards like ISO 9000, ISO 14000, OHSAS 18000) | All the policies are compliant with respective principles of NVG Guidelines. |                             |                     |                        |              |             |                 |                  |                |

| 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             |
| 4.      | Has the policy being approved by the Board? If yes, has it been signed by MD/owner/CEO/ appropriate Board Director?  | Y  | -                           | -                   | -                      | -            | -           | -               | -                | -              |
| 5.      | Does the Company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?                                  | Y  | Y                           | Y                   | Y                      | Y            | Y           | Y               | Y                | Y              |
| 6.      | Indicate the link for the policy to be viewed online?  | <a href="http://www.adanitransmission.com/Investor-relation/investor-download">http://www.adanitransmission.com/Investor-relation/investor-download</a>  |                             |                     |                        |              |             |                 |                  |                |
| 7.      | Has the policy been formally communicated to all relevant internal and external stakeholders?  | The policies have been communicated to key internal stakeholders. The communication is an ongoing process to cover all internal & external shareholders. |                             |                     |                        |              |             |                 |                  |                |
| 8.      | Does the Company have in-house structure to implement the policy/policies.   | Y  | Y                           | Y                   | Y                      | Y            | Y           | Y               | Y                | Y              |
| 9.      | Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies? | Y  | Y                           | Y                   | Y                      | Y            | Y           | Y               | Y                | Y              |
| 10.     | Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?                                 | Y  | Y                           | Y                   | -                      | -            | Y           | -               | -                | -              |

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

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

| Sr. No. | Questions  | P1 | P2 | P3 | P4 | P5 | P6             | P7 | P8 | P9 |
|---------|--|----|----|----|----|----|----------------|----|----|----|
| 1.      | The Company has not understood the principle   |    |    |    |    |    |                |    |    |    |
| 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   |    |    |    |    |    | Not Applicable |    |    |    |
| 4.      | It is planned to be done within next six month   |    |    |    |    |    |                |    |    |    |
| 5.      | It is planned to be done within next one year  |    |    |    |    |    |                |    |    |    |
| 6.      | Any other reason (please specify)  |    |    |    |    |    |                |    |    |    |

**3. Governance related to BR:**

- (i) **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year:**  
The CEO/Whole-time Director periodically assesses the BR performance of the Company.
- (ii) **Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?**  
In line with the National Voluntary Guidelines on Social, Environmental and Economic Responsibility of Business (NVG), company publishes Business Responsibility Report (BRR) on yearly basis.

**Section E: Principle-wise Performance**

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

- 1. **Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/No. Does it extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?**  
The Company has adopted a Code of Conduct for its Directors and Senior Management personnel. Additionally, the Policy on Code of Conduct for Employees applies to all employees across Adani Group of companies. These do not extend to any other entities.
- 2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**  
No stakeholder complaints pertaining to the above Codes were received in the past financial year.

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

- 1. **List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.**  
Not applicable since the Company does not manufacture any products.
- 2. **For each such product, provide the following details in respect of resource use (energy, water, raw material etc) per unit of product (optional):**
  - I. **Reduction during sourcing / production / distribution achieved since the previous year through the value chain:**  
Not applicable since the Company does not manufacture any products.
  - II. **Reduction during usage by consumers (energy, water) achieved since the previous year?**  
Not applicable.

3. **Does the Company have procedures in place for sustainable sourcing (including transportation)?**  
No specific procedures have been adopted for sustainable sourcing.
4. **Has the Company undertaken any steps to procure goods and services from local and small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve the capacity and capability of local and small vendors?**  
Not applicable
5. **Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste? (Separately as < 5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.**  
Not applicable

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

1. **Please indicate total number of employees:**  
The Company has a total of 211 employees as of 31st March 2016.
2. **Please indicate total number of employees hired on temporary/contractual/casual basis:**  
The Company has a total of 86 employees hired on contractual basis as of 31st March 2016.
3. **Please indicate the number of permanent women employees:**  
The Company has no women employees as of 31st March 2016.
4. **Please indicate the number of permanent employees with disabilities.**  
The Company has no permanent employees with disabilities as of 31st March 2016.
5. **Do you have an employee association that is recognized by the Management?**  
The Company does not have an employee association.
6. **What Percentage of permanent employees who are members of this recognized employee association?**  
Not applicable.
7. **Please indicate the number of complaints relating to child labor, forced labor, involuntary labor, sexual harassment in the last financial year and those pending as on the end of the financial year.**  
There were no complaints of this nature during the financial year.
8. **What Percentage of under mentioned employees were given safety and skill up-gradation training in the last year?**  
"Employee Learning & Development is crucial for organisational success and this is an integral part of whole organisation wide Human Resources Strategy.  
  
The organisation has clearly defined Training & Development Policy – which cut across the organisational Vision & Mission and Values. The entire employees irrespective of their grade and status have been provided with opportunity to hone their skills & competencies.  
  
A special attention was given to conduct a well-structured training need identification across all categories of employees and through which a detailed TNIs were prepared. With this outcome the employees were trained reinforcing – Job related Skills; Competencies and desired behavioral improvement etc.  
  
In the current year the organisation has achieved around 5 man-days of training at each grade.

**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:

#### Education:

The Adani Foundation believes that Education is the stepping stone to improve the quality of life, especially of the needy and the most vulnerable. The main objective behind the educational initiatives is to provide 'quality' education with a unique learning experience to young minds.

Adani Vidya Mandir (AVM), Bhadreshwar provides "Free of Cost" quality education to the deserving young minds coming from the weaker economic backgrounds. Presently, AVM, Bhadreshwar is empowering 379 meritorious students with primary education out of which 111 students are coming from fisher-folk communities. Apart from this the Foundation has initiated and implemented several educational and career guidance programmes, which benefits nearly 13753 students.

Project Udaan, an inspirational exposure tour has benefitted 4548 students. The tour is facilitated by Adani group industries with an objective to acquaint the students with the port and power terminal activities. These visits help students to understand the functioning of ports and power sector and the role of same in trade and economic growth of the country. The visits are aimed to inspire young minds to become entrepreneurs, innovators and achievers of tomorrow.

#### Community Health:

The major objective behind the health initiatives of the Foundation is to provide "affordable and accessible health care to all". To provide good medical facilities even to the remotest of the villages; the Foundation has started Mobile Health Care Units (MHCU) & rural clinics in its functional areas.

The MHCU has reached out to 70411 patients. Apart from MHCUs, rural clinics cater to health needs of 66513 patients. The Foundation has facilitated awareness campaigns, medical support, primary health care and financial assistance to 5276 patients.

Senior Citizen Health Card Scheme is a unique initiative of the Foundation that supports them with necessary health based assistance. Currently, the Senior Citizen Health Card scheme is spread across 66 villages in Kutch District; with a total number of 7487 beneficiaries.

The Foundation with an objective to curb malnourishment has identified 120 children with the support of ICDS and helped recovery and normalisation of 111 children.

#### Sustainable Livelihood Development:

Livelihood is one of the major components that the Foundation has been working upon. It empowers the community by augmenting livelihood opportunities with income generating initiatives and skill development trainings to enhance employability and entrepreneurial abilities.

Adani Foundation through Adani Skill Development Centre (ASDC) is creating an environment, where youth and women get employable skills through training. In the year 2015-16, ASDC trained 1016 candidates out of which 578 were women. Many of the students trained in ASDC have been able to secure jobs in various organizations. While fisher-folks have been provided with employment during non-fishing months through trainings on mangrove plantations and avenues of painting works to generate alternate source of income; a total of 3681 and 7020 man-days of employment, in mangrove plantation and painting works respectively, have been provided to the community members during the FY. Apart from these, 85000 liters of safe drinking water has been delivered to 596 fisher-folk households on daily basis.

The Self-Help Groups (SHGs) supported by Adani Foundation have helped 60 women in finding alternative livelihood. Apart from the SHGs, the Foundation is dedicated to provide the farmers with technological support in agriculture which involves practical trainings and exposure visits. A total of 58 farmers were taken on various exposure trips to Krishi Vikas Kendra (KVK) to learn various technologies used in agriculture.

**Rural Infrastructure Development:**

The Foundation's Rural Infrastructure Development program helps in building a strong community relationship. The program is well designed, planned and built for the betterment of education, community health, agriculture and living standards for the communities.

The Foundation has carried out various village development activities including construction of individual household toilets and installation of safe drinking water facilities. Besides, a total of 140 shelters have been handed over to fisher-folk families at Juna Bandar and another 110 shelters have been constructed at Luni Bandar.

**Principle 5: Business should respect and promote human rights**

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

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

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

No stakeholder complaints were received during the last financial year.

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

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

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

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

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

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

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

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

Not Applicable

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

Not Applicable

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

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

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

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

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

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

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

1. Electric Power Transmission Association (EPTA)



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

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

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

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

The Company through Adani Foundation promotes notions of equitable and inclusive growth and development. Adani Foundation (AF) is the CSR arm of the Adani group of companies. Since its inception in 1996, the Foundation has been working in a number of prominent areas to extend its support to people in need. Working closely with the communities, AF has been able to assume the role of a facilitator by creating an enabling environment for many. With its human-centric approach, AF always strived to make processes sustainable, transparent and replicable. Adani foundation is currently operational in 12 states of India and is working towards an integrated development of the communities with its core focus on Education, Community Health, Sustainable Livelihoods Development and Rural Infrastructure Development.

It lays a special focus on the marginalized sections of the communities. Through its activities in the above areas, the Adani Foundation has been able to reach out to more than 1470 villages/towns and over 4,00,000 families touching their lives to make a positive difference.

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

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

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

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

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

There was no direct monetary contribution of the Company to community development projects in FY 2015-16. 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. For example Adani Vidya Mandir project has been one such project that has been successfully adopted by the community. A comprehensive process of social mobilisation and awareness was carried out with the communities to encourage them to send their wards to schools. Over a period of time, we have been able to bring about a positive change in mind set and attitudes of the community regarding education.

Project "Uddan" is a multi-stake holder project where besides AF team, Dept. of Education office, education, institutions/schools, parents, students, contractors, Adani employees etc. are deeply involved.

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

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

1. **What Percentage of customer complaints / consumer cases are pending as on the end of financial year 2015-16?**  
There are no customer complaints / consumer cases pending as on end of financial year 2015-16.
2. **Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks (additional information)**  
Not applicable.
3. **Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as of end of FY 2015-16?**  
There are no such pending cases against the Company in a court of law.
4. **Did your Company carry out any consumer survey / consumer satisfaction trends?**  
The Company has not carried out a formal consumer survey, however there is a continuous improvement process through which periodic feedback is taken on a regular basis from customers/stakeholders and immediate action is taken on any issues that they are facing.

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# FINANCIAL STATEMENTS

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## Independent Auditor's Report

To the Members of  
ADANI TRANSMISSION LIMITED

### Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Adani Transmission Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone 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 principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, of the state of affairs of the Company as at March 31, 2016 and its loss and its cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e) On the basis of the written representations received from the Directors as on March 31, 2016

taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2016 from being appointed as a Director in terms of Section 164 (2) of the Act;

- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B";
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.

- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For Dharmesh Parikh & Co.,**  
Chartered Accountants  
Firm Reg. No: 112054W

**Chirag Shah**  
Partner

Place : Ahmedabad  
Date : 26th May, 2016

Membership No. 122510

## Annexure - A to the Independent Auditor's Report

RE: ADANI TRANSMISSION LIMITED

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

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us, fixed assets, according to the practice of the Company, are physically verified by the management which, in our opinion, is reasonable looking to the size of the Company and the nature of its assets and no material discrepancies were noticed on such verification.
- (c) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals.
- (b) The discrepancies noticed on verification of inventory as compared to book records which have been appropriately dealt with in the books of account were not material.
- (iii) According to the information and explanation given to us and the records produced to us for our verification, the Company has not granted loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly the provisions of paragraph 3 (iii) (a) to (c) of the Order are not applicable.
- (iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it.
- (v) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- (vi) As informed to us, the maintenance of cost records under Section 148(l) of the Act as prescribed by the Central Government are not applicable to the Company. Accordingly the provisions of paragraph 3(vi) of the order are not applicable.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the Company is regular in depositing the undisputed statutory dues in respect of sales tax including value added tax, service tax, duty of customs, income tax, employees' state insurance, provident fund and duty of excise, with the appropriate authorities.
- (b) According to the records of the Company and representations made by the Management, there

are no statutory dues as mentioned in paragraph 3(vii)(a) which have not been deposited on account of any dispute.

- (viii) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any banks, financial institution or the government or dues to debenture holders as at the balance sheet date.
- (ix) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer (including debt instruments). The term Loans have been applied for the purpose for which they were obtained..
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (xi) According to the information and explanations given to us and on the basis of our examination of the records of the Company, managerial remuneration has been paid / provided in accordance with the requisite approval mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xii) As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly the provisions of Clauses 3 (xii) of the Order are not applicable.

(xiii) As per information and explanation given to us and on the basis of our examination of the records of the Company, all the transaction with related parties are in compliance with Section 177 and 188 of Companies Act 2013 and all the details have been disclosed in financial statements as required by the applicable Accounting Standards.

(xiv) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not made any preferential allotment or private placement of security. The Company has issued debenture during the year under review through private placement and raised the fund which applied for the purpose for which it is raised.

(xv) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not entered into any non-cash transactions with any director or any person connected with him. Accordingly the provisions of Clauses 3(xv) of the Order are not applicable to the Company.

(xvi) In our opinion, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3(xvi) of the Order are not applicable.

**For Dharmesh Parikh & Co.,**  
Chartered Accountants  
Firm Reg. No: 112054W

**Chirag Shah**  
Partner

Place : Ahmedabad  
Date : 26th May, 2016

Membership No. 122510

## Annexure - B to the Independent Auditor's Report

RE: ADANI TRANSMISSION LIMITED

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of section 143 of the Companies Act 2013 (the act).

We have audited the internal financial controls over financial reporting of Adani Transmission Limited (the Company) as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

### Management's Responsibilities for Internal Financial Controls

The Company's management is responsible for establishing

and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation

and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

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

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

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

#### **Meaning of Internal Financial Controls over Financial Reporting**

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the

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

#### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

#### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Dharmesh Parikh & Co.,**

Chartered Accountants

Firm Reg. No: 112054W

**Chirag Shah**

Partner

Place : Ahmedabad

Date : 26th May, 2016

Membership No. 122510

## Balance Sheet as at 31st March, 2016

(₹ in Crores)

| Particulars                                | Notes | As at<br>31st March, 2016 | As at<br>31st March, 2015 |
|--|-------|---------------------------|---------------------------|
| <b>I. EQUITY AND LIABILITIES :</b>         |       |                           |                           |
| <b>(1) Shareholder's Fund</b>              |       |                           |                           |
| (a) Share Capital                          | 3     | 1,099.81                  | 1,090.00                  |
| (b) Reserves & Surplus                     | 4     | 1,149.01                  | (17.94)                   |
|  |       | <b>2,248.82</b>           | <b>1,072.06</b>           |
| <b>(2) Non-Current Liabilities</b>         |       |                           |                           |
| (a) Long-term borrowings                   | 5     | 2,706.63                  | -                         |
| (b) Long-term provisions                   | 6     | 3.03                      | 7.08                      |
|  |       | <b>2,709.66</b>           | <b>7.08</b>               |
| <b>(3) Current Liabilities</b>             |       |                           |                           |
| (a) Short-term borrowings                  | 7     | 2,510.62                  | 2,627.26                  |
| (b) Trade payables                         | 8     | 3.36                      | 1.00                      |
| (c) Other current liabilities              | 9     | 203.59                    | 3.06                      |
| (d) Short-term provisions                  | 10    | 1.15                      | 0.65                      |
|  |       | <b>2,718.72</b>           | <b>2,631.97</b>           |
| <b>TOTAL</b>                               |       | <b>7,677.20</b>           | <b>3,711.11</b>           |
| <b>II ASSETS :</b>                         |       |                           |                           |
| <b>(1) Non-Current Assets</b>              |       |                           |                           |
| (a) Fixed Assets                           |       |                           |                           |
| Tangible Assets                            | 11    | 0.70                      | -                         |
| (b) Non Current Investments                | 12    | 3,683.28                  | 3,683.13                  |
| (c) Long-term loans and advances           | 13    | 3,516.09                  | 0.57                      |
| (d) Others Non-Current Assets              | 14    | 12.80                     | -                         |
|  |       | <b>7,212.87</b>           | <b>3,683.70</b>           |
| <b>(2) Current Assets</b>                  |       |                           |                           |
| (a) Current Investments                    | 15    | 2.50                      | -                         |
| (b) Inventories                            |       | 4.68                      | -                         |
| (c) Trade Receivables                      | 16    | 76.81                     | 25.89                     |
| (d) Cash and Bank Balances                 | 17    | 101.71                    | 0.44                      |
| (e) Short-term Loans and Advances          | 18    | 272.71                    | 1.08                      |
| (f) Other Current Assets                   | 19    | 5.92                      | -                         |
|  |       | <b>464.33</b>             | <b>27.41</b>              |
| <b>TOTAL</b>                               |       | <b>7,677.20</b>           | <b>3,711.11</b>           |
| Summary of Significant accounting policies | 2     |                           |                           |

The accompanying notes are an integral part of the financial statements.

As per our attached report of even date

For and on behalf of the Board of Directors

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

**GAUTAM S. ADANI**  
Chairman  
DIN: 00006273

**DEEPAK BHARGAVA**  
Whole-time Director  
DIN: 05247943

**CHIRAG SHAH**  
Partner  
Membership No. 122510

**KAUSHAL SHAH**  
Chief Financial Officer

**JALADHI SHUKLA**  
Company Secretary

Place: Ahmedabad  
Date: 26th May, 2016

Place: Ahmedabad  
Date: 26th May, 2016



**Statement of Profit & Loss** for the year ended 31st March, 2016

(₹ in Crores)

| Particulars  | Notes  | For the year ended<br>31st March, 2016 | For the year ended<br>31st March, 2015 |
|--|--------|--|--|
| <b>I. Revenue from Operations</b>                  | 20     | 274.45                                 | 22.92                                  |
| <b>II. Other Income</b>                            | 21     | 146.93                                 | 0.91                                   |
| <b>III. Total Revenue</b>                          |        | <b>421.38</b>                          | <b>23.83</b>                           |
| <b>IV. Expenses</b>                                |        |  |  |
| Purchase of Traded Goods                           | 22     | 148.51                                 | -                                      |
| Employee Benefits Expense                          | 23     | 24.25                                  | 16.95                                  |
| Finance Costs                                      | 24     | 269.62                                 | 19.18                                  |
| Depreciation                                       | 11     | 0.03                                   | -                                      |
| Other Expenses                                     | 25     | 32.63                                  | 5.64                                   |
| <b>Total Expenses</b>                              |        | <b>475.04</b>                          | <b>41.77</b>                           |
| <b>V. Loss Before Tax (III-IV)</b>                 |        | <b>(53.66)</b>                         | <b>(17.94)</b>                         |
| Tax Expense  |        | -                                      | -                                      |
| <b>Net Loss After Tax For The Year</b>             |        | <b>(53.66)</b>                         | <b>(17.94)</b>                         |
| <b>Earning per share (Face Value of ₹ 10 each)</b> |        |  |  |
| Basic & Diluted                                    | 26(ii) | (0.49)                                 | (3.16)                                 |
| Summary of significant accounting policies         | 2      |  |  |

The accompanying notes are an integral part of the financial statements.

As per our attached report of even date

For and on behalf of the Board of Directors

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

**GAUTAM S. ADANI**  
Chairman  
DIN: 00006273

**DEEPAK BHARGAVA**  
Whole-time Director  
DIN: 05247943

**CHIRAG SHAH**  
Partner  
Membership No. 122510

**KAUSHAL SHAH**  
Chief Financial Officer

**JALADHI SHUKLA**  
Company Secretary

Place: Ahmedabad  
Date: 26th May, 2016

Place: Ahmedabad  
Date: 26th May, 2016

## Cash Flow Statement for the year ended 31st March, 2016

(₹ in Crores)

| Particulars  | For the year ended<br>31st March, 2016 | For the year ended<br>31st March, 2015 |
|--|--|--|
| <b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>                          |  |  |
| Net Profit / (Loss) before extraordinary items and tax                 | (53.66)                                | (17.94)                                |
| <b>Adjustments for:</b>  |  |  |
| Depreciation   | 0.03                                   | -                                      |
| Interest income  | (142.50)                               | (0.91)                                 |
| Income from Mutual fund  | (2.88)                                 | (0.00)                                 |
| Liabilities / provisions no longer required written back               | (1.55)                                 | -                                      |
| Share issue expenses   | -                                      | 3.64                                   |
| Finance costs  | 269.62                                 | 19.18                                  |
| <b>Operating profit / (loss) before working capital changes</b>        | <b>69.06</b>                           | <b>3.97</b>                            |
| <b>Changes in working capital:</b>                                     |  |  |
| Adjustments for (increase) / decrease in operating assets:             |  |  |
| Trade receivables  | (33.24)                                | (25.89)                                |
| Inventories  | (2.16)                                 | -                                      |
| Loans and advances and other current Assets                            | 30.57                                  | (0.79)                                 |
| <b>Adjustments for increase / (decrease) in operating liabilities:</b> |  |  |
| Trade payables   | (0.35)                                 | 1.00                                   |
| Other current liabilities  | (0.04)                                 | 3.06                                   |
| Long-term provisions   | (4.05)                                 | 7.08                                   |
| Short-term provisions  | 0.50                                   | 0.65                                   |
|  | (8.77)                                 | (14.91)                                |
| Cash generated from operations   | 60.29                                  | (10.93)                                |
| Net income tax (paid) / refunds  | (2.84)                                 | (0.55)                                 |
| <b>Net cash flow from / (used in) operating activities (A)</b>         | <b>57.45</b>                           | <b>(11.48)</b>                         |
| <b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>                          |  |  |
| Purchase of Fixed Asset (Including CWIP & Capital Advances)            | (1.47)                                 | -                                      |
| Inter-corporate deposits (net)   | (3,739.62)                             | (0.30)                                 |
| Interest received  | 93.24                                  | 0.91                                   |
| Investment in Subsidiary companies                                     | (0.15)                                 | (3,683.13)                             |
| Investment in Mutual fund  | (2.50)                                 | -                                      |
| Income from Mutual fund  | 2.88                                   | 0.00                                   |
| Margin money deposit   | (99.38)                                | -                                      |
| <b>Net cash flow from / (used in) investing activities (B)</b>         | <b>(3,747.00)</b>                      | <b>(3,682.52)</b>                      |

**Cash Flow Statement** for the year ended 31st March, 2016

(₹ in Crores)

| Particulars   | For the year ended<br>31st March, 2016 | For the year ended<br>31st March, 2015 |
|---|--|--|
| <b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>                         |  |  |
| Proceed from Issue of the Equity shares                               | -                                      | 1,089.95                               |
| Share issue expenses  | -                                      | (3.64)                                 |
| Proceeds from short-term borrowings                                   | 2,543.85                               | 2,627.26                               |
| Repayment of other short-term borrowings                              | (1,466.65)                             | -                                      |
| Interest Paid   | (235.78)                               | (19.18)                                |
| Proceeds from Long Term Borrowings                                    | 2,850.00                               | -                                      |
| <b>Net cash flow from / (used in) financing activities (C)</b>        | <b>3,691.42</b>                        | <b>3,694.39</b>                        |
| <b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b> | <b>1.87</b>                            | <b>0.39</b>                            |
| Cash and cash equivalents at the beginning of the year                | 0.44                                   | 0.05                                   |
| Cash balance acquired on account of Merger                            | 0.02                                   | -                                      |
| <b>Cash and cash equivalents at the end of the year</b>               | <b>2.33</b>                            | <b>0.44</b>                            |
| <b>Cash and Cash Equivalents</b>                                      |  |  |
| (a) Cash on hand  | -                                      | -                                      |
| (b) Balances with banks   |  |  |
| - In current accounts   | 2.33                                   | 0.44                                   |
| <b>Other bank balances:</b>   |  |  |
| Margin Money Deposits   | 99.38                                  | -                                      |
| <b>Cash &amp; Bank balances as at end of the period</b>               | <b>101.71</b>                          | <b>0.44</b>                            |
| Summary of significant accounting policies - Note 2                   |  |  |

The accompanying notes are an integral part of the financial statements.

As per our attached report of even date

For and on behalf of the Board of Directors

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

**GAUTAM S. ADANI**  
Chairman  
DIN: 00006273

**DEEPAK BHARGAVA**  
Whole-time Director  
DIN: 05247943

**CHIRAG SHAH**  
Partner  
Membership No. 122510

**KAUSHAL SHAH**  
Chief Financial Officer

**JALADHI SHUKLA**  
Company Secretary

Place: Ahmedabad  
Date: 26th May, 2016

Place: Ahmedabad  
Date: 26th May, 2016

## Notes to Financial Statement for the year ended 31st March, 2016

### 1 CORPORATE INFORMATION

The Company is incorporated to carry on the business of establishing, commissioning, setting up, operating and maintaining electric power transmission systems and to acquire in any manner power transmission systems/networks, power systems, generation stations, tielines, sub-stations and transmission or distribution systems from State Electricity Boards, Vidyut Boards, Power Utilities, Generating Companies, Transmission Companies, Distribution Companies, Central or State Government Undertakings, Licensees, other local authorities or statutory bodies, other captive or independent power producers and distributors and to do all the ancillary, related or connected activities as may be considered necessary or beneficial or desirable for or along with any or all of the aforesaid purposes which can be conveniently carried on these systems, networks or platforms.

The Company also deals in business of purchase, sale, supply, import, distribute, export, or transfer / exchange and to deal as trader, agent, broker, representative or otherwise deal in all forms of electricity and in other forms of energy from any source whatsoever, both conventional and non-conventional and any other commodities, products, goods, etc.

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### a) Basis of Preparation

The Financial Statements of the Company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The Company has prepared these Financial Statements to comply in all material respects with the accounting standards notified under Section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014.

The Financial Statements have been prepared on an accrual basis under the historical cost convention. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

The accounting policies adopted in preparation and presentation of financial statements are given below :

#### b) Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities as at the date of financial statements and reported amounts of income and expenses during the reporting period. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

#### c) Current & Non Current Classification

All the assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle as 12 months and other criteria set out in Revised Schedule III to the Companies Act, 2013. Based on the nature of activities and time between the activities performed and their subsequent realisation in cash or cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current / non-current classification of assets and liabilities.

#### d) Inventories

(i) Stores and spares are valued at cost. Cost is determined on Weighted Average basis.

(ii) Costs includes all non refundable duties and all charges incurred in bringing the goods to the their present location and condition.

#### e) Cash & Cash Equivalents (for purpose of cash flow statement)

Cash comprises cash on hand and demand deposit with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

#### f) Cash Flow Statement

The Cash Flow Statement has been prepared in accordance with the indirect method prescribed under Accounting Standard - 3 of the Companies (Accounting Standards) Rules, 2006 (as amended), whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

#### g) Depreciation

i) Depreciation on fixed assets is calculated on straight-line method (SLM) using the rates arrived at based on the Useful Life as specified in Schedule II of the Companies Act, 2013.

## Notes to Financial Statement for the year ended 31st March, 2016

- ii) Depreciation on Assets acquired or disposed off during the year is provided on pro-rata basis with reference to the date of acquisition or disposal.

### h) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

#### 1) Income from Services

Revenues are recognised immediately when the service is provided. The company collects the tax on behalf of the government and therefore, these are not economic benefits flowing to the company. Hence they are excluded from revenue.

- 2) Interest revenues from loans and advances are recognized on time proportion basis taking into account the amount outstanding and the rate applicable.
- 3) Sale of Goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer.
- 4) Income from mutual funds is recognised when the Company's right to receive payment is established.
- 5) Profit/Loss on sale of Current investments are recognised on the contract date.

### i) Investment

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long term 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 other than temporary in the opinion of the management.

Current investments are carried at the lower of cost and fair value, computed category wise.

### j) Fixed Assets

#### Tangible Fixed assets

Fixed assets are stated at cost of acquisition or construction less accumulated depreciation / amortisation and impairment losses, if any. The cost comprises of the purchase price and any attributable cost of bringing the assets to its working condition for its intended use.

### k) Foreign Currency Transaction

#### i) Initial Recognition :

Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction.

#### ii) Conversion :

At the year-end, monetary items denominated in foreign currencies, if any, are converted into rupee equivalents at exchange rate prevailing on the balance sheet date.

#### iii) Exchange Differences :

All exchange differences arising on settlement and conversion of foreign currency transaction are included in the Statement of Profit and Loss.

### l) Employee Benefits

#### i) Short Term Employee Benefits

Short term employee benefits are recognised as an expense on accrual basis.

Short term Project related employee benefits are recognized as an expenses at the undiscounted amount in the statement of profit and loss of the year in which the related service is rendered.

#### ii) Post Employee Benefits

- a) Defined Benefit Plan: Gratuity being a defined benefit scheme is accrued based on actuarial valuations, carried out by an independent actuary as at the balance sheet date using the projected unit credit method. These contributions are covered through Group Gratuity Scheme with Life Insurance Corporation of India and are charged against revenue.

Actuarial gain and losses in respect of post employment and other long term benefits are recognised as per actuarial assumptions in the Statement of Profit and Loss in the period in which they arise.

## Notes to Financial Statement for the year ended 31st March, 2016

- b) **Defined Contribution Plan** : Provision is made for compensated absence based on actuarial valuation, carried out by an independent actuary as at the balance sheet date.

Company's contribution to Provident Fund, Employees' State Insurance Fund and labour welfare fund which are defined contribution plans determined under the relevant schemes and/or statute are charged to the Statement of Profit and Loss when incurred. There are no other obligations other than the contribution payable to the respective funds.

Termination Benefits, if any, are recognized as an expense as and when incurred.

**m) Borrowing Costs**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are recognised in the Statement of Profit and Loss in the period they occur.

**n) Segment Accounting**

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

Based on guiding principles given in Accounting Standard on "Segment Reporting"- AS 17 as specified in the Companies (Accounting Standards) Rules, 2006 (as amended), if a single financial report contains both consolidated financial statements and separate financial statements of the parent, segment information need be presented only on the basis of consolidated financial statements of the Company.

**o) Related Party Transactions**

Disclosure of transactions with related parties, as required by Accounting Standard 18 of the Companies (Accounting Standards) Rules, 2006 (as amended). "Related Party Disclosures" has been set out in a separate statement annexed to this note. Related parties as defined under the said Accounting Standard (as amended) have been identified on the basis of representations made by management and information available with the Company.

**p) Earning Per Share**

The Company reports basic and diluted earnings per share (EPS) in accordance with the Accounting Standard 20 as specified in the Companies (Accounting Standards) Rules, 2006 (as amended). The Basic EPS has been computed by dividing the income available to equity shareholders by the weighted average number of equity shares outstanding during the accounting year. The Diluted EPS has been computed using the weighted average number of equity shares and dilutive potential equity shares outstanding at the end of the year.

**q) Taxes On Income**

**i) Current Tax :**

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 Income Tax Act, 1961.

In absence of taxable income in the current year, provision for taxation has not been made.

**ii) Deferred Tax :**

Deferred tax charge or credit is recognized using enacted or substantially enacted rates at the Balance Sheet date. In case of unabsorbed depreciation, deferred tax assets are recognized only to the extent there is virtual certainty of realization of such assets. Other deferred tax assets are recognized only to the extent there is reasonable certainty of realization of income in future. Such assets are reviewed as at each balance sheet date to reassess realization.

**r) Provisions, Contingent Liabilities & Contingent Assets**

Provisions involving substantial degree of estimation in measurements 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 recognised nor disclosed in the financial statements.

**s) Expenditure**

Expenses are booked net of taxes recoverable, wherever applicable.

**t) Service Tax Input Credit**

Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is no uncertainty in availing / utilising the credits.

## Notes to Financial Statement for the year ended 31st March, 2016

### u) Applicability of other Accounting Standards

Though other Accounting Standards also apply to the company by virtue of the Companies (Accounting Standards) Rules 2006 (as amended), no disclosure for the same is being made as the company has not done any transaction to which the said Accounting Standard apply.

### 3 SHARE CAPITAL

(₹ in Crores)

| Particulars   | As at            | As at            |
|---|------------------|------------------|
|   | 31st March, 2016 | 31st March, 2015 |
| <b>Authorised shares</b>  |                  |                  |
| 110,00,00,000 (Previous year 110,00,00,000) Equity shares of ₹ 10/- each            | 1,100.00         | 1,100.00         |
|   | <b>1,100.00</b>  | <b>1,100.00</b>  |
| <b>Issued, subscribed and fully paid-up shares (Refer Note 26(v))</b>               |                  |                  |
| 109,98,10,083 (Previous year 109,00,00,000) Equity shares of ₹ 10/- each fully paid | 1,099.81         | 1,090.00         |
| <b>Total issued, subscribed and fully paid-up share capital</b>                     | <b>1,099.81</b>  | <b>1,090.00</b>  |

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

| Equity Shares  | As at 31st March, 2016 |                 | As at 31st March, 2015 |                 |
|--|------------------------|-----------------|------------------------|-----------------|
|  | Numbers                | (₹ in Crores)   | Numbers                | (₹ in Crores)   |
| At the beginning of the year   | 1,090,000,000          | 1,090.00        | 50,000                 | 0.05            |
| Less : Cancellation of the shares due to Composite Scheme of Arrangement (Refer Note 26(v)). | (1090000000)           | (1090.00)       | -                      | -               |
| Add : Issued during the year   | -                      | -               | 1,089,950,000          | 1,089.95        |
| Add : Issued on account of Composite Scheme of Arrangement                                   | 1,099,810,083          | 1,099.81        | -                      | -               |
| <b>Outstanding at the end of the year</b>  | <b>1,099,810,083</b>   | <b>1,099.81</b> | <b>1,090,000,000</b>   | <b>1,090.00</b> |

#### b. Terms / rights attached to equity shares

Company has only one class of equity shares having a par value of ₹ 10/- per share. Each holder of Equity Shares is entitled to one vote per share. The dividend if proposed by the Board of Directors is subject to approval of the share holders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding.

#### c. Shares held by holding/ultimate holding company and/or their subsidiaries/associates

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

| Equity Shares                                 | As at 31st March, 2016 |               | As at 31st March, 2015 |                 |
|---|------------------------|---------------|------------------------|-----------------|
|   | Numbers                | (₹ in Crores) | Numbers                | (₹ in Crores)   |
| <b>Holding Company</b>                        |                        |               |                        |                 |
| Adani Enterprises Limited (With its nominees) | -                      | -             | 1,090,000,000          | 1,090.00        |
|   | -                      | -             | <b>1,090,000,000</b>   | <b>1,090.00</b> |

#### d. Aggregate Number of shares issued, Shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:

| Particulars  | As at 31st March, 2016 | As at 31st March, 2015 |
|--|------------------------|------------------------|
|  | Numbers                | Numbers                |
| Equity shares allotted on account of Composite Scheme of Arrangement | 1,099,810,083          | -                      |
|  | <b>1,099,810,083</b>   | <b>-</b>               |

## Notes to Financial Statement for the year ended 31st March, 2016

### 3 SHARE CAPITAL (contd...)

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

| Name of Shareholders  | As at 31st March, 2016 |               | As at 31st March, 2015 |                |
|---|------------------------|---------------|------------------------|----------------|
|   | Numbers                | % holding     | Numbers                | % holding      |
| Shri Gautam S. Adani/Shri Rajesh S. Adani<br>(on behalf S. B. Adani Family Trust) | 621,197,910            | 56.48%        | -                      | -              |
| Adani Properties Private Limited  | 99,491,719             | 9.05%         | -                      | -              |
| Shri Vinod Shantilal Adani  | 90,749,100             | 8.25%         | -                      | -              |
| Adani Enterprises Limited<br>(Holding company with its nominees)                  | -                      | -             | 1,090,000,000          | 100%           |
|   | <b>811,438,729</b>     | <b>73.78%</b> | <b>1,090,000,000</b>   | <b>100.00%</b> |

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

### 4 RESERVES & SURPLUS

(₹ in Crores)

| Particulars  | As at 31st March, 2016 |                 | As at 31st March, 2015 |                |
|--|------------------------|-----------------|------------------------|----------------|
| <b>General Reserve</b>                                       |                        |                 |                        |                |
| As per Last Balance Sheet                                    | -                      | -               | -                      | -              |
| Add : On account of Merger                                   | 1,220.60               | 1,220.60        | -                      | -              |
| <b>Surplus (Deficit) in the statement of profit and loss</b> |                        |                 |                        |                |
| As per Last Balance Sheet                                    | (17.94)                | -               | (0.00)                 | -              |
| Add : Loss for the year                                      | (53.66)                | (71.61)         | (17.94)                | (17.94)        |
| <b>Total Reserves and Surplus</b>                            |                        | <b>1,149.01</b> |                        | <b>(17.94)</b> |

### 5 LONG-TERM BORROWING

(₹ in Crores)

| Particulars   | As at<br>31st March, 2016 | As at<br>31st March, 2015 |
|---|---------------------------|---------------------------|
| Secured Non Convertible Debenture (Refer note (i) & (ii)) |                           |                           |
| 9.25% Non Convertible Debentures                          | 150.00                    | -                         |
| 9.35% Non Convertible Debentures                          | 200.00                    | -                         |
| 9.45% Non Convertible Debentures                          | 650.00                    | -                         |
| Secured Loan from Bank (Refer note (iii), (iv) & (v))     | 1,706.63                  | -                         |
|   | <b>2,706.63</b>           | <b>-</b>                  |

#### Notes

- Non Convertible Debentures (NCD's) of ₹ 1000.00 Crores (31st March, 2015 - NIL) are secured by first ranking pari passu charge in favour of the Debenture Trustee (for the benefit of the Debenture holders) over all the assets (movable and immovable) including current assets and pledge over 100% shares of Adani Transmission (India) Limited and Maharashtra Eastern Grid Power Transmission Company Limited. (Both are 100% Subsidiaries of the company).
- Repayment terms NCD's - NCD's aggregating to ₹ 1000.00 crores are redeemable by April 2021.
- Security Note - Term Loan : Rupee term loan from bank aggregating to ₹ 1850.00 Crores (31st March, 2015 - NIL) are secured by first ranking pari passu charge over all the fixed assets (movable and immovable), present and future and pledge over 100% shares of Adani Transmission (India) Limited and Maharashtra Eastern Grid Power Transmission Company Limited (Both are 100% Subsidiaries of the Company).
- Repayment terms - Term loan from bank ₹ 1850.00 Crores are repayable in 58 structured quarterly installment commencing from 31st August 2016.
- Interest on term loan is 10.60% p.a.
- For current maturities of long-term borrowings, refer note 9 - "Other Current Liabilities"



## Notes to Financial Statement for the year ended 31st March, 2016

### 6 LONG-TERM PROVISIONS

(₹ in Crores)

| Particulars   | As at<br>31st March, 2016 | As at<br>31st March, 2015 |
|---|---------------------------|---------------------------|
| Provision for Employee Benefits* (Refer note 26(iii)) | 3.03                      | 7.08                      |
|   | <b>3.03</b>               | <b>7.08</b>               |

\*Long Term and short term classification is done based on actuarial valuation certificate

### 7 SHORT TERM BORROWINGS

(₹ in Crores)

| Particulars                                    | As at<br>31st March, 2016 | As at<br>31st March, 2015 |
|--|---------------------------|---------------------------|
| <b>Unsecured</b>                               |                           |                           |
| Loans from Related Parties (Refer Note 26(iv)) | 550.62                    | 2,627.26                  |
| Commercial Paper                               | 1,500.00                  | –                         |
| Loans from Financial Institution               | 460.00                    | –                         |
|  | <b>2,510.62</b>           | <b>2,627.26</b>           |

### 8 TRADE PAYABLES

(₹ in Crores)

| Particulars                          | As at<br>31st March, 2016 | As at<br>31st March, 2015 |
|--------------------------------------|---------------------------|---------------------------|
| <b>Trade Payables</b>                |                           |                           |
| - Micro Small and Medium Enterprises | 0.02                      | –                         |
| - Others                             | 2.56                      | 0.74                      |
| Accrual For Employees                | 0.78                      | 0.26                      |
|                                      | <b>3.36</b>               | <b>1.00</b>               |

| Particulars  | As at<br>31st March, 2016 | As at<br>31st March, 2015 |
|--|---------------------------|---------------------------|
| 1) Overdue Principal amount remaining unpaid to any supplier as at the end of the accounting year  | –                         | –                         |
| 2) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year  | –                         | –                         |
| 3) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day                               | –                         | –                         |
| 4) The amount of interest due and payable for the year   | –                         | –                         |
| 5) The amount of interest accrued and remaining unpaid at the end of the accounting year   | –                         | –                         |
| 6) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid | –                         | –                         |

The Disclosure in respect of the amounts payable to Micro and Small Enterprises have been made in the financial statements based on the information received and available with the Company. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Company has not received any claim for interest from any supplier as at the balance sheet date. These facts has been relied upon by the auditors.

### 9 OTHER CURRENT LIABILITIES

(₹ in Crores)

| Particulars   | As at<br>31st March, 2016 | As at<br>31st March, 2015 |
|---|---------------------------|---------------------------|
| <b>Current Maturity of long term borrowings</b>                                 |                           |                           |
| From Bank (For security Refer note 5)   | 143.38                    | –                         |
| Statutory Liabilities (Includes PF, Professional Tax, VAT, Service tax and TDS) | 2.26                      | 3.06                      |
| Advance from Customer   | 7.17                      | –                         |
| Interest accrued but not due  | 49.26                     | –                         |
| Retention Money   | 0.55                      | –                         |
| Other Payable   | 0.97                      | 0.00                      |
|   | <b>203.59</b>             | <b>3.06</b>               |

(Transactions below ₹ 50,000 denoted as ₹ 0.00)

## Notes to Financial Statement for the year ended 31st March, 2016

### 10 SHORT TERM PROVISIONS

(₹ in Crores)

| Particulars   | As at<br>31st March, 2016 | As at<br>31st March, 2015 |
|---|---------------------------|---------------------------|
| Provision for Employee Benefits* (Refer note 26(iii)) | 1.15                      | 0.65                      |
|   | <b>1.15</b>               | <b>0.65</b>               |

\*Long Term and short term classification is done based on actuarial valuation certificate

### 11 FIXED ASSETS

(₹ in Crores)

| Particulars                        | GROSS BLOCK                |                                 |  |                              | ACCUMULATED DEPRECIATION   |                               |                                  |                              | NET BLOCK                    |
|------------------------------------|----------------------------|---------------------------------|--|------------------------------|----------------------------|-------------------------------|----------------------------------|------------------------------|------------------------------|
|                                    | As at<br>1st April<br>2015 | Additions<br>during the<br>Year | Deductions/<br>Adjustments<br>during the<br>year | As at<br>31st March,<br>2016 | As at<br>1st April<br>2015 | For the<br>Year on<br>account | Deductions<br>during the<br>year | As at<br>31st March,<br>2016 | As at<br>31st March,<br>2016 |
| <b>Tangible assets</b>             |                            |                                 |  |                              |                            |                               |                                  |                              |                              |
| Land (Free Hold)                   | -                          | 0.04                            | -  | 0.04                         | -                          | -                             | -                                | -                            | 0.04                         |
| Plant & Machinery                  | -                          | 0.41                            | -  | 0.41                         | -                          | 0.02                          | -                                | 0.02                         | 0.39                         |
| Furniture & Fixture                | -                          | 0.07                            | -  | 0.07                         | -                          | 0.00                          | -                                | 0.00                         | 0.07                         |
| Office Equipments                  | -                          | 0.07                            | -  | 0.07                         | -                          | 0.01                          | -                                | 0.01                         | 0.06                         |
| Computer Equipment                 | -                          | 0.00                            | -  | 0.00                         | -                          | 0.00                          | -                                | 0.00                         | 0.00                         |
| Vehicles                           | -                          | 0.14                            | -  | 0.14                         | -                          | 0.00                          | -                                | 0.00                         | 0.14                         |
| <b>Total Tangible Fixed Assets</b> | <b>-</b>                   | <b>0.73</b>                     | <b>-</b>   | <b>0.73</b>                  | <b>-</b>                   | <b>0.03</b>                   | <b>-</b>                         | <b>0.03</b>                  | <b>0.70</b>                  |

(Transactions below ₹ 50,000 denoted as ₹ 0.00)

### 12 NON CURRENT INVESTMENTS

(₹ in Crores)

| Particulars  | As at<br>31st March, 2016 | As at<br>31st March, 2015 |
|--|---------------------------|---------------------------|
| <b>Trade Investments (Valued at cost)</b>  |                           |                           |
| <b>a) Unquoted Equity shares</b>   |                           |                           |
| <b>In wholly owned subsidiaries</b>  |                           |                           |
| - 11,00,50,000 (11,00,50,000) Equity Shares of Adani Transmission (India) Limited of ₹ 10/- each   | 343.10                    | 343.10                    |
| - 70,75,00,000 (70,75,00,000) Equity Shares of Maharashtra Eastern Grid Power Transmission Company Limited of ₹ 10/- each                      | 903.50                    | 903.50                    |
| - 50,000 (Nil) Equity Shares of Sipat Transmission Limited of ₹ 10/- Each  | 0.05                      | -                         |
| - 50,000 (Nil) Equity Shares of Raipur - Rajnandgaon - Warora Transmission Limited of ₹ 10/- each  | 0.05                      | -                         |
| - 50,000 (Nil) Equity Shares of Chhattisgarh-WR Transmission Limited of ₹ 10/- each  | 0.05                      | -                         |
| <b>b) Unquoted Preference shares</b>   |                           |                           |
| <b>In wholly owned subsidiaries</b>  |                           |                           |
| - 142,50,00,000 (142,50,00,000) 0% (0.01%) Convertible Preference Shares of Adani Transmission (India) Ltd of ₹ 10/- each                      | 1,425.00                  | 1,425.00                  |
| - 101,15,30,000 (101,15,30,000) 0% (0.01%) Convertible Preference Shares of Maharashtra Eastern Grid Power Transmission Co Ltd. of ₹ 10/- each | 1,011.53                  | 1,011.53                  |
|  | <b>3,683.28</b>           | <b>3,683.13</b>           |
| Aggregate amount of unquoted investment:   |                           |                           |
| - Equity Shares  | 1,246.75                  | 1,246.60                  |
| - Preference Shares  | 2,436.53                  | 2,436.53                  |

### 13 LONG TERM LOANS AND ADVANCES

(₹ in Crores)

| Particulars   | As at<br>31st March, 2016 | As at<br>31st March, 2015 |
|---|---------------------------|---------------------------|
| <b>(Unsecured, Considered Good)</b>                       |                           |                           |
| Loans and advances to related parties (Refer Note 26(iv)) | 3,511.59                  | -                         |
| Capital advances  | 1.00                      | -                         |
| Employee Relocation Advance                               | 0.05                      | -                         |
| Security Deposit  | 0.06                      | 0.02                      |
| Advance Payment of Income Tax                             | 3.39                      | 0.55                      |
|   | <b>3,516.09</b>           | <b>0.57</b>               |

## Notes to Financial Statement for the year ended 31st March, 2016

### 14 OTHER NON CURRENT ASSETS

(₹ in Crores)

| Particulars                          | As at<br>31st March, 2016 | As at<br>31st March, 2015 |
|--------------------------------------|---------------------------|---------------------------|
| <b>(Unsecured, Considered Good)</b>  |                           |                           |
| Unamortised Ancillary Borrowing Cost | 12.80                     | -                         |
|                                      | <b>12.80</b>              | <b>-</b>                  |

### 15 CURRENT INVESTMENTS

(₹ in Crores)

| Particulars  | As at<br>31st March, 2016 | As at<br>31st March, 2015 |
|--|---------------------------|---------------------------|
| <b>(Unquoted)</b>  |                           |                           |
| Investment in mutual fund  |                           |                           |
| 603959.559 Units (Previous Year - Nil) JM High Liquidity Fund (Direct) - Growth Option (NAV ₹ 2.50 Crores) | 2.50                      | -                         |
|  | <b>2.50</b>               | <b>-</b>                  |

### 16 TRADE RECEIVABLE

(₹ in Crores)

| Particulars  | As at<br>31st March, 2016 | As at<br>31st March, 2015 |
|--|---------------------------|---------------------------|
| <b>(Unsecured, Considered Good)</b>  |                           |                           |
| Receivable, outstanding for a period More than six months from the date they are due for payment | 53.01                     | -                         |
| Receivable, outstanding for a period less than six months from the date they are due for payment | 23.80                     | 25.89                     |
|  | <b>76.81</b>              | <b>25.89</b>              |

### 17 CASH AND BANK BALANCES

(₹ in Crores)

| Particulars  | As at<br>31st March, 2016 | As at<br>31st March, 2015 |
|--|---------------------------|---------------------------|
| <b>Cash and Cash Equivalents</b>                                 |                           |                           |
| Cash On hand   | -                         | -                         |
| Balances with Banks  |                           |                           |
| - In Current Accounts  | 2.33                      | 0.44                      |
| <b>Other Bank Balances</b>                                       |                           |                           |
| Margin Money Deposits  | 99.38                     | -                         |
| (Lodged Against Bank Guarantee and Debt Service Reserve Account) |                           |                           |
|  | <b>101.71</b>             | <b>0.44</b>               |

### 18 SHORT - TERM LOAN AND ADVANCES

(₹ in Crores)

| Particulars   | As at<br>31st March, 2016 | As at<br>31st March, 2015 |
|---|---------------------------|---------------------------|
| <b>(Unsecured, Considered Good)</b>                       |                           |                           |
| Loans and advances to related parties (refer note 26(iv)) | 228.33                    | 0.30                      |
| Security Deposit  | 0.01                      | -                         |
| Prepaid Expense   | 42.45                     | -                         |
| Loans and advances to employee                            | 0.10                      | 0.22                      |
| Balances with Government Authorities                      | 0.01                      | 0.54                      |
| Advance to suppliers                                      | 1.81                      | 0.02                      |
|   | <b>272.71</b>             | <b>1.08</b>               |

## Notes to Financial Statement for the year ended 31st March, 2016

### 19 OTHER CURRENT ASSETS

(₹ in Crores)

| Particulars                          | As at<br>31st March, 2016 | As at<br>31st March, 2015 |
|--------------------------------------|---------------------------|---------------------------|
| <b>(Unsecured, Considered Good)</b>  |                           |                           |
| Interest accrued but not due         | 0.40                      | -                         |
| Unbilled Revenue                     | 2.90                      | -                         |
| Unamortised Ancillary Borrowing Cost | 2.62                      | -                         |
|                                      | <b>5.92</b>               | <b>-</b>                  |

### 20 REVENUE FROM OPERATION

(₹ in Crores)

| Particulars                                | For the year ended<br>31st March, 2016 | For the year ended<br>31st March, 2015 |
|--|--|--|
| Revenue from Services of Transmission line | 125.91                                 | 22.92                                  |
| Sale of Traded Goods                       | 148.54                                 | -                                      |
|  | <b>274.45</b>                          | <b>22.92</b>                           |
| <b>Details of Sale of Traded goods</b>     |  |  |
| Agro commodities (Castor oil)              | 148.54                                 | -                                      |
|  | <b>148.54</b>                          | <b>-</b>                               |

### 21 OTHER INCOME

(₹ in Crores)

| Particulars  | For the year ended<br>31st March, 2016 | For the year ended<br>31st March, 2015 |
|--|--|--|
| Interest Income                                    |  |  |
| - Others   | 141.06                                 | 0.91                                   |
| - Banks  | 1.43                                   | -                                      |
| Net gain / (loss) on Sale from Current Investments | 2.88                                   | 0.00                                   |
| Sale of Scrap                                      | 0.01                                   | -                                      |
| Liability No Longer Required written back          | 1.55                                   | -                                      |
|  | <b>146.93</b>                          | <b>0.91</b>                            |

(Transactions below ₹ 50,000 denoted as ₹ 0.00)

### 22 PURCHASE OF TRADED GOODS

(₹ in Crores)

| Particulars  | For the year ended<br>31st March, 2016 | For the year ended<br>31st March, 2015 |
|--|--|--|
| Purchase of Traded goods (Including incidental Expenses) | 148.51                                 | -                                      |
|  | <b>148.51</b>                          | <b>-</b>                               |
| <b>Details of the Purchase of Traded goods</b>           |  |  |
| Agro commodities (Castor oil)                            | 148.51                                 | -                                      |
|  | <b>148.51</b>                          | <b>-</b>                               |

### 23 EMPLOYEE BENEFITS EXPENSES

(₹ in Crores)

| Particulars                               | For the year ended<br>31st March, 2016 | For the year ended<br>31st March, 2015 |
|---|--|--|
| Salaries, Wages & Bonus                   | 24.28                                  | 12.47                                  |
| Contribution to provident and other funds | (0.57)                                 | 4.36                                   |
| Staff welfare expense                     | 0.54                                   | 0.12                                   |
|   | <b>24.25</b>                           | <b>16.95</b>                           |

## Notes to Financial Statement for the year ended 31st March, 2016

### 24 FINANCE COST

(₹ in Crores)

| Particulars                       | For the year ended<br>31st March, 2016 | For the year ended<br>31st March, 2015 |
|-----------------------------------|--|--|
| Interest Expense                  |  |  |
| - To Bank & Financial Institution | 190.29                                 | -                                      |
| - To Other                        | 68.82                                  | 19.18                                  |
| Finance charges                   | 10.51                                  | 0.00                                   |
|                                   | <b>269.62</b>                          | <b>19.18</b>                           |

(Transactions below ₹ 50,000 denoted as ₹ 0.00)

### 25 OTHER EXPENSES

(₹ in Crores)

| Particulars                              | For the year ended<br>31st March, 2016 | For the year ended<br>31st March, 2015 |
|--|--|--|
| Repair & Maintenance (O & M)             | 4.70                                   | -                                      |
| Installation & Fabrication expenses      | 3.09                                   | -                                      |
| Consumption of stores and spares         | 1.87                                   | 0.01                                   |
| Power and fuel                           | 0.06                                   | 0.01                                   |
| Rent                                     | 0.47                                   | 0.01                                   |
| Repair & Maintenance                     |  |  |
| - Others                                 | 0.31                                   | 0.04                                   |
| Insurance expenses                       | 0.50                                   | -                                      |
| Security expenses                        | 0.44                                   | 0.13                                   |
| Rates and taxes                          | 0.04                                   | 0.00                                   |
| Payment to auditors                      |  |  |
| - Statutory Audit Fees                   | 0.02                                   | 0.00                                   |
| - Tax Audit Fees                         | 0.00                                   | 0.00                                   |
| - Other Services                         | 0.01                                   | -                                      |
| Legal and subscription Fees              | 0.60                                   | 3.64                                   |
| Professional Charges                     | 4.49                                   | 0.54                                   |
| Travelling & Conveyance expenses         | 3.61                                   | 1.03                                   |
| Crop Compensation expenses               | 9.22                                   | -                                      |
| Survey, Supervision and Testing Expenses | 1.22                                   | -                                      |
| Miscellaneous expenses                   | 0.97                                   | 0.11                                   |
| Office Expenses                          | 0.69                                   | 0.08                                   |
| Communication expenses                   | 0.23                                   | 0.04                                   |
| Business Development expenses            | 0.09                                   | -                                      |
|  | <b>32.63</b>                           | <b>5.64</b>                            |

(Transactions below ₹ 50,000 denoted as ₹ 0.00)

### 26 OTHER NOTES:

#### i) Contingent liabilities & Commitments (to the extent not provided for)

(₹ in Crores)

| Particulars   | As at<br>31st March, 2016 | As at<br>31st March, 2015 |
|---|---------------------------|---------------------------|
| <b>a) Contingent Liabilities</b>  |                           |                           |
| Contingent Liabilities not provided for:                                      | Nil                       | Nil                       |
| <b>b) Commitments</b>   |                           |                           |
| Estimated amounts of contracts remaining to be executed and not provided for: | Nil                       | Nil                       |

## Notes to Financial Statement for the year ended 31st March, 2016

### 26 OTHER NOTES: (contd...)

#### ii) Earning Per Share (EPS)

| Particulars  | For the year ended<br>31st March, 2016 | For the year ended<br>31st March, 2015 |
|--|--|--|
| Loss for the year after tax (₹ in Crores)                                    | (53.66)                                | (17.94)                                |
| Weighted average number of equity shares for calculating basic & diluted EPS | 1,099,810,083                          | 56,787,123                             |
| Face value of equity shares (in ₹)   | 10                                     | 10                                     |
| Basic & Diluted Earning Per Share (in ₹)                                     | (0.49)                                 | (3.16)                                 |

#### iii) Employee Benefits :

a) The Company has made provision in the accounts for Gratuity based on actuarial valuation. The particulars under the AS-15 (Revised), Accounting Standard Rules, 2006 (as amended) furnished below are those which are relevant and available to the Company for this year.

(₹ in Crores)

| Particulars  | As at<br>31st March, 2016 | As at<br>31st March, 2015                      |
|--|---------------------------|--|
| <b>Reconciliation of Defined Benefit Obligations</b>                                     |                           |  |
| Liability at the beginning of the year   | 3.89                      | –  |
| Interest Cost  | 0.31                      | –  |
| Current Service cost   | 0.82                      | 3.89   |
| Actuarial (gain) / loss on obligations   | (2.92)                    | –  |
| <b>Liability at the end of the year</b>  | <b>2.10</b>               | <b>3.89</b>                                    |
| <b>Reconciliation of Fair Value of Plan Assets</b>                                       |                           |  |
| Plan assets at the beginning of the year   | –                         | –  |
| Expected return on plan assets   | –                         | –  |
| Contributions during the year  | 0.05                      | –  |
| Benefits paid  | –                         | –  |
| Benefit Paid From the fund   | –                         | –  |
| Actuarial (gain) / loss on plan assets   | –                         | –  |
| <b>Plan assets at the end of the year</b>  | <b>0.05</b>               | <b>–</b>                                       |
| <b>Reconciliation of Net Position at year end</b>  |                           |  |
| Fair value of plan assets at the end of the year   | 0.05                      | –  |
| Liability at the end of the year   | 2.10                      | 3.89   |
| <b>Net amount recognised in the Balance Sheet as Assets/(Liability) towards Gratuity</b> | <b>(2.05)</b>             | <b>(3.89)</b>                                  |
| <b>Gratuity Cost for the year</b>  |                           |  |
| Current service cost   | 0.82                      | 3.89   |
| Interest cost  | 0.31                      | –  |
| Expected return on plan assets   | –                         | –  |
| Actuarial (gain) / loss  | (2.92)                    | –  |
| <b>Gratuity Cost</b>   | <b>(1.79)</b>             | <b>3.89</b>                                    |
| <b>Actuarial Assumptions</b>   |                           |  |
| Discount Rate (per annum)  | 7.90%                     | 7.96%  |
| Expected Rate of Return on Plan Assets   | 7.90%                     | N.A.   |
| Attrition Rate   | 7.04%                     | 11% for 4 year<br>& below and 1%<br>thereafter |
| Annual Increase in Salary Cost   | 10.00%                    | 14.00%   |

b) The actuarial Liability for leave encashment and compensated absences (including Sick Leave) as at the year ended 31st March 2016 is ₹ 2.12 Crores

## Notes to Financial Statement for the year ended 31st March, 2016

### 26 OTHER NOTES: (contd...)

#### iv) Related party disclosures :

|   |   |
|---|---|
| A) Holding Company/Controlling entity                             | S. B. Adani Family Trust (SBAFT)                            |
| B) Subsidiary Company   | Adani Transmission (India) Limited                          |
|   | Maharashtra Eastern Grid Power Transmission Company Limited |
|   | Raipur – Rajnandgaon – Warora Transmission Limited          |
|   | Chhattisgarh – WR Transmission Limited                      |
|   | Sipat Transmission Limited                                  |
| C) Key Managerial Personnel                                       | Mr. Gautam S. Adani, Chairman                               |
|   | Mr. Deepak Bhargava, Whole-time Director                    |
|   | Mr. Kaushal Shah, Chief Financial Officer                   |
| D) Enterprises over which A or C above have significant influence | Adani Power Limited   |
|   | Adani Power Maharashtra Limited                             |
|   | Adani Agri Fresh Limited                                    |
|   | Adani Infra (India) Limited                                 |
|   | Adani Enterprises Limited                                   |
|   | Adani Power Rajasthan Limited                               |

#### Transaction during the year

| Particulars   | (₹ in Crores)             |                           |
|---|---------------------------|---------------------------|
|   | As at<br>31st March, 2016 | As at<br>31st March, 2015 |
| <b>Services Provided</b>                                    |                           |                           |
| Maharashtra Eastern Grid Power Transmission Company Limited | 88.01                     | 22.92                     |
| Adani Transmission (India) Limited                          | 34.76                     | –                         |
| <b>Purchase of Goods</b>                                    |                           |                           |
| Adani Power Maharashtra Limited                             | 0.07                      | –                         |
| <b>Purchase of Asset</b>                                    |                           |                           |
| Adani Enterprises Limited                                   | 0.03                      | –                         |
| <b>Interest income</b>                                      |                           |                           |
| Maharashtra Eastern Grid Power Transmission Company Limited | 89.64                     | 0.91                      |
| Adani Transmission (India) Limited                          | 46.11                     | –                         |
| Sipat Transmission Limited                                  | 1.15                      | –                         |
| Raipur–Rajnandgaon–Warora Transmission Limited              | 2.32                      | –                         |
| Chhattisgarh–WR Transmission Limited                        | 1.84                      | –                         |
| <b>Interest expenses</b>                                    |                           |                           |
| Adani Enterprises Limited                                   | –                         | 15.38                     |
| Adani Agri Fresh Limited                                    | 50.76                     | 2.84                      |
| Adani Infra (India) Limited                                 | 18.06                     | 0.96                      |
| <b>Reimbursement of the expenses</b>                        |                           |                           |
| Adani Enterprises Limited                                   | 0.14                      | –                         |
| Sipat Transmission Limited                                  | 0.31                      | –                         |
| Raipur–Rajnandgaon–Warora Transmission Limited              | 0.48                      | –                         |
| Chhattisgarh–WR Transmission Limited                        | 0.61                      | –                         |
| Adani Power Limited   | –                         | 0.02                      |
| Adani Power Maharashtra Limited                             | –                         | 0.03                      |

## Notes to Financial Statement for the year ended 31st March, 2016

### 26 OTHER NOTES: (contd...)

#### iv) Related party disclosures : (contd...)

##### Transaction during the year

(₹ in Crores)

| Particulars   | As at<br>31st March, 2016 | As at<br>31st March, 2015 |
|---|---------------------------|---------------------------|
| <b>Capital contribution received</b>                        |                           |                           |
| Adani Enterprises Limited                                   | -                         | 1,090.00                  |
| <b>Loan Given</b>   |                           |                           |
| Adani Transmission (India) Limited                          | 1,045.93                  | -                         |
| Sipat Transmission Limited                                  | 46.36                     | -                         |
| Raipur-Rajnandgaon-Warora Transmission Limited              | 103.93                    | -                         |
| Chhattisgarh-WR Transmission Limited                        | 79.52                     | -                         |
| Maharashtra Eastern Grid Power Transmission Company Limited | 2,728.00                  | 96.52                     |
| <b>Loan received back</b>                                   |                           |                           |
| Adani Transmission (India) Limited                          | 259.98                    | -                         |
| Chhattisgarh-WR Transmission Limited                        | 1.49                      | -                         |
| Maharashtra Eastern Grid Power Transmission Company Limited | 2.66                      | 96.22                     |
| <b>Loan taken</b>   |                           |                           |
| Adani Enterprises Limited                                   | -                         | 1,356.09                  |
| Adani Infra (India) Limited                                 | 534.36                    | 350.86                    |
| Adani Agri Fresh Limited                                    | 49.49                     | 1,082.56                  |
| <b>Loan repaid</b>  |                           |                           |
| Adani Agri Fresh Limited                                    | 896.65                    | 162.25                    |
| Adani Infra (India) Limited                                 | 570.00                    | -                         |
| <b>Purchase/Subscription of Investment</b>                  |                           |                           |
| Adani Power Limited   | -                         | 311.92                    |
| Adani Power Maharashtra Limited                             | -                         | 31.18                     |
| Adani Enterprises Limited                                   | -                         | 903.50                    |
| Adani Transmission (India) Limited                          | -                         | 1,425.00                  |
| Maharashtra Eastern Grid Power Transmission Company Limited | -                         | 1,011.53                  |
| <b>Remuneration</b>   |                           |                           |
| Deepak Bhargava, Wholetime Director                         | 1.71                      | -                         |
| Kaushal Shah, Chief Financial Officer                       | 0.65                      | -                         |
| <b>Employee Balance transfer</b>                            |                           |                           |
| Adani Power Limited   | 0.02                      | -                         |
| Adani Power Maharashtra Limited                             | 0.00                      | -                         |
| Adani Enterprises Limited                                   | 0.00                      | -                         |
| Maharashtra Eastern Grid Power Transmission Company Limited | 0.00                      | -                         |
| Adani Infra (India) Limited                                 | 0.00                      | -                         |
| Chhattisgarh-WR Transmission Limited                        | 0.00                      | -                         |
| Adani Power Rajasthan Limited                               | 0.00                      | -                         |



## Notes to Financial Statement for the year ended 31st March, 2016

### 26 OTHER NOTES: (contd...)

#### iv) Related party disclosures : (contd...)

| Particulars   | (₹ in Crores)             |                           |
|---|---------------------------|---------------------------|
|   | As at<br>31st March, 2016 | As at<br>31st March, 2015 |
| <b>Closing balance</b>                                      |                           |                           |
| <b>Unsecured Loan Balance</b>                               |                           |                           |
| Adani Enterprises Limited                                   | –                         | 1,193.84                  |
| Adani Agri Fresh Limited                                    | 235.40                    | 1,082.56                  |
| Adani Infra (India) Limited                                 | 315.22                    | 350.86                    |
| <b>Loans and advances</b>                                   |                           |                           |
| Sipat Transmission Limited                                  | 46.36                     | –                         |
| Raipur–Rajnandgaon–Warora Transmission Limited              | 103.93                    | –                         |
| Chhattisgarh–Wr Transmission Limited                        | 78.04                     | –                         |
| Adani Transmission (India) Limited                          | 785.95                    | –                         |
| Maharashtra Eastern Grid Power Transmission Company Limited | 2,725.64                  | 0.30                      |
| <b>Interest Accrued but not Due</b>                         |                           |                           |
| Adani Infra (India) Limited                                 | 17.09                     | –                         |
| <b>Account Payable</b>                                      |                           |                           |
| Maharashtra Eastern Grid Power Transmission Company Limited | 0.04                      | 0.02                      |
| Adani Power Rajasthan Limited                               | 0.00                      | 0.18                      |
| Adani Enterprises Limited                                   | 0.00                      | 0.00                      |
| Adani Power Maharashtra Limited                             | 0.07                      | 0.08                      |
| Adani Infra (India) Limited                                 | 0.00                      | 0.03                      |
| <b>Accounts Receivable</b>                                  |                           |                           |
| Sipat Transmission Limited                                  | 0.32                      | –                         |
| Raipur–Rajnandgaon–Warora Transmission Limited              | 0.53                      | –                         |
| Chhattisgarh–Wr Transmission Limited                        | 0.66                      | –                         |
| Adani Transmission (India) Limited                          | 31.26                     | –                         |
| Maharashtra Eastern Grid Power Transmission Company Limited | 4.34                      | 25.89                     |
| <b>Collateral Securities</b>                                |                           |                           |
| Adani Transmission (India) Limited                          | 500.00                    | –                         |
| Maharashtra Eastern Grid Power Transmission Company Limited | 500.00                    | –                         |

(Transactions below ₹ 50,000 denoted as ₹ 0.00)

- v) As per the approved Scheme of arrangement, Transmission Undertaking of Adani Enterprises Limited ("AEL") has been merged into the Company along with its assets and liabilities from the appointed date of 1st April, 2015. Pursuant to the merger of the Transmission Undertaking of AEL into Company and based on fair valuation done, the Company has issued and allotted 109,98,10,083 new equity shares of ₹ 10 each to the equity shareholders of AEL in the ratio of 1 equity share in Company for Every 1 Equity Shares held by the equity shareholder in AEL. The equity shares held by AEL in Company has been cancelled on approval of the said scheme by the Hon'ble High Court of Gujarat vide its order dated 7th May, 2015.

#### vi) Other Disclosures

In the opinion of the management and to the best of their knowledge and belief, the value under the head of Current and Non-Current Assets (other than Fixed Assets and Non-Current Investments) are approximately of the value stated, if realised in ordinary course of business, except unless stated otherwise. The provision for all the known liabilities is adequate and not in excess of amount considered reasonably necessary.

## Notes to Financial Statement for the year ended 31st March, 2016

### 26 OTHER NOTES: (contd...)

#### vii) Foreign Currency Transactions

(₹ in Crores)

| Particulars                     | For the year ended<br>31st March, 2016 | For the year ended<br>31st March, 2015 |
|---------------------------------|--|--|
| C.I.F. Value of imports         | -                                      | -                                      |
| Expenditure in Foreign Currency |  |  |
| Professional Fees               | 2.71                                   | -                                      |
| Others                          | 0.10                                   | -                                      |
| Earning in Foreign Currency     | -                                      | -                                      |
| <b>Total</b>                    | <b>2.81</b>                            | <b>-</b>                               |

viii) On account of approved Composite Scheme of Arrangement of the Company in the current year, previous year's figures are not strictly comparable. Previous year figures have been regrouped and reclassified wherever necessary to confirm to this year's classification.

As per our attached report of even date

For and on behalf of the Board of Directors

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

**GAUTAM S. ADANI**  
Chairman  
DIN: 00006273

**DEEPAK BHARGAVA**  
Whole-time Director  
DIN: 05247943

**CHIRAG SHAH**  
Partner  
Membership No. 122510

**KAUSHAL SHAH**  
Chief Financial Officer

**JALADHI SHUKLA**  
Company Secretary

Place: Ahmedabad  
Date: 26th May, 2016

Place: Ahmedabad  
Date: 26th May, 2016

## Independent Auditor's Report

To the Members of  
ADANI TRANSMISSION LIMITED

### Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Adani Transmission Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising the Consolidated Balance Sheet as at March 31, 2016, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'the consolidated financial statements').

### Management's Responsibility for the Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that gives a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India including the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of Consolidated Financial Statements. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which has been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account

the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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, of the consolidated state of affairs of the Group as at 31 March 2016 and their consolidated profit and their consolidated cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, we report that:
  - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
  - b) in our opinion proper books of account as required

by law maintained by holding company and its subsidiaries including relevant records relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and records of the Holding Company and subsidiaries.

- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained by the Holding Company and its subsidiaries included in the Group including relevant records relating to the preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the Directors of the Holding Company and subsidiaries as on 31st March, 2016 taken on record by the Board of Directors of the Holding Company and its subsidiaries, none of the Directors of the Group is disqualified as on 31st March, 2016 from being appointed as a Director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding

Company and its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in Annexure A.

- g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Group does not have any pending litigations which would impact its consolidated financial position;
  - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group.

**For Dharmesh Parikh & Co.,**  
Chartered Accountants  
Firm Reg. No: 112054W

**Chirag Shah**

Partner

Place : Ahmedabad  
Date : 26th May, 2016

Membership No. 122510

## Annexure - A to the Independent Auditor's Report

**RE: ADANI TRANSMISSION LIMITED**

**Report on the Internal Financial Controls under Clause i of sub-section 3 of section 143 of the Companies Act 2013 (the act).**

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2016, we have audited the internal financial controls over financial reporting of Adani Transmission Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies which are incorporated in India, as of that date.

### **Management's Responsibilities for Internal Financial Controls**

The respective Board of Directors of the Holding company

and its subsidiary companies are responsible for establishing and maintaining internal financial controls based on "internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI)". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to

the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditors' Responsibility**

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

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

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

#### **Meaning of Internal Financial Controls over Financial Reporting**

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the Company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

#### **Opinion**

In our opinion, the Holding Company and its subsidiary companies have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Dharmesh Parikh & Co.,**  
Chartered Accountants  
Firm Reg. No: 112054W

**Chirag Shah**  
Partner

Place : Ahmedabad  
Date : 26th May, 2016

Membership No. 122510

## Consolidated Balance Sheet as at 31st March, 2016

(₹ in Crores)

| Particulars                                | Notes        | As at<br>31st March, 2016 | As at<br>31st March, 2015 |
|--|--------------|---------------------------|---------------------------|
| <b>I. EQUITY AND LIABILITIES :</b>         |              |                           |                           |
| <b>(1) Shareholder's Fund</b>              |              |                           |                           |
| (a) Share Capital                          | 3            | 1,099.81                  | 1,090.00                  |
| (b) Reserves & Surplus                     | 4            | 1571.07                   | (6.75)                    |
|  |              | <b>2,670.88</b>           | <b>1,083.25</b>           |
| <b>(2) Non-current liabilities</b>         |              |                           |                           |
| (a) Long Term Borrowings                   | 5            | 5,120.52                  | 5,311.96                  |
| (b) Other Long Term Liabilities            | 6            | 3.35                      | 3.10                      |
| (c) Long Term Provisions                   | 7            | 5.57                      | 7.50                      |
|  |              | <b>5,129.44</b>           | <b>5,322.56</b>           |
| <b>(3) Current Liabilities</b>             |              |                           |                           |
| (a) Short Term Borrowings                  | 8            | 2,887.73                  | 3,585.81                  |
| (b) Trade Payables                         | 9            | 8.09                      | 48.94                     |
| (c) Other Current Liabilities              | 10           | 1,078.71                  | 1,448.74                  |
| (d) Short Term Provisions                  | 11           | 46.63                     | 3.10                      |
|  |              | <b>4,021.16</b>           | <b>5,086.59</b>           |
|  | <b>TOTAL</b> | <b>11,821.48</b>          | <b>11,492.40</b>          |
| <b>II ASSETS :</b>                         |              |                           |                           |
| <b>(1) Non-Current Assets</b>              |              |                           |                           |
| (a) Fixed Assets                           |              |                           |                           |
| (i) Tangible Assets                        | 12           | 9,772.60                  | 10,259.42                 |
| (ii) Capital Work-In-Progress              | 13           | 258.22                    | 9.83                      |
|  |              | <b>10,030.82</b>          | <b>10,269.25</b>          |
| (b) Goodwill on Consolidation              |              | 313.91                    | 313.90                    |
| (c) Long-term Loans and Advances           | 14           | 95.36                     | 10.17                     |
| (d) Others Non Current Assets              | 15           | 25.75                     | 15.45                     |
|  |              | <b>10,465.84</b>          | <b>10,608.77</b>          |
| <b>(2) Current Assets</b>                  |              |                           |                           |
| (a) Current Investments                    | 16           | 19.80                     | -                         |
| (b) Inventories                            | 17           | 21.76                     | 20.61                     |
| (c) Trade Receivables                      | 18           | 189.52                    | 448.76                    |
| (d) Cash and Bank Balances                 | 19           | 151.38                    | 15.09                     |
| (e) Short-term Loans and Advances          | 20           | 46.03                     | 3.23                      |
| (f) Other Current Assets                   | 21           | 927.15                    | 395.94                    |
|  |              | <b>1,355.64</b>           | <b>883.63</b>             |
|  | <b>TOTAL</b> | <b>11,821.48</b>          | <b>11,492.40</b>          |
| Summary of significant accounting policies | 2            |                           |                           |

The accompanying notes are an integral part of the financial statements.

As per our attached report of even date

For and on behalf of the Board of Directors

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

**GAUTAM S. ADANI**  
Chairman  
DIN: 00006273

**DEEPAK BHARGAVA**  
Whole-time Director  
DIN: 05247943

**CHIRAG SHAH**  
Partner  
Membership No. 122510

**KAUSHAL SHAH**  
Chief Financial Officer

**JALADHI SHUKLA**  
Company Secretary

Place: Ahmedabad  
Date: 26th May, 2016

Place: Ahmedabad  
Date: 26th May, 2016

**Consolidated Statement of Profit & Loss** for the year ended 31st March, 2016

(₹ in Crores)

| Particulars   | Notes | For the year ended<br>31st March, 2016 | For the year ended<br>31st March, 2015 |
|---|-------|--|--|
| <b>I. Revenue from Operations</b>                                 | 22    | 2,197.01                               | 135.34                                 |
| <b>II. Other Income</b>   | 23    | 70.36                                  | 3.29                                   |
| <b>III. Total Revenue (I + II)</b>                                |       | <b>2,267.37</b>                        | <b>138.63</b>                          |
| <b>IV. Expenses</b>   |       |  |  |
| Purchase of Traded Goods  | 24    | 148.51                                 | -                                      |
| Employee Benefits Expense   | 25    | 27.54                                  | 16.21                                  |
| Finance costs   | 26    | 970.65                                 | 72.53                                  |
| Depreciation, Amortization and Impairment Expense                 | 12    | 561.06                                 | 37.07                                  |
| Operating and Other Expenses                                      | 27    | 89.84                                  | 17.87                                  |
| <b>Total Expenses</b>   |       | <b>1,797.60</b>                        | <b>143.68</b>                          |
| <b>V. Profit/(Loss) before Exceptional items and tax (III-IV)</b> |       | <b>469.77</b>                          | <b>(5.05)</b>                          |
| <b>VI. Add/(Less) : Exceptional items</b>                         |       | -                                      | -                                      |
| <b>VII. Profit/(Loss) for the period before taxation (V-VI)</b>   |       | <b>469.77</b>                          | <b>(5.05)</b>                          |
| <b>VIII. Tax Expense:</b>   |       |  |  |
| Current tax   |       | 112.30                                 | 1.70                                   |
| MAT Credit Entitlement  |       | -                                      | -                                      |
| Adjustment for earlier year                                       |       | (0.26)                                 | -                                      |
| Deferred Tax  |       | -                                      | -                                      |
| <b>Total Tax Expense</b>  |       | <b>112.04</b>                          | <b>1.70</b>                            |
| <b>IX. Net Profit/(Loss) after Tax (VII - VIII)</b>               |       | <b>357.73</b>                          | <b>(6.75)</b>                          |
| <b>Earning per Equity Share of ₹ 10/- each</b>                    | 34    |  |  |
| - Basic & Diluted   |       | 3.25                                   | (1.19)                                 |
| Summary of significant accounting policies                        | 2     |  |  |

The accompanying notes are an integral part of the financial statements.

As per our attached report of even date

For and on behalf of the Board of Directors

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

**GAUTAM S. ADANI**  
Chairman  
DIN: 00006273

**DEEPAK BHARGAVA**  
Whole-time Director  
DIN: 05247943

**CHIRAG SHAH**  
Partner  
Membership No. 122510

**KAUSHAL SHAH**  
Chief Financial Officer

**JALADHI SHUKLA**  
Company Secretary

Place: Ahmedabad  
Date: 26th May, 2016

Place: Ahmedabad  
Date: 26th May, 2016

## Consolidated Cash Flow Statement for the year ended 31st March, 2016

(₹ in Crores)

| Particulars  | For the year ended<br>31st March, 2016 | For the year ended<br>31st March, 2015 |
|--|--|--|
| <b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>  |  |  |
| Net Profit / (Loss) before extraordinary items and tax   | 469.77                                 | (5.05)                                 |
| <b>Adjustments for:</b>  |  |  |
| Depreciation, Amortization and Impairment Expense  | 561.06                                 | 37.07                                  |
| Income from Mutual Fund  | (8.26)                                 | (0.04)                                 |
| Loss/(Profit) on Sale of Fixed Assets  | (0.03)                                 | -                                      |
| Liabilities No Longer Required Written Back  | (1.93)                                 | -                                      |
| Interest and Finance charges   | 970.65                                 | 72.53                                  |
| Share Issue Expense  | -                                      | 4.70                                   |
| Interest Income  | (59.95)                                | (0.30)                                 |
| <b>Operating Profit before Working Capital Changes</b>   | <b>1,931.31</b>                        | <b>108.91</b>                          |
| <b>Adjustments for :</b>   |  |  |
| Trade Receivable   | 276.91                                 | (11.17)                                |
| Inventories  | 1.37                                   | (0.10)                                 |
| Trade Payable, Other Liabilities and Provisions  | (48.88)                                | (112.18)                               |
| Loans and Advances and Other Current Assets  | (543.66)                               | (6.21)                                 |
| <b>Cash Generated from Operations</b>  | <b>1,617.05</b>                        | <b>(20.75)</b>                         |
| Direct Taxes paid (Net)  | (72.44)                                | (13.94)                                |
| <b>Net Cash from Operating Activities (A)</b>  | <b>1,544.61</b>                        | <b>(34.69)</b>                         |
| <b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>  |  |  |
| Capital Expenditure on Fixed Assets (after adjustment of increase/decrease of Capital Work-in-Progress and Advances) | (735.58)                               | (193.74)                               |
| Purchase of transmission business  | (0.15)                                 | (1,246.60)                             |
| Sale of Fixed Assets   | 0.57                                   | -                                      |
| Sale/(Purchase) of Current Investments (Net)   | (19.80)                                | -                                      |
| Purchase of consideration for demerger   | -                                      | (438.88)                               |
| Income from mutual fund  | 8.26                                   | 3.74                                   |
| Interest Received  | 59.78                                  | 0.30                                   |
| Margin money, Deposit (Invested)/ maturity   | (130.29)                               | 9.87                                   |
| <b>Net cash used in investing activities (B)</b>   | <b>(817.21)</b>                        | <b>(1,865.31)</b>                      |



**Consolidated Cash Flow Statement** for the year ended 31st March, 2016

(₹ in Crores)

| Particulars   | For the year ended<br>31st March, 2016 | For the year ended<br>31st March, 2015 |
|---|--|--|
| <b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>   |  |  |
| Proceeds from Long Term Borrowings  | 2,883.92                               | 2,815.33                               |
| Repayment of Long Term Borrowings   | (3,233.04)                             | (2,830.25)                             |
| Proceeds from Short Term Borrowings   | (2,009.33)                             | 4,544.34                               |
| Repayment of Short Term Borrowings  | 2,505.09                               | (3,501.25)                             |
| Proceeds from Equity Share  | -                                      | 1,089.95                               |
| Interest and Finance charges paid   | (868.28)                               | (211.83)                               |
| Share Issue Expenses  | -                                      | (4.70)                                 |
| <b>Net Cash Flow (used in) / from Financing Activities (C)</b>                        | <b>(721.64)</b>                        | <b>1,901.59</b>                        |
| <b>Net Increase in Cash and Cash Equivalents (A+B+C)</b>                              | <b>5.76</b>                            | <b>1.59</b>                            |
| Cash and Cash equivalent at the beginning of the year                                 | 3.09                                   | 0.05                                   |
| Cash and cash equivalents received on account of acquisition of transmission business | 0.27                                   | 1.46                                   |
| <b>Cash and Cash Equivalents as at end of the year</b>                                | <b>9.12</b>                            | <b>3.09</b>                            |
| <b>Cash and cash equivalents</b>  |  |  |
| Cash and Cheques on Hand  | -                                      | -                                      |
| Balances with Scheduled Banks   |  |  |
| - On Current Accounts   | 9.12                                   | 3.09                                   |
|   | <b>9.12</b>                            | <b>3.09</b>                            |
| <b>Other bank balances:</b>   |  |  |
| - Deposits with original maturity over 3 months but less than 12 months               |  |  |
| - Margin Money Deposits   | 140.88                                 | 10.74                                  |
| - Fixed Deposit with local banks  | 1.38                                   | 1.26                                   |
| <b>Cash &amp; Bank balances as at end of the year</b>                                 | <b>151.38</b>                          | <b>15.09</b>                           |
| Summary of significant accounting policies  | 2                                      |  |

The accompanying notes are an integral part of the financial statements.

As per our attached report of even date

For and on behalf of the Board of Directors

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

**GAUTAM S. ADANI**  
Chairman  
DIN: 00006273

**DEEPAK BHARGAVA**  
Whole-time Director  
DIN: 05247943

**CHIRAG SHAH**  
Partner  
Membership No. 122510

**KAUSHAL SHAH**  
Chief Financial Officer

**JALADHI SHUKLA**  
Company Secretary

Place: Ahmedabad  
Date: 26th May, 2016

Place: Ahmedabad  
Date: 26th May, 2016

## Notes to Consolidated Financial Statement for the year ended 31st March, 2016

### 1 CORPORATE INFORMATION

Adani Transmission Limited ("the Company") and its subsidiaries (together referred to as "the Group") is incorporated to carry on the business of establishing, commissioning, setting up, operating and maintaining electric power transmission systems, to acquire in any manner power transmission systems/networks, power systems, generation stations, tielines, sub-stations and transmission or distribution systems from State Electricity Boards, Vidyut Boards, Power Utilities, Generating Companies, Transmission Companies, Distribution Companies, Central or State Government Undertakings, Licensees, other local authorities or statutory bodies, other captive or independent power producers and distributors and to do all the ancillary, related or connected activities as may be considered necessary or beneficial or desirable for or along with any or all of the aforesaid purposes which can be conveniently carried on these systems, networks or platforms.

The Company also deals in business of purchase, sale, supply, import, distribute, export, or transfer / exchange and to deal as trader, agent, broker, representative or otherwise deal in all forms of electricity and in other forms of energy from any source whatsoever, both conventional and non-conventional and any other commodities, products, goods etc..

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### a) Principles of Consolidation:

- a) As mandated by Section 129(3) of the Companies Act, 2013, The consolidated financial statements have been prepared in accordance with Accounting Standard 21 (AS 21) on "Consolidated Financial Statements", as specified under Section 133 of the Companies Act, 2013 ("the 2013 Act") read with Rule 7 of the Companies (Accounts) Rules, 2014 and on the basis of the separate audited financial statements of Adani Transmission Limited (ATL) and its Subsidiaries. Reference in the notes to "Group" shall mean to include ATL and its Subsidiaries consolidated in these financial statements unless otherwise stated.
- b) The consolidated financial statements have been prepared on the following basis.
  - i) In accordance with Accounting Standard (AS) 21 "Consolidated Financial Statements" as specified under Section 133 of the Companies Act, 2013 ("the 2013 Act") read with Rule 7 of the Companies (Accounts) Rules 2014, Subsidiaries are fully consolidated from the date of acquisition and incorporation, being the date on which the Group obtains control, and continues to be consolidated until the date that such control ceases (including through voting rights). Subsidiaries have been consolidated on a line-by-line basis by adding together the book values of the like items of assets, liabilities, income and expenses after eliminating all significant intra-group balances and intra-group transactions. The unrealized profits resulting from intra-group transactions that are included in the carrying amount of assets are eliminated in full. Unrealized losses resulting from intra-group transactions that are deducted in arriving at the carrying amount of assets are also eliminated unless cost cannot be recovered.
  - ii) The difference between the cost of investment in the Subsidiaries over the net assets at the time of acquisition of the investment in the Subsidiaries / Associates is recognised in the financial statements as Goodwill or Capital Reserve as the case may be.
  - iii) Investments made by the parent company in Subsidiary Company subsequent to the holding-subsidiary relationship coming into existence are eliminated while preparing the consolidated financial statement.
  - iv) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and necessary adjustments required for deviations if any have been made in the consolidated financial statements.
  - v) The Company has disclosed only such policies and notes from individual financial statements, which fairly present the needed disclosures, lack of homogeneity and other similar considerations made it desirable to exclude some of them, which in the opinion of the management, could be better viewed, when referred from the individual financials statements.

## Notes to Consolidated Financial Statement for the year ended 31st March, 2016

The list of Companies / firms included in consolidation, relationship with Adani Transmission Limited and its shareholding therein is as under: The reporting date for all the entities is 31st March, 2016.

| Sr. No. | Name of Company / firm   | Country of Incorporation | Relationship | Share holding as on 31st March 2016 | Share holding as on 31st March 2015 |
|---------|--|--------------------------|--------------|-------------------------------------|-------------------------------------|
| 1       | Adani Transmission (India) Limited   | India                    | Subsidiary   | 100% by ATL                         | 100% by ATL                         |
| 2       | Maharashtra Eastern Grid Power Transmission Company Limited                            | India                    | Subsidiary   | 100% by ATL                         | 100% by ATL                         |
| 3       | Sipat Transmission Limited (w.e.f. 23 <sup>rd</sup> November 2015)                     | India                    | Subsidiary   | 100% by ATL                         | –                                   |
| 4       | Raipur-Rajnandgaon-Warora Transmission Limited (w.e.f. 23 <sup>rd</sup> November 2015) | India                    | Subsidiary   | 100% by ATL                         | –                                   |
| 5       | Chhattisgarh-WR Transmission Limited (w.e.f. 23 <sup>rd</sup> November 2015)           | India                    | Subsidiary   | 100% by ATL                         | –                                   |

### b) Basis of Preparation of Financial Statement

The consolidated financial statements which comprise of the financial statements of the parent company, Adani Transmission Limited and its subsidiaries have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 ("the 2013 Act") read with Rule 7 of the Companies (Accounts) Rules, 2014. The consolidated 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 consolidated financial statements are consistent with those followed in the previous year.

### c) Change in accounting policies

During the period, the Company has recognized the interest income on delayed payment from customer on accrual basis instead of cash basis, as management believes that the change will result in more appropriate presentation of the financial results. The change has resulted in an addition to other income of ₹ 57.05 crores out of which ₹ 25.37 crores relates to the year ended 31st March, 2015. As a result, the profit before tax for the period is higher to that extent.

### d) Use of Estimates

The preparation of the financial statements in conformity with Indian GAAP requires the management to make judgement, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent liabilities on the date of the financial statements and reported amounts of revenues and expenses for the period. Although these estimates are based on Management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes different from the estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognized prospectively in the current and future periods.

### e) Current & Non-Current Classification

All the assets and liabilities have been classified as current or non-current as per the respective Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of activities and time between the activities performed and their subsequent realisation in cash or cash equivalents, the respective companies have ascertained their operating cycle for the purpose of current / non-current classification of assets and liabilities and the same is consolidated on a line-by-line basis.

### f) Inventories

- i) Inventories are valued at lower of cost or Net Realisable Value.
- ii) Cost of inventories have been computed to include all costs of purchases, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

## Notes to Consolidated Financial Statement for the year ended 31st March, 2016

iii) The basis of determining cost for various categories of inventories are as follows:

Stores and Spares : Weighted Average Cost

Net realizable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and estimated cost necessary to make the sale.

### g) Cash Flow Statement

#### i) Cash & Cash Equivalents (for purpose of cash flow statement)

Cash comprises cash on hand and demand deposit with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

#### ii) Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the company are segregated.

### h) Depreciation

#### Depreciation on Tangible Assets

i) Depreciation in respect of assets related to electricity Transmission business is provided on a straight line basis at the rates provided in Appendix II of Central Electricity Regulatory Commission (Terms and conditions of Tariff) Regulations, 2014. In case of other Assets depreciation on fixed assets is calculated on straight-line method (SLM) using the rates arrived at based on the useful life as specified in Schedule II of the Companies Act, 2013.

ii) Depreciation on Leasehold improvements is provided per estimated useful life amortised over the balance of the lease period.

iii) Depreciation on asset acquired / disposed off during the period is provided on pro-rata basis with reference to the date of addition/disposal.

### i) Revenue Recognition

Revenue is recognised when consideration can be reasonably measured and there exists reasonable certainty of its recovery.

i) Income from services rendered is accounted for when the work is performed.

ii) Transmission income is accounted for based on tariff orders notified by respective regulatory authorities.

iii) Sale of Goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer.

iv) The transmission system incentive / disincentive is accounted for based on certification of availability by respective Regional Power Committee.

v) Delayed payment charges and interest on delayed payment for Transmission charges are recognised on accrual basis.

vi) Income from mutual funds is recognised when the Company's right to receive payment is established.

vii) Interest income is recognised on time proportion basis taking into account the amount outstanding and the rate applicable.

viii) Profit/Loss on sale of investments are recognised on the contract date.

### j) Fixed Assets

#### Tangible fixed assets

i) Fixed assets are stated at cost of acquisition or construction. They are stated at historical cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing

## Notes to Consolidated Financial Statement for the year ended 31st March, 2016

the asset to its working condition for its intended use. Borrowing cost relating to acquisition / construction of fixed assets which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

- ii) Expenditure on account of modification/alteration in plant and machinery, which increases the future benefit from the existing asset beyond its previous assessed standard of performance, is capitalized.
- iii) Any capital expenditure in respect of assets, the ownership of which would not vest with the Company, is charged off to revenue in the year of incurrence.
- iv) The Company adjusts exchange differences arising on translation/settlement of long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset to the cost of the asset and depreciates the same over the remaining useful life of the asset. In accordance with MCA circular dated 9<sup>th</sup> August 2012, exchange differences adjusted to the cost of fixed assets are total differences, arising on long term foreign currency monetary items pertaining to acquisition of a depreciable asset, for a period. In other words, the Company does not differentiate between exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other exchange difference. The depreciation on such foreign exchange difference is recognised from the first day of the financial year.
- v) 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.
- vi) Gains or losses arising from de recognition/ sale proceeds of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

### k) Foreign Currency Transactions

The company is exposed to foreign currency transactions including foreign currency payables and borrowings.

#### i) Initial Recognition and measurement

Foreign currency transaction is recorded, on initial recognition in the reporting currency, by applying to the foreign currency amount at the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

#### ii) Subsequent Measurement

Foreign currency receivables, payables and investments in subsidiaries (monetary items) are subsequently measured as stated below:

At the period-end, monetary items denominated in foreign currencies, other than those covered by forward contracts, are converted into rupee equivalents at the year end exchange rates.

#### iii) Exchange Differences

All exchange differences arising on settlement and conversion of foreign currency transaction are included in the Statement of Profit and Loss.

### l) Investments

- i) Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long term investments.
- ii) 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 other than temporary in the opinion of the management.
- iii) Current investments are carried at the lower of cost and quoted/fair value, computed category wise.

### m) Employee Benefits

#### Short Term Employee Benefits

Short-term employees benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the related service is rendered.

## Notes to Consolidated Financial Statement for the year ended 31st March, 2016

### Post Employment Benefits

#### i) Defined Benefit Plan

Gratuity with respect to defined benefit schemes are accrued based on actuarial valuations, carried out by an independent actuary as at the balance sheet date. These contributions are covered through Group Gratuity Scheme with Life Insurance Corporation of India and are charged against revenue.

#### ii) Defined Contribution plans

The Company's Officer's Super Annuation Fund Scheme, state governed provident fund scheme, employee state insurance scheme and Labour Welfare Fund Scheme are considered as defined contribution plans. The contribution under the schemes is recognized as an expense in the statement of Profit and Loss, as they are incurred. There are no other obligations other than the contribution payable to the respective funds.

iii) Provision is made for leave encashment based on actuarial valuation, carried out by an independent actuary as at the balance sheet date.

iv) Termination benefits, if any, are recognised as an expense as and when incurred.

v) For the purpose of presentation of Defined benefit plans and other long term benefits, the allocation between short term and long term provisions has been made as determined by an actuary.

#### n) Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to Statement of Profit and Loss.

#### o) Segment Reporting Policies

There are no separate reportable segments as per Accounting Standards (AS-17)- Segment Reporting.

#### p) Related Party Transactions

Disclosure of transactions with related parties, as required by Accounting Standard 18 . "Related Party Disclosures" has been set out in a separate statement annexed to this note. Related parties have been identified on the basis of representations made by key management and information available with the Company.

#### q) Leases

The Company's significant leasing arrangements are in respect of operating leases for land. The aggregate lease rental payable are charged as rent including lease rentals.

#### r) Earning Per Share

The Company reports basic and diluted earnings per share (EPS) in accordance with the Accounting Standard 20. The Basic EPS has been computed by dividing the income available to equity shareholders by the weighted average number of equity shares outstanding during the accounting year.

The Diluted EPS has been computed using the weighted average number of equity shares and dilutive potential equity shares outstanding at the end of the year.

#### s) Taxes on Income

##### i) Current Taxation

Tax expense comprises of current tax and includes any adjustments related to past periods in current and / or that may become necessary due to certain developments or reviews during the relevant period. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961.

##### ii) Deferred Taxation

As per provision of the Income-tax Act, 1961 enacted in India, the subsidiary of the company is eligible for a tax holiday under section 80IA for a block of 10 consecutive assessment years out of 15 year beginning of operation and thereby it is proposed to claim tax holidays in the subsequent year. No deferred tax (asset or

## Notes to Consolidated Financial Statement for the year ended 31st March, 2016

liability) is recognized in respect of timing differences which reverse during the tax holiday period, to the extent the respective company's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of timing differences which reverse after the tax holiday period is recognized in the year in which the timing differences originate. However, the Company restricts recognition of deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized. For recognition of deferred taxes, the timing differences which originate first are considered to reverse first.

Deferred tax assets arising from timing differences are recognised to the extent there is virtual certainty that the assets can be realized in future.

Net outstanding balance in Deferred Tax account is recognised as deferred tax liability/asset. The deferred tax account is used solely for reversing timing difference as and when crystallized

### t) Impairment of Fixed Assets

- i) The carrying amount of assets, other than inventories, is reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the assets recoverable amount is estimated.
- ii) The impairment loss is recognised whenever the carrying amount of an asset or its cash generation unit exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in the uses which is determined based on the estimated future cash flow discounted to their present values. All impairment losses are recognised in the Statement of Profit and Loss.
- iii) An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount and is recognised in the Statement of Profit and Loss.

### u) Provision, Contingent Liabilities and Contingent Assets

Provision are recognised for when the company has at present, legal or contractual obligation as a result of past events, only if it is probable that an outflow of resources embodying economic outgo or loss will be required and if the amount involved can be measured reliably.

Contingent liabilities being a possible obligation as a result of past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more future events not wholly in control of the company are not recognised in the accounts. The nature of such liabilities and an estimate of its financial effect are disclosed in notes to the Financial Statements.

Contingent assets are neither recognised nor disclosed in the financial statements.

### v) Expenditure

Expenses are net of taxes recoverable, where applicable.

### w) Derivative Instruments

As per the Institute of Chartered Accountants of India ('ICAI') Announcement, accounting for derivative contracts, derivative contract other than those covered under AS – 11, as specified in the Companies (Accounting Standards) Rules, 2006 (as amended), "The effects of Changes in the Foreign exchange rates", are mark to market on a portfolio basis, and the net loss is charged to statement of Profit & loss. Net gains are ignored.

### x) Service Tax Input Credit

Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is no uncertainty in availing / utilising the credits.

### y) Applicability of other Accounting Standards

Though other Accounting Standards also apply to the company by virtue of the Companies (Accounting Standards) Rules, 2006 (as amended), no disclosure for the same is being made as the company has not done any transaction to which the said Accounting Standard apply.

## Notes to Consolidated Financial Statement for the year ended 31st March, 2016

### 3 SHARE CAPITAL

(₹ in Crores)

| Particulars   | As at            | As at            |
|---|------------------|------------------|
|   | 31st March, 2016 | 31st March, 2015 |
| <b>Authorised shares</b>  |                  |                  |
| 110,00,00,000 (Previous year 110,00,00,000) Equity Shares of ₹ 10/- each            | 1,100.00         | 1,100.00         |
|   | <b>1,100.00</b>  | <b>1,100.00</b>  |
| <b>Issued, subscribed fully paid-up shares</b>                                      |                  |                  |
| 109,98,10,083 (Previous year 109,00,00,000) Equity Shares of ₹ 10/- each fully paid | 1,099.81         | 1,090.00         |
| <b>Total issued, subscribed and fully paid-up share capital</b>                     | <b>1,099.81</b>  | <b>1,090.00</b>  |

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

| Equity Shares  | As at 31st March, 2016 |                 | As at 31st March, 2015 |                 |
|--|------------------------|-----------------|------------------------|-----------------|
|  | Numbers                | (₹ in Crores)   | Numbers                | (₹ in Crores)   |
| At the beginning of the Year   | 1,090,000,000          | 1,090.00        | 50,000                 | 0.05            |
| Less : Cancellation of the shares due to Composite Scheme of Arrangement | (1090000000)           | (1090.00)       | -                      | -               |
| Add : Issued during the year   | -                      | -               | 1,089,950,000          | 1,089.95        |
| Add : Issued on account of composite scheme of arrangement               | 1,099,810,083          | 1,099.81        | -                      | -               |
| <b>Outstanding at the end of the Year</b>                                | <b>1,099,810,083</b>   | <b>1,099.81</b> | <b>1,090,000,000</b>   | <b>1,090.00</b> |

#### b. Terms / rights attached to equity shares

Company has only one class of equity shares having a par value of ₹ 10/- per share. Each holder of Equity Shares is entitled to one vote per share. The dividend if proposed by the Board of Directors is subject to approval of the share holders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding.

#### c. Shares held by holding/ultimate holding company and/or their subsidiaries/associates

Out of equity shares issued by the company, shares held by its holding company together with its nominees are as below :

| Equity Shares                                 | As at 31st March, 2016 |               | As at 31st March, 2015 |                 |
|---|------------------------|---------------|------------------------|-----------------|
|   | Numbers                | (₹ in Crores) | Numbers                | (₹ in Crores)   |
| <b>Holding Company</b>                        |                        |               |                        |                 |
| Adani Enterprises Limited (With its nominees) | -                      | -             | 1,090,000,000          | 1,090.00        |
|   | -                      | -             | <b>1,090,000,000</b>   | <b>1,090.00</b> |

#### d. Aggregate Number of shares issued, Shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:

| Particulars  | As at 31st March, 2016 | As at 31st March, 2015 |
|--|------------------------|------------------------|
|  | Numbers                | Numbers                |
| Equity shares allotted on account of Composite Scheme of Arrangement (Refer note 36) | 1,099,810,083          | -                      |
|  | <b>1,099,810,083</b>   | <b>-</b>               |

#### e. Details of shareholders holding more than 5% shares in the company

| Name of Shareholder   | As at 31st March, 2016 |               | As at 31st March, 2015 |                |
|---|------------------------|---------------|------------------------|----------------|
|   | Numbers                | % holding     | Numbers                | % holding      |
| Shri Gautam S. Adani/Shri Rajesh S. Adani<br>(on behalf S. B. Adani Family Trust) | 621,197,910            | 56.48%        | -                      | -              |
| Adani Properties Private Limited  | 99,491,719             | 9.05%         | -                      | -              |
| Shri Vinod Shantilal Adani  | 90,749,100             | 8.25%         | -                      | -              |
| Adani Enterprises Limited<br>(Holding Company with its nominees)                  | -                      | -             | 1,090,000,000          | 100%           |
|   | <b>811,438,729</b>     | <b>73.78%</b> | <b>1,090,000,000</b>   | <b>100.00%</b> |

As per records of Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal & beneficial ownership of shares.



## Notes to Consolidated Financial Statement for the year ended 31st March, 2016

### 4 RESERVES & SURPLUS

(₹ in Crores)

| Particulars  | As at 31st March, 2016 |                | As at 31st March, 2015 |               |
|--|------------------------|----------------|------------------------|---------------|
| <b>General Reserve</b>                                   |                        |                |                        |               |
| As per Last Balance Sheet                                | -                      |                | -                      |               |
| Add : on account of merger                               | 1,220.60               | 1,220.60       | -                      | -             |
| <b>Surplus/(Deficit) In Statement of Profit And Loss</b> |                        |                |                        |               |
| As per last Balance Sheet                                | (6.75)                 |                | -                      |               |
| Add : Profit (Loss) for the year                         | 357.73                 |                | (6.75)                 |               |
| Less : Dividend Distribution Tax on Preference Shares    | 0.50                   | 350.47         | -                      | (6.75)        |
|  |                        | <b>1571.07</b> |                        | <b>(6.75)</b> |

### 5 LONG-TERM BORROWING

(₹ in Crores)

| Particulars                           | As at<br>31st March, 2016 | As at<br>31st March, 2015 |
|---------------------------------------|---------------------------|---------------------------|
| <b>Secured Loans</b>                  |                           |                           |
| Term Loans from Banks                 |                           |                           |
| Rupee loan                            | 3,604.06                  | 3,739.44                  |
| Foreign Currency Loan (ECB)           | 516.46                    | 533.12                    |
| Non Convertible Debentures            |                           |                           |
| 9.25% Non Convertible Debentures      | 150.00                    | -                         |
| 9.35% Non Convertible Debentures      | 200.00                    | -                         |
| 9.45% Non Convertible Debentures      | 650.00                    | -                         |
| Term loan from Financial Institutions |                           |                           |
| Rupee loan                            | -                         | 1,039.40                  |
|                                       | <b>5,120.52</b>           | <b>5,311.96</b>           |

#### Notes

##### (a) Above facilities are secured by :

- 1) Term Loan : Rupee term loan from bank aggregating to ₹ 1850.00 Crores (Previous year - NIL) are secured by first ranking pari passu charge over all the fixed assets (movable and immovable), present and future and pledge over 100% shares of Adani Transmission (India) Limited and Maharashtra Eastern Grid Power Transmission Company Limited.
- 2) Rupee term loan from bank aggregating to ₹ 506.17 Crores (Previous year - ₹ 1621.89 Crores) rupee term loan from financial institution NIL (Previous year - ₹ 1120.19 Crores) and foreign currency loan aggregating to ₹ 565.16 Crores (Previous year - ₹ 579.06 Crores) are secured/to be secured by first charge on all immovable and movable assets, both present and future of transmission line & substation project on pari passu basis.
- 3) Rupee term loan from bank aggregating to ₹ 1844.94 Crores (Previous year ₹ 2,416.04 Crores) are secured/to be secured by first charge on all immovable and movable assets of Mundra-Mohindergarh-Dehgam transmission project on pari passu basis.
- 4) Rupee term loan from bank aggregating to NIL (Previous year ₹ 378.20 Crores) are secured/to be secured by first charge on all immovable and movable assets of Tiroda-Warora transmission project on pari passu basis.
- 5) Non Convertible Debenture (NCD's) of ₹ 1000 crores (Previous year - NIL) are secured by first ranking pari passu charge in favour of the Debenture trustee (for the benefit of the Debenture holders) over all the assets (movable and immovable) including current assets and pledge over 100% shares of Adani Transmission (India) Limited and Maharashtra Eastern Grid Power Transmission Company Limited.

##### (b) Repayment schedule for the balances as at 31st March, 2016 :

- i. Term loan from bank ₹ 1850.00 Crores are repayable in 58 structured quarterly installment commencing from 31st August 2016 with interest rate of 10.60% p.a.
- ii. Term loan from banks aggregating to ₹ 506.17 Crores are repayable in 40 structured quarterly installments over a period of next 10 years with interest rate of 11.80% p.a. to 12.55% p.a.
- iii. The term loans from banks aggregating to ₹ 1588.71 Crores repayable over a period of next 4 years in 15 to 16 instalments structured on quarterly basis with Interest rate of 11.55% to 12.80% p.a.
- iv. The term loans from banks aggregating to ₹ 256.23 Crores repayable over a period of next 7 years in 25 instalments structured on quarterly basis with Interest rate of 11.55% p.a.
- v. Non - Convertible Debentures aggregating to ₹ 1000 Crores are redeemable by April 2021 with Interest rate ranging between 9.25% to 9.45% .
- vi. Outstanding ECB loan from bank of \$ 85.30 mn. equivalent to ₹ 565.16 Crores is repayable in 11 structured half yearly installments over a period of next 6 years with interest rate of 6 month LIBOR + spread of 4.20%

##### (c) For current maturities of long-term borrowings, refer note 10 - "Other Current Liabilities"

## Notes to Consolidated Financial Statement for the year ended 31st March, 2016

### 6 OTHER LONG TERM LIABILITIES

(₹ in Crores)

| Particulars     | As at<br>31st March, 2016 | As at<br>31st March, 2015 |
|-----------------|---------------------------|---------------------------|
| Retention money | 3.35                      | 3.10                      |
|                 | <b>3.35</b>               | <b>3.10</b>               |

### 7 LONG-TERM PROVISIONS

(₹ in Crores)

| Particulars                      | As at<br>31st March, 2016 | As at<br>31st March, 2015 |
|----------------------------------|---------------------------|---------------------------|
| Provision for employee benefits* | 5.57                      | 7.50                      |
|                                  | <b>5.57</b>               | <b>7.50</b>               |

\*Long Term and short term classification is done based on actuarial valuation certificate

### 8 SHORT TERM BORROWINGS

(₹ in Crores)

| Particulars                                      | As at<br>31st March, 2016 | As at<br>31st March, 2015 |
|--|---------------------------|---------------------------|
| <b>Unsecured</b>                                 |                           |                           |
| - Loans from Financial Institution               | 460.00                    | -                         |
| - Commercial Paper                               | 1,500.00                  | -                         |
| - Loans from Related Parties (Refer note 32(ii)) | 927.73                    | 3,585.81                  |
|  | <b>2,887.73</b>           | <b>3,585.81</b>           |

### 9 TRADE PAYABLES

(₹ in Crores)

| Particulars                          | As at<br>31st March, 2016 | As at<br>31st March, 2015 |
|--------------------------------------|---------------------------|---------------------------|
| <b>Trade Payables</b>                |                           |                           |
| - Micro Small and Medium Enterprises | 0.16                      | -                         |
| - Others                             | 6.96                      | 48.57                     |
| Accrual For employees                | 0.97                      | 0.37                      |
|                                      | <b>8.09</b>               | <b>48.94</b>              |

(₹ in Crores)

| Particulars  | As at<br>31st March, 2016 | As at<br>31st March, 2015 |
|--|---------------------------|---------------------------|
| 1) Overdue Principal amount remaining unpaid to any supplier as at the end of the accounting year  | -                         | -                         |
| 2) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year  | -                         | -                         |
| 3) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day                               | -                         | -                         |
| 4) The amount of interest due and payable for the year   | -                         | -                         |
| 5) The amount of interest accrued and remaining unpaid at the end of the accounting year   | -                         | -                         |
| 6) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid | -                         | -                         |

The Disclosure in respect of the amounts payable to Micro and Small Enterprises have been made in the financial statements based on the information received and available with the Company. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Company has not received any claim for interest from any supplier as at the balance sheet date. These facts has been relied upon by the auditors.

## Notes to Consolidated Financial Statement for the year ended 31st March, 2016

### 10 OTHER CURRENT LIABILITIES

(₹ in Crores)

| Particulars   | As at<br>31st March, 2016 | As at<br>31st March, 2015 |
|---|---------------------------|---------------------------|
| <b>Current Maturities of Long Term Debt (Refer Note 5)</b>        |                           |                           |
| -Term Loans from Banks  |                           |                           |
| Rupee loan  | 597.05                    | 676.70                    |
| Foreign Currency Loan (ECB)                                       | 48.70                     | 45.94                     |
| -Term loan from Financial Institutions                            |                           |                           |
| Rupee loan  | -                         | 80.79                     |
| Interest accrued but not due                                      | 119.75                    | 5.07                      |
| Advance from customers  | 8.07                      | -                         |
| Capital creditors and other payables                              | 138.86                    | 411.01                    |
| Retention Money   | 160.26                    | 222.75                    |
| Statutory Current Liabilities (Including TDS, VAT, PF and others) | 6.02                      | 6.48                      |
|   | <b>1,078.71</b>           | <b>1,448.74</b>           |

### 11 SHORT TERM PROVISIONS

(₹ in Crores)

| Particulars   | As at<br>31st March, 2016 | As at<br>31st March, 2015 |
|---|---------------------------|---------------------------|
| Provision for employee benefits*  | 1.53                      | 0.94                      |
| Provision for Dividend Distribution Tax on Proposed Dividend on Preference Shares | 0.50                      | -                         |
| Provision for Taxation (Net of Advance Tax) #                                     | 44.60                     | 2.16                      |
|   | <b>46.63</b>              | <b>3.10</b>               |

\* Long term and short term classification is done based on actuarial valuation certificate.

#Advance Income tax and provision for taxation have been disclosed on net basis where a legal right to set off exist and the company intends to settle the assets and liability on a net basis.

### 12 FIXED ASSETS

(₹ in Crores)

| Particulars                        | GROSS BLOCK                 |                                 |                   |                   |             |                                    |                              | DEPRECIATION, AMORTISATION & IMPAIRMENT |                 |            |                                    |                              | NET BLOCK                    |                              |  |
|------------------------------------|-----------------------------|---------------------------------|-------------------|-------------------|-------------|------------------------------------|------------------------------|---|-----------------|------------|------------------------------------|------------------------------|------------------------------|------------------------------|--|
|                                    | As at<br>1st April,<br>2015 | Additions<br>during<br>the year | Other Adjustments |                   | Deductions  | Adjustments<br>during the<br>year# | As at 31st<br>March,<br>2016 | As at<br>1st April,<br>2015             | For the<br>year | Deductions | Adjustments<br>during the<br>year# | As at 31st<br>March,<br>2016 | As at 31st<br>March,<br>2016 | As at 31st<br>March,<br>2015 |  |
|                                    |                             |                                 | Exchange<br>rate  | Borrowing<br>Cost |             |                                    |                              |   |                 |            |                                    |                              |                              |                              |  |
| <b>Tangible assets</b>             |                             |                                 |                   |                   |             |                                    |                              |   |                 |            |                                    |                              |                              |                              |  |
| Land (Lease hold)                  | 27.47                       | 1.13                            | -                 | -                 | -           | 28.60                              | 1.06                         | 1.45                                    | -               | -          | 2.51                               | 26.09                        | 26.41                        |                              |  |
| Land (Free hold)                   | 69.72                       | 9.55                            | -                 | -                 | -           | 79.27                              | -                            | -                                       | -               | -          | -                                  | 79.27                        | 69.72                        |                              |  |
| Building                           | 88.23                       | 1.47                            | -                 | -                 | -           | 89.70                              | 2.86                         | 2.96                                    | -               | -          | 5.82                               | 83.88                        | 85.37                        |                              |  |
| Plant & Equipment                  | 10,480.93                   | 24.96                           | 36.71             | -                 | 0.60        | 10,542.00                          | 407.47                       | 556.32                                  | 0.06            | -          | 963.73                             | 9,578.27                     | 10,073.46                    |                              |  |
| Furniture and Fixtures             | 1.57                        | 0.34                            | -                 | -                 | -           | 1.91                               | 0.06                         | 0.11                                    | -               | -          | 0.17                               | 1.74                         | 1.51                         |                              |  |
| Office Equipments                  | 3.01                        | 0.46                            | -                 | -                 | -           | 3.47                               | 0.18                         | 0.21                                    | -               | -          | 0.39                               | 3.08                         | 2.83                         |                              |  |
| Computer Equipment                 | 0.04                        | 0.02                            | -                 | -                 | -           | 0.06                               | 0.01                         | 0.01                                    | -               | -          | 0.02                               | 0.04                         | 0.02                         |                              |  |
| Vehicles                           | 0.11                        | 0.14                            | -                 | -                 | -           | 0.25                               | 0.01                         | 0.01                                    | -               | -          | 0.02                               | 0.23                         | 0.10                         |                              |  |
| <b>Total Tangible Fixed Assets</b> | <b>10,671.08</b>            | <b>38.07</b>                    | <b>36.71</b>      | <b>-</b>          | <b>0.60</b> | <b>10,745.26</b>                   | <b>411.66</b>                | <b>561.06</b>                           | <b>0.06</b>     | <b>-</b>   | <b>972.66</b>                      | <b>9,772.60</b>              | <b>10,259.42</b>             |                              |  |
| Previous year                      | -                           | 2,508.70                        | 118.22            | 420.08            | 1.07        | 7,625.15                           | 10,671.08                    | -                                       | 37.07           | 0.03       | 374.63                             | 411.66                       | 10,259.42                    |                              |  |

# related to the acquisition of the subsidiary companies

### 13 CAPITAL WORK-IN-PROGRESS

(₹ in Crores)

| Particulars              | As at<br>31st March, 2016 | As at<br>31st March, 2015 |
|--------------------------|---------------------------|---------------------------|
| Capital Work in Progress | 88.50                     | 0.22                      |
| Capital Inventories      | 169.72                    | 9.61                      |
|                          | <b>258.22</b>             | <b>9.83</b>               |

## Notes to Consolidated Financial Statement for the year ended 31st March, 2016

### 14 LONG TERM LOANS AND ADVANCES

(₹ in Crores)

| Particulars                            | As at<br>31st March, 2016 | As at<br>31st March, 2015 |
|--|---------------------------|---------------------------|
| <b>(Unsecured, Considered Good)</b>    |                           |                           |
| Capital Advances                       | 89.87                     | 7.65                      |
| Security Deposits                      | 2.05                      | 1.97                      |
| Advance income tax (Net of Provision)* | 3.39                      | 0.55                      |
| Loan to Employees                      | 0.05                      | -                         |
|  | <b>95.36</b>              | <b>10.17</b>              |

\*Advance Income tax and provision for taxation have been disclosed on net basis where a legal right to set off exist and the company intends to settle the assets and liability on a net basis.

### 15 OTHER NON CURRENT ASSETS

(₹ in Crores)

| Particulars                                | As at<br>31st March, 2016 | As at<br>31st March, 2015 |
|--|---------------------------|---------------------------|
| <b>(Unsecured, Considered Good)</b>        |                           |                           |
| Ancillary cost of arranging the borrowings | 25.75                     | 15.45                     |
|  | <b>25.75</b>              | <b>15.45</b>              |

### 16 CURRENT INVESTMENTS

(₹ in Crores)

| Particulars  | As at<br>31st March, 2016 | As at<br>31st March, 2015 |
|--|---------------------------|---------------------------|
| <b>(Carried at lower of cost or fair value)</b>  |                           |                           |
| In Mutual Funds- Unquoted  |                           |                           |
| 4783358.794 Units (P.Y. Nil) JM High Liquidity Fund (Direct) - Growth Option<br>(NAV ₹ 19.82 Crores) | 19.80                     | -                         |
|  | <b>19.80</b>              | <b>-</b>                  |
| Aggregate amount of - Unquoted Investments   | 19.80                     | -                         |

### 17 INVENTORIES (Valued at lower of cost and net realizable value)

(₹ in Crores)

| Particulars       | As at<br>31st March, 2016 | As at<br>31st March, 2015 |
|-------------------|---------------------------|---------------------------|
| Stores and spares | 21.76                     | 20.61                     |
|                   | <b>21.76</b>              | <b>20.61</b>              |

### 18 TRADE RECEIVABLE

(₹ in Crores)

| Particulars   | As at<br>31st March, 2016 | As at<br>31st March, 2015 |
|---|---------------------------|---------------------------|
| <b>Receivables outstanding for a period exceeding six months<br/>from the date they are due for payment</b> |                           |                           |
| Unsecured, considered good  | 44.77                     | 13.00                     |
| Doubtful  | -                         | -                         |
|   | <b>44.77</b>              | <b>13.00</b>              |
| Provision for doubtful receivables  | -                         | -                         |
|   | <b>(A) 44.77</b>          | <b>13.00</b>              |
| <b>Receivables outstanding for a period less than six months<br/>from the date they are due for payment</b> |                           |                           |
| Unsecured, considered good  | 144.75                    | 435.76                    |
| Doubtful  | -                         | -                         |
|   | <b>144.75</b>             | <b>435.76</b>             |
| Provision for doubtful receivables  | -                         | -                         |
|   | <b>(B) 144.75</b>         | <b>435.76</b>             |
| <b>Total</b>  | <b>(A+B) 189.52</b>       | <b>448.76</b>             |

## Notes to Consolidated Financial Statement for the year ended 31st March, 2016

### 19 CASH AND BANK BALANCES

(₹ in Crores)

| Particulars  | As at<br>31st March, 2016 | As at<br>31st March, 2015 |
|--|---------------------------|---------------------------|
| <b>Cash and Cash equivalents</b>   |                           |                           |
| Balances with Banks  |                           |                           |
| - In Current Accounts  | 9.12                      | 3.09                      |
|  | <b>9.12</b>               | <b>3.09</b>               |
| <b>Other Bank Balances</b>   |                           |                           |
| - Fixed Deposit with local banks   | 1.38                      | 1.26                      |
| - Margin money deposit with original maturity for more than 3 months but less than 12 months<br>(Lodged Against Bank Guarantee and Debt Service Reserve Account) | 140.88                    | 10.74                     |
|  | <b>151.38</b>             | <b>15.09</b>              |

### 20 SHORT - TERM LOAN AND ADVANCES

(₹ in Crores)

| Particulars   | As at<br>31st March, 2016 | As at<br>31st March, 2015 |
|---|---------------------------|---------------------------|
| <b>(Unsecured, Considered Good)</b>                                 |                           |                           |
| Security and other deposits   | 0.12                      | 0.10                      |
| Advances recoverable in cash or in kind or for value to be received | 2.48                      | 1.67                      |
| Loans and advances to employees                                     | 0.18                      | 0.24                      |
| Prepaid Expenses  | 43.24                     | 0.68                      |
| Balances with Government Authorities                                | 0.01                      | 0.54                      |
|   | <b>46.03</b>              | <b>3.23</b>               |

### 21 OTHER CURRENT ASSETS

(₹ in Crores)

| Particulars                          | As at<br>31st March, 2016 | As at<br>31st March, 2015 |
|--------------------------------------|---------------------------|---------------------------|
| <b>(Unsecured, Considered Good)</b>  |                           |                           |
| Interest accrued and not due         | 0.40                      | 0.23                      |
| Unbilled Revenue                     | 920.57                    | 391.54                    |
| Unamortised Ancillary Borrowing Cost | 6.18                      | 4.17                      |
|                                      | <b>927.15</b>             | <b>395.94</b>             |

### 22 REVENUE FROM OPERATIONS

(₹ in Crores)

| Particulars                 | For the year ended<br>31st March, 2016 | For the year ended<br>31st March, 2015 |
|-----------------------------|--|--|
| Sale of Services            | 2,048.47                               | 135.34                                 |
| Sales of Goods - Castor Oil | 148.54                                 | -                                      |
|                             | <b>2,197.01</b>                        | <b>135.34</b>                          |

### 23 OTHER INCOME

(₹ in Crores)

| Particulars                               | For the year ended<br>31st March, 2016 | For the year ended<br>31st March, 2015 |
|---|--|--|
| Interest Income                           |  |  |
| - Others                                  | 57.07                                  | 0.15                                   |
| - Banks                                   | 2.88                                   | 0.15                                   |
| Profit on sale of Current Investments     | 8.26                                   | 0.04                                   |
| Profit on sale of Assets                  | 0.03                                   | -                                      |
| Liability No Longer Required written back | 1.93                                   | 2.95                                   |
| Sale of Scrap                             | 0.19                                   | -                                      |
|   | <b>70.36</b>                           | <b>3.29</b>                            |

## Notes to Consolidated Financial Statement for the year ended 31st March, 2016

### 24 PURCHASE OF TRADED GOODS

(₹ in Crores)

| Particulars  | For the year ended<br>31st March, 2016 | For the year ended<br>31st March, 2015 |
|--|--|--|
| Purchase of Traded goods (Including incidental Expenses) |  |  |
| Castor oil   | 148.51                                 | -                                      |
|  | <b>148.51</b>                          | <b>-</b>                               |

### 25 EMPLOYEE BENEFITS EXPENSE

(₹ in Crores)

| Particulars                               | For the year ended<br>31st March, 2016 | For the year ended<br>31st March, 2015 |
|---|--|--|
| Salaries, Wages & Bonus                   | 27.26                                  | 11.70                                  |
| Contribution to provident and other funds | (0.29)                                 | 4.39                                   |
| Staff welfare expense                     | 0.57                                   | 0.12                                   |
|   | <b>27.54</b>                           | <b>16.21</b>                           |

### 26 FINANCE COSTS

(₹ in Crores)

| Particulars                                  | For the year ended<br>31st March, 2016 | For the year ended<br>31st March, 2015 |
|--|--|--|
| Interest Expense                             | 938.34                                 | 71.45                                  |
| Bank Commission and other Charges            | 23.80                                  | 0.37                                   |
| Exchange Rate Difference (including premium) | 8.51                                   | 0.71                                   |
|  | <b>970.65</b>                          | <b>72.53</b>                           |

### 27 OPERATING AND OTHER EXPENSES

(₹ in Crores)

| Particulars                              | As at 31st March, 2016 |              | As at 31st March, 2015 |              |
|--|------------------------|--------------|------------------------|--------------|
| Operating cost                           |                        | 37.25        |                        | 1.52         |
| Director's Sitting fees                  |                        | 0.05         |                        | 0.00         |
| Rent & Infrastructure usage charges      |                        | 5.50         |                        | 0.91         |
| Rates & Taxes                            |                        | 0.40         |                        | 0.00         |
| Communication Expenses                   |                        | 0.27         |                        | 0.05         |
| Stationery & Printing Expenses           |                        | 0.10         |                        | 0.02         |
| Repairs to:                              |                        |              |                        |              |
| Buildings                                | 0.53                   |              | 0.10                   |              |
| Others                                   | 2.01                   |              | 0.16                   |              |
|  |                        | 2.54         |                        | 0.26         |
| Electric Power Expenses                  |                        | 2.30         |                        | 0.01         |
| Insurance Expenses                       |                        | 2.60         |                        | 0.17         |
| Legal and Professional Fees              |                        | 13.01        |                        | 6.34         |
| Payment to Auditors :                    |                        |              |                        |              |
| -Statutory Audit                         | 0.03                   |              | 0.01                   |              |
| -Tax Audit                               | 0.01                   |              | -                      |              |
| -Other Services                          | 0.03                   | 0.07         | -                      | 0.01         |
| Office Expenses                          |                        | 0.99         |                        | 0.09         |
| Security Charges                         |                        | 3.39         |                        | 0.75         |
| Clearing & Forwarding Expenses           |                        | 0.00         |                        | 0.69         |
| Discount on prompt payment of bills      |                        | 3.23         |                        | 4.82         |
| Supervision & Testing Expenses           |                        | 1.29         |                        | -            |
| Advertisement and Selling Expenses       |                        | 0.42         |                        | 0.02         |
| Travelling & Conveyance Expenses         |                        | 4.22         |                        | 1.14         |
| Crop Compensation                        |                        | 9.38         |                        | -            |
| Miscellaneous Expenses                   |                        | 1.34         |                        | 1.07         |
| Corporate Social Responsibility Expenses |                        | 1.49         |                        | -            |
|  |                        | <b>89.84</b> |                        | <b>17.87</b> |

(Transactions below ₹ 50,000 denoted as ₹ 0.00)

## Notes to Consolidated Financial Statement for the year ended 31st March, 2016

28 Revenue from Transmission line (including unbilled revenue) are accounted for on the basis of submission of Multi Year Tariff Order with MERC & provisional tariff order granted by CERC for the year ended 31st March, 2016.

### 29 Disclosure Regarding Derivative Instruments and Unhedged Foreign Currency Exposure

The company has taken derivatives to hedge its loans. The outstanding position of derivative instrument is as under :

| Sr No | Particulars         | Currency      | As at 31st March, 2016 | As at 31st March, 2015 |
|-------|---------------------|---------------|------------------------|------------------------|
| 1     | Options - structure | USD           | 85,300,000             | 92,650,000             |
|       |                     | (₹ In Crores) | 565.16                 | 579.06                 |

Foreign currency exposures not covered by derivative instruments or otherwise as at 31st March 2016, amounting to ₹ 89.74 Crores (31st March, 2015 : ₹ 4.11 Crores).

Foreign currency exposures not covered by derivative instruments or otherwise are as under:

| Sr No | Particulars | Currency      | As at 31st March, 2016 | As at 31st March, 2015 |
|-------|-------------|---------------|------------------------|------------------------|
| 2     | Interest    | USD           | 684,050                | 656,823                |
|       |             | (₹ In Crores) | 4.53                   | 4.11                   |
| 3     | Payable     | USD           | 12,860,641             | -                      |
|       |             | (₹ In Crores) | 85.21                  | -                      |

### 30 CONTINGENT LIABILITIES AND COMMITMENTS

(a) Contingent liabilities (Contingent liabilities not provided for) : Nil

(b) Capital Commitments:

| Particulars   | As at 31st March, 2016 | As at 31st March, 2015 |
|---|------------------------|------------------------|
| Estimated amounts of contracts remaining to be executed and not provided for (Net of Advances). | 1,263.05               | 27.84                  |

### 31 SEGMENT REPORTING

The Company's activities during the year revolve around power transmission. Considering the nature of Company's business and operations, there is only one reportable segments (business and/or geographical) in accordance with the requirements of Accounting Standard 17 – 'Segment Reporting', prescribed under Company (Accounting Standards) Rules, 2006.

### 32 Additional information of net assets and share in profit or loss contributed by various entities as recognised under Schedule III of the Companies Act, 2013.

| Sr No | Name of the Entity  | As % of consolidated net assets | ₹ In Crores    | As % of consolidated profit or loss | ₹ In Crores   |
|-------|---|---------------------------------|----------------|-------------------------------------|---------------|
| 1     | Adani Transmission Limited                                  | 37.25%                          | 2248.81        | (15.00)%                            | (53.66)       |
|       | <b>Subsidiaries (Indian) :</b>                              |                                 |                |                                     |               |
| 2     | Adani Transmission (India) Limited                          | 25.47%                          | 1538.01        | 15.05%                              | 53.82         |
| 3     | Maharashtra Eastern Grid Power Transmission Company Limited | 37.28%                          | 2250.84        | 99.95%                              | 357.56        |
| 4     | Sipat Transmission Limited                                  | 0.00%                           | 0.04           | -                                   | -             |
| 5     | Raipur-Rajnandagaon-Warora Transmission Limited             | 0.00%                           | 0.04           | -                                   | -             |
| 6     | Chhattisgarh-WR Transmission Limited                        | 0.00%                           | 0.04           | -                                   | -             |
|       | <b>Total</b>  | <b>100.00%</b>                  | <b>6037.78</b> | <b>100.00%</b>                      | <b>357.73</b> |
|       | <b>Less: Adjustment arising out of consolidation</b>        |                                 | <b>3366.90</b> |                                     | <b>-</b>      |
|       | <b>Consolidated Net Assets/Profit after tax</b>             |                                 | <b>2670.88</b> |                                     | <b>357.73</b> |

## Notes to Consolidated Financial Statement for the year ended 31st March, 2016

33 As per the Accounting Standard 18, disclosure of transactions with related parties (As identified by the Management), as defined in Accounting Standard are given below:

(i) Name of related parties & description of relationship

|  |  |
|--|--|
| (A) Holding Company/Controlling entity                                   | S. B. Adani Family Trust (SBAFT)                 |
| (B) Key Managerial Personnel   | 1. Mr. Gautam S. Adani, Chairman                 |
|  | 2. Mr. Deepak Bhargava, Whole-time Director      |
|  | 3. Mr. Kaushal Shah, Chief Financial Officer     |
| (C) Enterprises over which (A) or (B) above have significant influence : | 1. Adani Infra (India) Limited                   |
|  | 2. Adani Power Limited                           |
|  | 3. Adani Power Maharashtra Limited               |
|  | 4. Adani Agri Fresh Limited                      |
|  | 5. Adani Ports and Special Economic Zone Limited |
|  | 6. Adani Global FZE                              |
|  | 7. Adani Green Energy (Tamilnadu) Limited        |
|  | 8. Adani Enterprises Limited                     |
|  | 9. Adani Power Rajasthan Limited                 |
|  | 10. Adani Foundation                             |

(ii) Nature And Volume of Transaction with Related Parties

(₹ in Crores)

| Particulars                                   | For the year ended<br>31st March, 2016 | For the year ended<br>31st March, 2015 |
|---|--|--|
| <b>Interest Expenses</b>                      |  |  |
| Adani Enterprises Limited                     | -                                      | 17.10                                  |
| Adani Infra (India) Limited                   | 128.02                                 | 4.90                                   |
| Adani Agri Fresh Limited                      | 50.76                                  | 2.84                                   |
| Adani Ports and Special Economic Zone Limited | 7.03                                   | -                                      |
| <b>Reimbursement of the expenses</b>          |  |  |
| Adani Enterprises Limited                     | 0.14                                   | 0.20                                   |
| Adani Power Limited                           | -                                      | 0.02                                   |
| Adani Power Maharashtra Limited               | -                                      | 0.03                                   |
| <b>Purchase of Capital Goods</b>              |  |  |
| Adani Global FZE                              | 86.52                                  | -                                      |
| Adani Power Limited                           | 0.06                                   | -                                      |
| <b>Purchase of Goods</b>                      |  |  |
| Adani Power Maharashtra Limited               | 0.07                                   | -                                      |
| <b>Purchase of Assets</b>                     |  |  |
| Adani Enterprises Limited                     | 0.03                                   | -                                      |
| <b>Sale of Fixed Assets</b>                   |  |  |
| Adani Green Energy (Tamilnadu) Limited        | 0.57                                   | -                                      |
| <b>Professional Fees</b>                      |  |  |
| Adani Enterprises Limited                     | 2.20                                   | -                                      |
| <b>Rent Expense</b>                           |  |  |
| Adani Enterprises Limited                     | 0.06                                   | -                                      |
| <b>Capital contribution received</b>          |  |  |
| Adani Enterprises Limited                     | -                                      | 1,089.95                               |



## Notes to Consolidated Financial Statement for the year ended 31st March, 2016

### (ii) Nature And Volume of Transaction with Related Parties (contd...)

(₹ in Crores)

| Particulars                                   | For the year ended<br>31st March, 2016 | For the year ended<br>31st March, 2015 |
|---|--|--|
| <b>Loan taken</b>                             |  |  |
| Adani Enterprises Limited                     | -                                      | 1,356.09                               |
| Adani Infra (India) Limited                   | 564.36                                 | 1,309.41                               |
| Adani Agri Fresh Limited                      | 49.49                                  | 1,082.56                               |
| Adani Ports and Special Economic Zone Limited | 427.00                                 | -                                      |
| <b>Loan repaid</b>                            |  |  |
| Adani Enterprises Limited                     | -                                      | 1,555.58                               |
| Adani Infra (India) Limited                   | 1,181.44                               | -                                      |
| Adani Agri Fresh Limited                      | 896.65                                 | -                                      |
| Adani Ports and Special Economic Zone Limited | 427.00                                 | -                                      |
| <b>Purchase/subsription of investment</b>     |  |  |
| Adani Enterprises Limited                     | -                                      | 903.50                                 |
| Adani Power Limited                           | -                                      | 311.92                                 |
| Adani Power Maharashtra Limited               | -                                      | 31.18                                  |
| <b>Employee Transfer</b>                      |  |  |
| Adani Power Limited                           | 0.12                                   | -                                      |
| Adani Power Maharashtra Limited               | 0.00                                   | -                                      |
| Adani Enterprises Limited                     | 0.00                                   | -                                      |
| Adani Infra (India) Limited                   | 0.00                                   | -                                      |
| Adani Power Rajasthan Limited                 | 0.00                                   | -                                      |
| <b>CSR Expenditure</b>                        |  |  |
| Adani Foundation                              | 1.49                                   | -                                      |
| <b>Remuneration</b>                           |  |  |
| Mr. Deepak Bhargava                           | 1.71                                   | -                                      |
| Mr. Kaushal Shah                              | 0.65                                   | -                                      |
| <b>Closing Balances</b>                       |  |  |
| <b>Balance Payable</b>                        |  |  |
| Adani Enterprises Limited                     | 1.26                                   | 0.90                                   |
| Adani Infra (India) Limited                   | -                                      | 17.26                                  |
| Adani Power Limited                           | 9.62                                   | 11.64                                  |
| Adani Power Maharashtra Limited               | 1.07                                   | -                                      |
| <b>Balance Receivable</b>                     |  |  |
| Adani Power Limited                           | 0.02                                   | -                                      |
| Adani Power Maharashtra Limited               | -                                      | 0.99                                   |
| <b>Loan Liabilities</b>                       |  |  |
| Adani Enterprises Limited                     | -                                      | 1,193.83                               |
| Adani Infra (India) Limited                   | 692.33                                 | 1,309.41                               |
| Adani Agri Fresh Limited                      | 235.40                                 | 1,082.56                               |
| <b>Interest accrued but not due</b>           |  |  |
| Adani Infra (India) Limited                   | 83.04                                  | -                                      |

(Transactions below ₹ 50,000 denoted as ₹ 0.00)

## Notes to Consolidated Financial Statement for the year ended 31st March, 2016

### 34 EARNING PER SHARE

| Particulars  | As at<br>31st March, 2016 | As at<br>31st March, 2015 |
|--|---------------------------|---------------------------|
| Net Profit after tax available for Equity Shareholders (₹ in crores) | 357.73                    | (6.75)                    |
| Weighted Number of shares used in computing Earnings Per Share       | 1,099,810,083             | 56,787,123                |
| Basic & Diluted  | 3.25                      | (1.19)                    |
| Earnings Per Share (face value ₹ 10/- each)                          |                           |                           |

35 The Consolidated results for the year ended 31st March, 2016 are not comparable with the previous year, due to following:

#### Date of acquisition of Investment in Subsidiaries

| Sr No | Name of Subsidiary company                                  | For the year ended<br>31st March, 2016 | For the year ended<br>31st March, 2015 |
|-------|---|--|--|
| 1     | Adani Transmission (India) Ltd.                             | -                                      | 1st March 2015                         |
| 2     | Maharashtra Eastern Grid Power Transmission Company Limited | -                                      | 1st March 2015                         |
| 3     | Sipat Transmission Limited                                  | 23rd November 2015                     | -                                      |
| 4     | Raipur-Rajnandgaon-Warora Transmission Limited              | 23rd November 2015                     | -                                      |
| 5     | Chhattisgarh-WR Transmission Limited                        | 23rd November 2015                     | -                                      |

36 The Hon'ble Gujarat High Court vide its Order dated 7th May, 2015 has sanctioned the Composite Scheme of Arrangement and The Scheme came into effect on 22nd May, 2015 upon filing certified copies of the orders of the Hon'ble Court of Gujarat sanctioning the Scheme with the Registrar of the Companies, Gujarat at Ahmedabad. The appointed date for the scheme is 1st April 2015.

Pursuant to the demerger of Transmission Undertaking of AEL, the company had issued and allotted new equity shares to the existing equity shareholders of AEL in the ratio of 1 equity share of the company for every 1 equity share held by the equity shareholder in AEL as of the record date for the purpose of the scheme. The equity shares held by AEL and Loan payable to AEL in the company has been cancelled pursuant to the Scheme.

37 During the year the company has acquired 100% Equity share of the following companies from PFC Consulting Limited (a wholly owned subsidiary of Power Finance Corporation Limited) w.e.f. 23rd November, 2015, the investing affiliate of Adani Power Limited, the successful bidder selected through "Tariff based Competitive Bidding Guidelines for Transmission services" issued by Ministry of Power, Government of India. The results of these subsidiaries, after elimination of inter company transactions and balances, as included in the consolidated financial statements for the year ended March, 2016 are given below :

(₹ in Crores)

| Particulars                          | SIPAT TRANSMISSION LIMITED | RAIPUR-RAJNANDGAON-WARORA TRANSMISSION LIMITED | CHHATTISGARH-WR TRANSMISSION LIMITED |
|--------------------------------------|----------------------------|--|--------------------------------------|
|                                      | As at 31st March, 2016     | As at 31st March, 2016                         | As at 31st March, 2016               |
| <b>Non Current Liabilities</b>       |                            |  |                                      |
| Other Long Term Liabilities          | 0.92                       | 0.91   | 1.53                                 |
| Long Term Provisions                 | 0.45                       | 0.82   | 0.52                                 |
| <b>Total Non Current Liabilities</b> | <b>1.37</b>                | <b>1.73</b>                                    | <b>2.05</b>                          |
| <b>Current Liabilities</b>           |                            |  |                                      |
| Trade Payables                       | (0.70)                     | (0.49)   | (0.63)                               |
| Other Current Liabilities            | 69.35                      | 153.30   | 126.45                               |
| Short Term Provisions                | 0.05                       | 0.13   | 0.08                                 |
| <b>Total Current Liabilities</b>     | <b>68.70</b>               | <b>152.94</b>                                  | <b>125.90</b>                        |
| <b>Assets</b>                        |                            |  |                                      |
| <b>Non Current Assets</b>            |                            |  |                                      |
| Fixed Assets                         | 59.14                      | 108.26   | 97.19                                |
| Goodwill on Consolidation            | 0.00                       | 0.00   | 0.00                                 |
| Long Term Loans and Advances         | 10.42                      | 41.95  | 30.28                                |
| Other Non Current Assets             | -                          | 3.83   | -                                    |
| <b>Total Non Current Assets</b>      | <b>69.56</b>               | <b>154.04</b>                                  | <b>127.47</b>                        |
| <b>Current Assets</b>                |                            |  |                                      |
| Cash & Cash Equivalents              | 0.19                       | 0.04   | 0.20                                 |
| Short Term Loans and Advances        | 0.31                       | 0.29   | 0.27                                 |
| Other Current Assets                 | -                          | 0.29   | -                                    |
| <b>Total Current Assets</b>          | <b>0.50</b>                | <b>0.62</b>                                    | <b>0.47</b>                          |

**Notes to Consolidated Financial Statement** for the year ended 31st March, 2016

(₹ in Crores)

| Particulars                  | For the period 24th<br>November,2015 to<br>31st March,2016 | For the period 24th<br>November,2015 to<br>31st March,2016 | For the period 24th<br>November,2015 to<br>31st March,2016 |
|------------------------------|--|--|--|
| Total Revenue                | -  | -  | -  |
| Total Expense                | 0.00   | 0.00   | 0.00   |
| Profit/(Loss) before Tax     | (0.00)   | (0.00)   | (0.00)   |
| Tax                          | -  | -  | -  |
| Profit/(Loss) for the Period | (0.00)   | (0.00)   | (0.00)   |

(Transactions below ₹ 50,000 denoted as ₹ 0.00)

**38** Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

As per our attached report of even date

For and on behalf of the Board of Directors

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

**GAUTAM S. ADANI**  
Chairman  
DIN: 00006273

**DEEPAK BHARGAVA**  
Whole-time Director  
DIN: 05247943

**CHIRAG SHAH**  
Partner  
Membership No. 122510

**KAUSHAL SHAH**  
Chief Financial Officer

**JALADHI SHUKLA**  
Company Secretary

Place: Ahmedabad  
Date: 26th May, 2016

Place: Ahmedabad  
Date: 26th May, 2016

## Form No. AOC - 1

## Salient features of the financial statement of subsidiaries/associate/joint ventures as per Companies Act, 2013

## PART "A" : Subsidiaries

(₹ in Crores)

| Sr. No. | Name of Subsidiary Company                                  | Reporting Currency | Share Capital | Reserves & Surplus | Total Assets | Total Liabilities | Investments | Turnover | Profit/(Loss) before taxation | Provision for taxation | Profit/(Loss) after taxation | Proposed Dividend | % of Shareholding |
|---------|---|--------------------|---------------|--------------------|--------------|-------------------|-------------|----------|-------------------------------|------------------------|------------------------------|-------------------|-------------------|
| 1       | Adani Transmission (India) Limited                          | INR                | 1535.05       | 2.96               | 4662.89      | 3124.88           | 0.00        | 760.93   | 68.58                         | 14.76                  | 53.82                        | 1.46              | 100%              |
| 2       | Maharashtra Eastern Grid Power Transmission Company Limited | INR                | 1719.03       | 531.81             | 6275.55      | 4024.71           | 0.00        | 1284.40  | 454.85                        | 97.28                  | 357.56                       | 0.99              | 100%              |
| 3       | Chhattisgarh-WR Transmission Limited                        | INR                | 0.05          | (0.01)             | 127.93       | 127.89            | 0.00        | 0.50     | 0.00                          | 0.00                   | 0.00                         | -                 | 100%              |
| 4       | Rajpur-Rajnandgaon-Warora Transmission Limited              | INR                | 0.05          | (0.01)             | 154.66       | 154.62            | 0.00        | 0.50     | 0.00                          | 0.00                   | 0.00                         | -                 | 100%              |
| 5       | Sipat Transmission Limited                                  | INR                | 0.05          | (0.01)             | 70.06        | 70.02             | 0.00        | 0.60     | 0.00                          | 0.00                   | 0.00                         | -                 | 100%              |

## Names of subsidiaries which are yet to commence operations-

| Sr. No. | Name of the Subsidiary                          |
|---------|---|
| 1       | Chhattisgarh-WR Transmission Limited*           |
| 2       | Rajpur-Rajnandgaon-Warora Transmission Limited* |
| 3       | Sipat Transmission Limited*                     |
| 4       | Adani Transmission (Rajasthan) Limited#         |

\* Acquired on 23rd November, 2015.

# Incorporated on 21st March, 2016.

Note: The Company has no Associate companies and joint Ventures, therefore Part B relating to Associates and Joint Ventures is not applicable.

For and on behalf of the Board of Directors

GAUTAM S. ADANI  
Chairman  
(DIN: 00006273)

DEEPAK BHARGAVA  
Wholesale Director  
(DIN: 05247943)

KAUSHAL SHAH  
Chief Financial Officer

JALADHI SHUKLA  
Company Secretary

# NOTICE

NOTICE is hereby given that the 3rd Annual General Meeting of Adani Transmission Limited will be held on Wednesday, 10th August, 2016 at 9.30 a.m. at J.B. Auditorium, Ahmedabad Management Association, AMA Complex, ATIRA, Dr. Vikram Sarabhai Marg, Ahmedabad – 380 015 to transact the following businesses:

## ORDINARY BUSINESS

1. To receive, consider and adopt the audited financial statements (including audited consolidated financial statements) for the financial year ended on 31st March, 2016 and the Reports of the Board of Directors and Auditors thereon.

2. To appoint a Director in place of Mr. Deepak Bhargava (DIN: 05247943), who retires by rotation and being eligible offers himself for re-appointment.

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

“RESOLVED THAT pursuant to the provisions of Section 139 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, the Company hereby ratifies the appointment of M/s. Dharmesh Parikh and Co., Chartered Accountants, Ahmedabad (Firm Registration No. 112054W), as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the next AGM of the Company to be held in the year 2017 at such remuneration (including fees for Certification) and reimbursement of out of pocket expenses for the purpose of audit as may be fixed by the Board of Directors of the Company, on the recommendation of the Audit Committee.”

## SPECIAL BUSINESS

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

“RESOLVED THAT Mr. Gautam S. Adani (DIN: 00006273), who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Companies Act, 2013 (Act) and Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company.”

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

“RESOLVED THAT Mr. Rajesh S. Adani (DIN: 00006322), who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Companies Act, 2013 (Act) and Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company liable to retire by rotation.”

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the rules framed thereunder, read with Scheduled IV of the Act, as amended from time to time, Mr. K. Jairaj (DIN: 01875126), who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Act and Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director (Non-Executive) of the Company to hold office for a period upto June, 2020.”

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the rules framed thereunder, read with Scheduled IV of the Act, as amended from time to time, Mr. V. Subramanian (DIN: 00357727), who was appointed as an Additional

Director pursuant to the provisions of Section 161(1) of the Act and Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director (Non-Executive) of the Company to hold office for a period upto June, 2020."

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the rules framed thereunder, read with Scheduled IV of the Act, as amended from time to time, Dr. Ravindra H. Dholakia (DIN: 00069396), who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Act and Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director (Non-Executive) of the Company to hold office for a period upto August, 2019."

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the rules framed thereunder, read with Scheduled IV of the Act, as amended from time to time, Ms. Meera Shankar (DIN: 06374957), who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Act and Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director (Non-Executive) of the Company to hold office for a period of upto June, 2020."

10. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of

Section 197 read with Schedule V annexed to the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 and subject to the approval of Central Government, the approval of Members of the Company be and is hereby accorded to waive the recovery of the amount paid as managerial remuneration for the financial year 2015-16 to Mr. Deepak Bhargava, Whole-time Director of the Company, in excess of remuneration limits prescribed in Section 197 read with Schedule V of the Companies Act, 2013 as set out in the Explanatory Statement attached hereto and forming part of this notice.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary to give effect to this Resolution."

11. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 42, 62 and all other applicable provisions, if any, of the Companies Act, 2013 and the rules framed thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force) (the "Companies Act"), the Foreign Exchange Management Act, 1999, as amended or restated ("FEMA"), the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended or restated (the "ICDR Regulations"), the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993, as amended or restated, the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations 2000, as amended or restated, and subject to all other applicable laws, statutes, rules, circulars, notifications, regulations and guidelines of the Government of India, the Securities and Exchange Board of India (the "SEBI"), the Reserve Bank of India (the "RBI"), the Foreign Investment Promotion Board (the "FIPB"), the relevant stock exchanges where the equity shares of the Company are listed (the "Stock Exchanges") and all other appropriate statutory and regulatory authorities, as may be applicable or relevant, whether in India or overseas (hereinafter collectively referred to as the "Appropriate Authorities"), the enabling provisions of the Memorandum and Articles of Association of the Company, as amended, and the listing agreements entered into by the Company with the Stock Exchanges and subject to requisite approvals, consents, permissions and sanctions, if any,

of the Appropriate Authorities and subject to such conditions and modifications as may be prescribed by any of them in granting any such approvals, consents, permissions, and sanctions (hereinafter referred as the "Requisite Approvals") which may be agreed to by the Board of Directors of the Company (hereinafter referred as the "Board" which term shall be deemed to include any committee constituted or to be constituted by the Board to exercise its powers including the powers conferred by this resolution, or any person(s) authorised by the Board or its committee for such purposes), consent of the Company be and is hereby accorded to the Board in its absolute discretion, to create, offer, issue and allot, from time to time in either one or more international offerings, in one or more foreign markets, in one or more tranches and/or in the course of one or more domestic offering(s) in India, such number of equity shares and/or any securities linked to, convertible into or exchangeable for equity shares including without limitation through Global Depository Receipts ("GDRs") and/or American Depository Receipts ("ADRs") and/or convertible preference shares and/or convertible debentures (compulsorily and/or optionally, fully and/or partly) and/or Commercial Papers and/or warrants with a right exercisable by the warrant holder to exchange or convert such warrants with equity shares of the Company at a later date simultaneously with the issue of non-convertible debentures and/or Foreign Currency Convertible Bonds ("FCCBs") and/or Foreign Currency Exchangeable Bonds ("FCEBs") and/or any other permitted fully and/or partly paid securities/ instruments/ warrants, convertible into or exchangeable for equity shares at the option of the Company and/or holder(s) of the security(ies) and/or securities linked to equity shares (hereinafter collectively referred to as "Securities"), in registered or bearer form, secured or unsecured, listed on a recognized stock exchange in India or abroad whether rupee denominated or denominated in foreign currency, to such investors who are eligible to acquire such Securities in accordance with all applicable laws, rules, regulations, guidelines and approvals, through public issue(s), rights issue(s), preferential issue(s), private placement(s) and / or qualified institutional placement in terms of Chapter VIII of the SEBI (ICDR) Regulations or any combinations thereof, through any prospectus, offer document, offer letter, offer circular, placement document or otherwise, at such time or times and at such price or prices subject to compliance with all applicable laws, rules, regulations, guidelines and approvals, at a discount or premium to market price or prices in such manner and on such terms and conditions including

as regards security, rate of interest, etc., as may be deemed appropriate by the Board in its absolute discretion, subject to compliance with all applicable laws, rules, regulations, guidelines and approvals, for an aggregate amount, not exceeding ₹8,500 Crores (Rupees Eight Thousand Five Hundred Crore Only) or foreign currency equivalent thereof, at such premium as may from time to time be decided by the Board and the Board shall have the discretion to determine the categories of eligible investors to whom the offer, issue and allotment shall be made to the exclusion of all other categories of investors at the time of such offer, issue and allotment considering the prevailing market conditions and all other relevant factors and where necessary in consultation with advisor(s), lead manager(s), and underwriter(s) appointed by the Company.

RESOLVED FURTHER THAT without prejudice to the generality of the above, the issue(s) of Securities may, subject to compliance with all applicable laws, rules, regulations, guidelines and approvals, have all or any terms, or combination of terms, in accordance with domestic and/or international practice, including, but not limited to, conditions in relation to payment of interest, additional interest, premium on redemption, prepayment and any other debt service payments whatsoever and all other such terms as are provided in offerings of such nature including terms for issue of additional equity shares or variation of the conversion price of the Securities during the duration of the Securities.

RESOLVED FURTHER THAT in case of any offering of Securities, including without limitation any GDRs/ ADRs/FCCBs/FCEBs/other securities convertible into equity shares, consent of the shareholders be and is hereby given to the Board to issue and allot such number of equity shares as may be required to be issued and allotted upon conversion, redemption or cancellation of any such Securities referred to above in accordance with the terms of issue/offering in respect of such Securities and such equity shares shall rank pari passu with the existing equity shares of the Company in all respects, except as may be provided otherwise under the terms of issue/offering and in the offer document and/or offer letter and/or offering circular and /or listing particulars.

RESOLVED FURTHER THAT the Board be and is hereby authorised to engage, appoint and to enter into and execute all such agreement(s)/ arrangement(s)/ MoUs/placement agreement(s)/ underwriting agreement(s)/ deposit agreement(s)/ trust deed(s)/ subscription agreement/ payment and conversion agency agreement/ any other agreements

or documents with any consultants, lead manager(s), co-lead manager(s), manager(s), advisor(s), underwriter(s), guarantor(s), depository(ies), custodian(s), registrar(s), agent(s) for service of process, authorised representatives, legal advisors / counsels, trustee(s), banker(s), merchant banker(s) and all such advisor(s), professional(s), intermediaries and agencies as may be required or concerned in such offerings of Securities and to remunerate them by way of commission, brokerage, fees and such other expenses as it deems fit, listing of Securities in one or more Indian/ International Stock Exchanges, authorizing any director(s) or any officer(s) of the Company, severally, to sign for and on behalf of the Company offer document(s), arrangement(s), application(s), authority letter(s), or any other related paper(s)/documents(s), give any undertaking(s), affidavit(s), certification(s), declaration(s) including without limitation the authority to amend or modify such document(s).

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, consent of the members of the Company be and is hereby accorded to the Board to do all such acts, deeds, matters and/or things, in its absolute discretion and including, but not limited to finalization and approval of the preliminary as well as final document(s), determining the form, terms, manner of issue, the number of the Securities to be allotted, timing of the issue(s)/ offering(s) including the investors to whom the Securities are to be allotted, issue price, face value, number of equity shares or other securities upon conversion or redemption or cancellation of the Securities, premium or discount on issue /conversion/ exchange of Securities, if any, rate of interest, period of conversion or redemption, listing on one or more stock exchanges in India and / or abroad and any other terms and conditions of the issue, including any amendments or modifications to the terms of the Securities and any agreement or document (including without limitation, any amendment or modification, after the issuance of the Securities), the execution of various transaction documents, creation of mortgage/charge in accordance with the provisions of the Companies Act and any other applicable laws or regulations in respect of any Securities, either on a pari passu basis or otherwise, fixing of record date or book closure and related or incidental matters as the Board in its absolute discretion deems fit and to settle all questions, difficulties or doubts that may arise in relation to the issue, offer or allotment of the Securities, accept any modifications in the proposal as may be required by the Appropriate Authorities

in such issues in India and / abroad and subject to applicable law, for the utilization of the issue proceeds as it may in its absolute discretion deem fit without being required to seek any further consent or approval of the members or otherwise to the end and intent and that the members shall be deemed to have given their approval thereto for all such acts, deeds, matters and/or things, expressly by the authority of this resolution.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board is authorised on behalf of the Company to take all actions and to do all such deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient to the issue or allotment of aforesaid Securities and listing thereof with the stock exchange(s) as appropriate and to resolve and settle all questions and difficulties that may arise in the proposed issue, offer and allotment of any of the Securities, utilization of the issue proceeds and to do all acts, deeds and things in connection therewith and incidental thereto as the Board in its absolute discretion deem fit, without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Company and/or any agency or body authorised by the Company may, subject to compliance with all applicable laws, rules, regulations, guidelines and approvals, issue certificates and/or depository receipts including global certificates representing the Securities with such features and attributes as are prevalent in international and/or domestic capital markets for instruments of such nature and to provide for the tradability or transferability thereof as per the international and/or domestic practices and regulations, and under the forms and practices prevalent in such international and/or domestic capital markets.

RESOLVED FURTHER THAT the Company may enter into any arrangement with any agency or body for the issue, upon conversion of the Securities, of equity shares of the Company in registered or bearer form with such features and attributes as are prevalent in international capital markets for instruments of this nature and to provide for the tradability or free transferability thereof as per the international practices and/or domestic practices and regulations, and under the forms and practices prevalent in international and/or domestic capital markets.



RESOLVED FURTHER THAT the Securities may be redeemed and/or converted into and/or exchanged for the equity shares of the Company (or exchanged for equity shares of another company as permitted under applicable law), subject to compliance with all applicable laws, rules, regulations, guidelines and approvals, in a manner as may be provided in the terms of their issue.

RESOLVED FURTHER THAT in case of a Qualified Institutional Placement (QIP) pursuant to Chapter VIII of the SEBI (ICDR) Regulations, the allotment of eligible securities within the meaning of Chapter VIII of the SEBI (ICDR) Regulations shall only be made to Qualified Institutional Buyers (QIBs) within the meaning of Chapter VIII of the SEBI (ICDR) Regulations, such securities shall be fully paid-up and the allotment of such securities shall be completed within 12 months from the date of the resolution approving the proposed issue by the members of the Company or such other time as may be allowed by SEBI (ICDR) Regulations from time to time and that the securities be applied to the National Securities Depository Limited and/or Central Depository Services (India) Limited for admission of the eligible securities to be allotted as per Chapter VIII of the SEBI (ICDR) Regulations.

RESOLVED FURTHER THAT the relevant date for the purpose of pricing of the Securities by way of QIP/GDRs/ADRs/FCCBs/FCEBs or by way of any other issue(s) shall be the date as specified under the applicable law or regulation or it shall be the date of the meeting in which the Board decides to open the issue.

RESOLVED FURTHER THAT the Board and other designated officers of the Company be and are hereby severally authorised to make all filings including as regards the requisite listing application/ prospectus/ offer document/registration statement, or any draft(s) thereof, or any amendments or supplements thereof, and of any other relevant documents with the Stock Exchanges (in India or abroad), the RBI, the FIPB, the SEBI, the Registrar of Companies and such other authorities or institutions in India and/or abroad for this purpose and to do all such acts, deeds and things as may be necessary or incidental to give effect to the resolutions above and the Common Seal of the Company be affixed wherever necessary.

RESOLVED FURTHER THAT such of these Securities as are not subscribed may be disposed off by the Board in its absolute discretion in such manner, as the Board may deem fit and as permissible by law.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of its powers conferred by this resolution on it, to any Committee of directors or the Managing Director or Directors or any other officer of the Company, in order to give effect to the above resolutions.

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in any of the foregoing resolutions are hereby approved, ratified and confirmed in all respects."

12. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 42, 71 and all other applicable provisions, if any, of the Companies Act, 2013 ("Act"), read with rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force) and pursuant to the provisions of SEBI (Issue and Listing of Debt Securities) Regulations, 2008 as amended from time to time and other applicable SEBI regulations and guidelines, the provisions of the Memorandum and Articles of Association of the Company and subject to such other applicable laws, rules and regulations and guidelines, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee which the Board may constitute to exercise its powers, including the powers conferred by this Resolution) for making offer(s) or invitation(s) to subscribe redeemable secured/unsecured Non-Convertible Debentures (NCDs) but not limited to subordinated debentures, bonds, and/or other debt securities, etc., on a private placement basis, in one or more tranches, during the period of one year from the date of passing of the special resolution by the members, within the overall borrowing limits of the Company, as may be approved by the members from time to time.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to determine the terms of issue including the class of investors to whom NCDs are to be issued, time, securities to be offered, the number of NCDs, tranches, issue price, tenor, interest rate, premium/discount, listing and to do all such acts and things and deal with all such matters and take all such steps as may be necessary and to sign and execute any deeds/ documents/ undertakings/ agreements/ papers/writings, as may be required in this regard."

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

"RESOLVED THAT pursuant to the provisions of Section 188 and all other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and in terms of applicable provisions of Listing Agreement executed with the Stock Exchanges, consent of the members be and is hereby accorded for ratification / approval of material related party transactions entered into by the Company with related parties as set out in the explanatory statement annexed to the notice convening this meeting.

RESOLVED FURTHER THAT the Board of Directors thereof be and is hereby authorised to take all such steps as may be deemed necessary, proper or expedient to give effect to this resolution."

14. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with Rules framed thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), the existing Articles of Association of the Company ("Articles") be and is hereby altered by the amendment and/or insertion in the following manner:

Following new Article No. 26A shall be inserted after Article No. 26:

"If the holders of any Non-Convertible Debentures issued or to be issued by the Company enter into any contract which provides for any pre-emption rights (including, without limitation, any right of first refusal, tag-along or drag-along rights) in relation to such Non-Convertible Debentures, then, subject to the terms of the relevant debenture trust deed and the information memorandum relating to such Non-Convertible Debentures, any transfer of such Non-Convertible Debentures shall be made in accordance with such contracts."

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to undertake all such acts, deeds, matters and things to finalise and execute all such deeds, documents and writings as may be deemed necessary, proper, desirable and expedient in its absolute discretion, to enable this resolution, and to settle any question, difficulty or doubt that may arise in this regard."

For and on behalf of the Board

Place : Ahmedabad  
Date: 26th May, 2016

**Jaladhi Shukla**  
Company Secretary

**Regd. Office:**  
"Adani House",  
Near Mithakhali Six Roads,  
Navrangpura, Ahmedabad - 380 009  
Gujarat, India.  
CIN : L40300GJ2013PLC077803

## NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. THE PROXY NEED NOT BE A MEMBER.**

A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. **THE INSTRUMENT APPOINTING PROXY SHOULD HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

3. Information regarding appointment/re-appointment of Directors and Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of special businesses to be transacted are annexed hereto.
4. The Register of members and share transfer books of the Company will remain closed from Wednesday, 3rd August, 2016 to Wednesday, 10th August, 2016 (both days inclusive) for the purpose of Annual General Meeting.
5. Shareholders seeking any information with regard to accounts are requested to write to the Company atleast 10 days before the meeting so as to enable the management to keep the information ready.
6. All documents referred to in the accompanying notice and explanatory statement will be kept open for inspection at the Registered Office of Company

on all working days between 11.00 a.m. to 1.00 p.m. prior to date of Annual General Meeting.

7. Members are requested to bring their copy of Annual Report at the meeting
8. Members holding the shares in physical mode are requested to notify immediately the change of their address and bank particulars to the R & T Agent of the Company. In case shares held in dematerialized form, the information regarding change of address and bank particulars should be given to their respective Depository Participant.
9. In terms of Section 72 of the Companies Act, 2013, nomination facility is available to individual shareholders holding shares in the physical form. The shareholders who are desirous of availing this facility, may kindly write to Company's R & T Agent for nomination form by quoting their folio number.
10. The route map showing directions to reach the venue of the third AGM is annexed.
11. Process and manner for members opting for voting through Electronic means:
  - i. In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to offer the facility of voting through electronic means and the business set out in the Notice above may be transacted through such electronic voting. The facility of voting through electronic means is provided through the e-voting platform of Central Depository Services (India) Limited ("remote e-voting").
  - ii. Members whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date i.e. 3rd August, 2016, shall be entitled to avail the facility of remote e-voting as well as voting at the AGM. Any recipient of the Notice, who has no voting rights as on the cut-off date, shall treat this Notice as intimation only.
  - iii. A person who has acquired the shares and has become a member of the Company after the despatch of the Notice of the AGM and prior to the cut-off date i.e. 3rd August, 2016, shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or through the Poll Paper at the AGM by following the procedure mentioned in this part.
  - iv. The remote e-voting will commence on Saturday, 6th August, 2016 at 9.00 a.m. and will end on Tuesday, 9th August, 2016 at 5.00 p.m. During this period, the members of the Company holding shares either in physical form or in demat form as on the cut-off date i.e. 3rd August, 2016, may cast their vote electronically. The members will not be able to cast their vote electronically beyond the date and time mentioned above and the remote e-voting module shall be disabled for voting by CDSL thereafter.
  - v. Once the vote on a resolution is cast by the member, he/she shall not be allowed to change it subsequently or cast the vote again.
  - vi. The facility for voting through Poll Paper would be made available at the AGM and the members attending the meeting who have not already cast their votes by remote e-voting shall be able to exercise their right at the meeting through Poll Paper. The members who have already cast their vote by remote e-voting prior to the meeting, may also attend the Meeting, but shall not be entitled to cast their vote again.
  - vii. The voting rights of the members shall be in proportion to their share in the paid up equity share capital of the Company as on the Cut-off date i.e. 3rd August, 2016.
  - viii. The Company has appointed CS Chirag Shah, Practising Company Secretary (Membership No. FCS: 5545; CP No: 3498), to act as the Scrutinizer for conducting the remote e-voting process as well as the voting through Poll Paper at the AGM, in a fair and transparent manner.

ix. The procedure and instructions for remote e-voting are, as follows:

|          |   |  |
|----------|---|--|
| Step 1 : | Open your web browser during the voting period and log on to the e-voting website: <a href="http://www.evotingindia.com">www.evotingindia.com</a> .   |  |
| Step 2:  | Now click on "Shareholders" to cast your votes.   |  |
| Step 3:  | Now, fill up the following details in the appropriate boxes:  |  |
|          | User-ID   | <p>a. For CDSL: 16 digits beneficiary ID</p> <p>b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID</p> <p>c. Members holding shares in physical form should enter the Folio Number registered with the Company.</p>   |
| Step 4 : | Next, enter the Image Verification as displayed and Click on Login.<br>If you are holding shares in demat form and had logged on to then your existing password is to be used.  |  |
| Step 5 : | If you are a first time user follow the steps given below:  |  |
|          | For members holding shares in demat form and physical form:   |  |
|          | PAN   | <p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department.</p> <p>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</p> <p>In case the sequence number is less than 8 digits enter the applicable number of O's before the number after the first two characters of the name in CAPITAL letters. e.g. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</p> |
|          | DOB#  | Enter the Date of Birth as recorded in dd/mm/yyyy format.  |
|          | Dividend Bank Details#  | <p>Enter the Dividend Bank Details as recorded in your demat Bank account or the Company records for the said folio.</p> <p>If the details are not recorded with the Depository or Company, please enter the number of Shares held by you in the bank account column.</p>  |
|          | # Please enter the DOB or dividend bank details in order to login.  |  |
| Step 6 : | After entering these details appropriately, click on "SUBMIT" tab.  |  |
| Step 7 : | <p>Members holding shares in physical form will then directly reach the Company selection screen. However, first time user holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password can also be used by the Demat holders for voting for resolution of any other Company on which they are eligible to vote, provided that the Company opts for e-Voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.</p> <p>If Demat account holder has forgotten the changed password then Enter the user ID and the image verification code and click on Forgot Password and enter the details as prompted by the System.</p> |  |
| Step 8:  | For members holding shares in physical form, the details can be used only for remote e-voting on the resolutions contained in this Notice.  |  |
| Step 9:  | Click on EVSN of the Company i.e. 160629006 to vote.  |  |
| Step 10: | On the voting page, you will see Resolution Description and against the same, the option "YES/NO" for voting. Select the relevant option as desired YES or NO and click to submit.  |  |
| Step 11: | Click on the resolution file link if you wish to view the entire Notice.  |  |

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|---------|---|
| Step 12 | After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.   |
| Step 13 | You can also take print out of the voting done by you by clicking on "Click here to print" option on the Voting page.   |
| Step 14 | <p>Instructions for Non – Individual Members and Custodians:</p> <ul style="list-style-type: none"> <li>• Non-Individual Members (i.e. other than Individuals, HUF, NRI, etc.) and Custodian are required to log on to <a href="http://www.evotingindia.com">www.evotingindia.com</a> and register themselves as Corporates.</li> <li>• A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a>.</li> <li>• After receiving the login details, a compliance user should be created using the admin login and password. The compliance user would be able to link the account(s) for which they wish to vote on.</li> <li>• The list of accounts should be mailed to <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> and on approval of the accounts, they would be able to cast their vote.</li> <li>• A scan copy of the Board Resolution and Power of Attorney ("POA") which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the Scrutinizer to verify the same.</li> </ul> |

- x. Shareholders can also exercise their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- xi. The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.adanitransmission.com](http://www.adanitransmission.com) and on the website of CDSL i.e [www.cdslindia.com](http://www.cdslindia.com) within three days of the passing of the Resolutions at the 3rd Annual General Meeting of the Company and shall also be communicated to the Stock Exchanges where the shares of the Company are listed.
- xii. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

## Contact Details:

|                        |   |  |
|------------------------|---|--|
| <b>Company</b>         | : | Adani Transmission Limited<br>Regd. Office: "Adani House ", Nr. Mithakhali Six Roads,<br>Navrangpura, Ahmedabad-380 009, Gujarat, India<br>CIN: L40300GJ2013PLC077803<br>E-mail ID: <a href="mailto:jaladhi.shukla@adani.com">jaladhi.shukla@adani.com</a> |
| <b>e-Voting Agency</b> | : | Central Depository Services (India) Limited<br>E-mail ID: <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a><br>Phone : 022- 22723333 / 8588   |
| <b>Scrutinizer</b>     | : | CS Chirag Shah<br>Practising Company Secretary<br>E-mail ID: <a href="mailto:pcschirag@gmail.com">pcschirag@gmail.com</a>  |

## Annexure to Notice

### EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

#### For Item No. 4:

The Board of Directors in its meeting held on 17th June, 2015 appointed Mr. Gautam S. Adani as an Additional Director of the Company. According to the provisions of Section 161 of the Companies Act 2013, he holds office as a Director only up to the date of the ensuing Annual General Meeting. As required under Section 160 of the Companies Act, 2013, a notice has been received from a member signifying its intention to propose the appointment of Mr. Gautam S. Adani as a Director along with the deposit of requisite amount.

Mr. Gautam S. Adani is the Chairman and Founder of the Adani Group. Under his leadership, Adani Group has emerged as a global integrated infrastructure player with interest across Resources, Logistics and Energy verticals. His journey has been marked by his ambitious and entrepreneurial vision, coupled with great vigour and hard work. This has not only enabled the Group to achieve numerous milestones with speed and scale but also resulted in the creation of a robust business model which is contributing towards building sound infrastructure in India.

Mr. Gautam S. Adani is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as a Director.

Brief resume and other details of Mr. Gautam S. Adani whose appointment is proposed are provided in the annexure to the Notice attached herewith.

The Board of Directors recommends the said resolution for your approval.

Mr. Gautam S. Adani is deemed to be interested in the said resolution as it relates to his appointment. Mr. Rajesh S. Adani being brother of Mr. Gautam S. Adani is also interested in the said resolution. None of the other Directors or key managerial personnel or their relatives is, in anyway, concerned or interested in the said resolution.

#### For Item No. 5:

The Board of Directors in its meeting held on 17th June, 2015 appointed Mr. Rajesh S. Adani as an Additional Director of the Company. According to the provisions of Section 161 of the Companies Act 2013, he holds office as a Director only up to the date of the ensuing Annual General Meeting. As required under Section 160 of the Companies Act, 2013, a notice has been received from a member signifying its intention to propose the appointment of Mr. Rajesh S. Adani as a Director along

with the deposit of requisite amount.

Mr. Rajesh S. Adani has been associated with Adani Group since its inception. He is in charge of the operations of the Group and has been responsible for developing its business relationships. His proactive, personalised approach to the business and competitive spirit have helped towards the growth of the Group and its various businesses.

Mr. Rajesh S. Adani is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as a Director.

Brief resume and other details of Mr. Rajesh S. Adani whose appointment is proposed are provided in the annexure to the Notice attached herewith.

The Board of Directors recommends the said resolution for your approval.

Mr. Rajesh S. Adani is deemed to be interested in the said resolution as it relates to his appointment. Mr. Gautam S. Adani being brother of Mr. Rajesh S. Adani is also interested in the said resolution. None of the other Directors or key managerial personnel or their relatives is, in anyway, concerned or interested in the said resolution.

#### For Item No. 6:

The Board of Directors in its meeting held on 17th June, 2015 appointed Mr. K. Jairaj as an Additional Director of the Company. According to the provisions of Section 161 of the Companies Act 2013, he holds office as Director only up to the date of the ensuing Annual General Meeting. As required under Section 160 of the Companies Act, 2013, a notice has been received from a member signifying its intention to propose the appointment of Mr. K. Jairaj as a Director along with the deposit of requisite amount.

Mr. K. Jairaj, a member of the 1976 batch of the Indian Administrative Service, has held distinguished appointments in the infrastructure, energy, transport and urban development sectors, including a role as Additional Chief Secretary, Energy Department and Chairman, BESCO, Managing Director, Bangalore International Airport Ltd; Managing Director, Karnataka Power Corporation Ltd; Managing Director, Karnataka State Road Transport Corporation; Commissioner, Bangalore City Corporation for two terms; Commissioner for Commercial Taxes and Principal Secretary to the Chief Minister. With N.R. Narayanamurthy, Chairman Emeritus of Infosys, Mr. Jairaj established the Bangalore International Airport Limited, India's first greenfield airport on public

private partnership basis with Siemens, Germany. Mr. Jairaj served with the World Bank, Washington D.C. USA, as senior public sector management specialist in the Africa region between 2004-2006. Mr. Jairaj's has academic background in economics, public policy and management. He has a Bachelor of Arts (Honours) degree from Bangalore University, Master of Arts degree in Economics from the Delhi School of Economics, M.P.A. Woodrow Wilson School of Public And International Affairs, Princeton University and M.P.A, Kennedy School of Government, Harvard University, U.S.A, where he was Edward's Mason Fellow. Mr. K. Jairaj is active in the National Management Movement and served as President, All India Management Association (AIMA), the only IAS officer to have done so; Past President Bangalore Management Association; currently on the Board of Governors, Indian Institute of Management, Kashipur. He was on the Board of Governors of Indian Institute of Management, Bangalore from 2000 to 2004. He is associated with several educational and not-for-profit institutions.

Mr. K. Jairaj has given a declaration to the Board that he meets the criteria of independence as provided under Section 149(6) of the Act. In the opinion of the Board, he fulfills the conditions specified in the Act read with the rules made thereunder for appointment as an Independent Director and he is independent of the management.

Mr. K. Jairaj is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Mr. K. Jairaj as an Independent Director is now being placed before the Members for their approval.

The terms and conditions for appointment of Mr. K. Jairaj as an Independent Director of the Company shall be open for inspection by the members at the Registered Office of the Company during normal business hours on any working day.

Brief resume and other details of Mr. K. Jairaj whose appointment is proposed are provided in the annexure to the Notice attached herewith.

The Board of Directors recommends the said resolution for your approval.

Mr. K. Jairaj is deemed to be interested in the said resolution as it relates to his appointment.

None of the other Directors or key managerial personnel or their relatives is, in anyway, concerned or interested in the said resolution.

#### For Item No. 7:

The Board of Directors in its meeting held on 17th June, 2015 appointed Mr. V. Subramanian as an Additional Director of the Company. According to the provisions of Section 161 of the Companies Act 2013, he holds office as Director only up to the date of the ensuing Annual General Meeting. As required under Section 160 of the Companies Act, 2013, a notice has been received from a member signifying its intention to propose the appointment of Mr. V. Subramanian as a Director along with the deposit of requisite amount.

Mr. V. Subramanian joined the Indian Administrative Service in 1971 (West Bengal Cadre). He occupied many senior positions in the Government of India and the Government of West Bengal during a career of 37 years. Most recently Mr. Subramanian was the Secretary to the Government of India with the Ministry of New and Renewable Energy (MNRE) where he pioneered important initiatives for reforms and development of the renewable energy sector, including the introduction of the "Feed-in Tariff" concept. As Additional Secretary & later Financial Adviser, Ministry of Rural Development, he implemented National Rural Development plans including the National Rural Employment Guarantee Scheme. Presently, he is a freelance consultant. He is also the Business Development Adviser to the Council for Industrial and Scientific Research at New Delhi, the Secretary General of the Indian Wind Energy Association, and Chairman of the Research Council of Indian Institute of Petroleum, in an honorary capacity.

Mr. V. Subramanian has given a declaration to the Board that he meets the criteria of independence as provided under Section 149(6) of the Act. In the opinion of the Board, he fulfills the conditions specified in the Act read with the rules made thereunder for appointment as an Independent Director and he is independent of the management.

Mr. V. Subramanian is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Mr. V. Subramanian as an Independent Director is now being placed before the Members for their approval.

The terms and conditions for appointment of Mr. V. Subramanian as an Independent Director of the Company shall be open for inspection by the members at the Registered Office of the Company during normal business hours on any working day.

Brief resume and other details of Mr. V. Subramanian whose appointment is proposed are provided in the annexure to the Notice attached herewith.

The Board of Directors recommends the said resolution for your approval.

Mr. V. Subramanian is deemed to be interested in the said resolution as it relates to his appointment.

None of the other Directors or key managerial personnel or their relatives is, in anyway, concerned or interested in the said resolution.

**For Item No. 8:**

The Board of Directors in its meeting held on 26th May, 2016 appointed Dr. Ravindra H. Dholakia as an Additional Director of the Company. According to the provisions of Section 161 of the Companies Act 2013, he holds office as Director only up to the date of the ensuing Annual General Meeting. As required under Section 160 of the Companies Act, 2013, a notice has been received from a member signifying its intention to propose the appointment of Dr. Ravindra H. Dholakia as a Director along with the deposit of requisite amount.

Dr. Ravindra H. Dholakia, a faculty of economics and public systems at IIM, Ahmedabad, has more than 38 years of experience in regional economic development, economic analysis and policy, international economics and health economics. He holds a post-doctoral research fellowship from the University of Toronto and a Ph.D. in Economics from M S University, Baroda. Earlier, he has served as a consultant to State and Central governments, private sector institutions and international organizations such as WHO, UNICEF, ADB and World Bank. He has also been a member of various committees appointed by the Government and has more than 140 research papers and 22 books to his credit.

Dr. Ravindra H. Dholakia has given a declaration to the Board that he meets the criteria of independence as provided under Section 149(6) of the Act. In the opinion of the Board, he fulfills the conditions specified in the Act read with the rules made thereunder for appointment as an Independent Director and he is independent of the management.

Dr. Ravindra H. Dholakia is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Dr. Ravindra H. Dholakia as an Independent Director is now being placed before the Members for their approval.

The terms and conditions for appointment of Dr. Ravindra H. Dholakia as an Independent Director of the Company shall be open for inspection by the members at the Registered Office of the Company during normal business hours on any working day.

Brief resume and other details of Dr. Ravindra H. Dholakia whose appointment is proposed are provided in the annexure to the Notice attached herewith.

The Board of Directors recommends the said resolution for your approval.

Dr. Ravindra H. Dholakia is deemed to be interested in the said resolution as it relates to his appointment.

None of the other Directors or key managerial personnel or their relatives is, in anyway, concerned or interested in the said resolution.

**For Item No. 9:**

The Board of Directors in its meeting held on 17th June, 2015 appointed Ms. Meera Shankar as an Additional Director of the Company. According to the provisions of Section 161 of the Companies Act 2013, she holds office as Director only up to the date of the ensuing Annual General Meeting. As required under Section 160 of the Companies Act, 2013, a notice has been received from a member signifying its intention to propose the appointment of Ms. Meera Shankar as a Director along with the deposit of requisite amount.

Ms. Meera Shankar joined the Indian Foreign Service in 1973 and had an illustrious career spanning 38 years. She served in the Prime Minister's Office for six years, from 1985 to 1991 working on foreign policy and security matters. Thereafter, she led the Commercial Wing in the Indian Embassy in Washington as Minister (Commerce) till 1995. She returned as Director General of the Indian Council of Cultural Relations overseeing India's cultural diplomacy. She has had extensive experience in South Asia having worked on Bangladesh, Sri Lanka and Maldives as Under Secretary and Deputy Secretary in the Ministry of External Affairs. Later, as Joint Secretary she headed divisions dealing with neighbours, Nepal and Bhutan, and the South Asian Association of Regional Cooperation (SAARC). As Additional Secretary, she handled the UN and international security issues. She served as Ambassador of India to Germany from 2005 to 2009 and then to the United States from 2009 to 2011.

Ms. Meera Shankar has given a declaration to the Board that she meets the criteria of independence as provided under Section 149(6) of the Act. In the opinion of the Board, she fulfills the conditions specified in the Act read with the rules made thereunder for appointment as



an Independent Director and she is independent of the management.

Ms. Meera Shankar is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as a Director.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Ms. Meera Shankar as an Independent Director is now being placed before the Members for their approval.

The terms and conditions for appointment of Ms. Meera Shankar as an Independent Director of the Company shall be open for inspection by the members at the Registered Office of the Company during normal business hours on any working day.

Brief resume and other details of Ms. Meera Shankar whose appointment is proposed are provided in the annexure to the Notice attached herewith.

The Board of Directors recommends the said resolution for your approval.

Ms. Meera Shankar is deemed to be interested in the said resolution as it relates to her appointment.

None of the other Directors or key managerial personnel or their relatives is, in anyway, concerned or interested in the said resolution.

#### For Item No. 10:

In terms of the Special Resolution passed by the Members at the 2nd Annual General Meeting of the Company held on 1st June, 2015, Mr. Deepak Bhargava, Whole-time Director was appointed for a period of 3 years w.e.f. 8th May, 2015 on a remuneration approved thereat, with the liberty and authority to the Board of Directors to alter, modify and revise the terms and conditions of the payment of Remuneration.

Due to inadequacy of profits of the Company for the financial year 2015-16, the remuneration paid to Mr. Deepak Bhargava, Whole-time Director for the said financial year stands in excess by the amounts mentioned below:

(₹ in crores)

| Actual Remuneration Paid during the year 2015-16 | Remuneration Allowed as per Schedule V of the Companies Act, 2013 | Excess Remuneration Paid |
|--|---|--------------------------|
| 1.71   | 1.20  | 0.51                     |

Mr. Deepak Bhargava is an engineer with over 40 years of experience in the field of construction and commissioning of substations, and is an expert in all activities related to construction. He also has experience in handling

contracts, erection and commissioning of transformers and stunt reactors.

The Nomination and Remuneration Committee and the Board of Directors at their respective meetings held on 26th May, 2016 have recommended the waiver of excess Managerial Remuneration paid to Mr. Deepak Bhargava, Whole-time Director during the year 2015-16 as per above details in view of the losses incurred by the Company during the year 2015-16 subject to approval of the Central Government.

The Board recommends the said resolution for your approval.

Mr. Deepak Bhargava is deemed to be concerned or interested in the said resolution. None of the other Directors or key managerial personnel or their relatives is, in anyway, concerned or interested in the said resolution.

#### For Item No. 11:

The Company proposes to have flexibility to infuse additional capital, to tap capital markets and to raise additional long term resources, if necessary in order to sustain rapid growth in the business, for business expansion and to improve the financial leveraging strength of the Company. The proposed resolution seeks the enabling authorization of the members to the Board of Directors to raise funds to the extent of ₹8,500 Crores (Rupees Eight Thousand Five Hundred Crores Only) or its equivalent in any one or more currencies, in one or more tranches, in such form, on such terms, in such manner, at such price and at such time as may be considered appropriate by the Board (inclusive at such premium as may be determined) by way of issuance of equity shares of the Company ("Equity Shares") and/or any instruments or securities including Global Depository Receipts ("GDRs") and/or American Depository Receipts ("ADRs") and/or convertible preference shares and/or convertible debentures (compulsorily and/or optionally, fully and/or partly) and/or non-convertible debentures (or other securities) with warrants, and/or warrants with a right exercisable by the warrant holder to exchange or convert such warrants with equity shares of the Company at a later date simultaneously with the issue of Foreign Currency Convertible Bonds ("FCCBs") and/or Foreign Currency Exchangeable Bonds ("FCEBs") and/or any other permitted fully and/or partly paid securities/instruments/warrants, convertible into or exchangeable for equity shares at the option of the Company and/or holder(s) of the security(ies) and/or securities linked to equity shares (hereinafter collectively referred to as "Securities"), in registered or bearer form, secured or unsecured, listed on a recognized stock exchange in India or abroad whether rupee denominated or denominated in foreign currency by way of private placement or otherwise.

The Special Resolution also seeks to empower the Board of Directors to undertake a Qualified Institutional Placement (QIP) with Qualified Institutional Buyers (QIBs) as defined by SEBI under Issue of Capital and Disclosure Requirements Regulations, 2009. The Board of Directors may in their discretion adopt this mechanism as prescribed under Chapter VIII of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009. Further in case the Company decides to issue eligible securities within the meaning of Chapter VIII of the SEBI Regulations to Qualified Institutional Investors, it will be subject to the provisions of Chapter VIII of the SEBI Regulations as amended from time to time. The aforesaid securities can be issued at a price after taking into consideration the pricing formula prescribed in Chapter VIII of the SEBI (ICDR) Regulations. Allotment of securities issued pursuant to Chapter VIII of SEBI Regulations shall be completed within twelve months from the date of passing of the resolution under Section 42 and 62 of the Companies Act, 2013. This Special Resolution gives (a) adequate flexibility and discretion to the Board to finalise the terms of the issue, in consultation with the Lead Managers, Underwriters, Legal Advisors and experts or such other authority or authorities as need to be consulted including in relation to the pricing of the Issue which will be a free market pricing and may be at premium or discount to the market price in accordance with the normal practice and (b) powers to issue and market any securities issued including the power to issue such Securities in such tranche or tranches with/without voting rights or with differential voting rights.

The detailed terms and conditions for the issue of Securities will be determined in consultation with the advisors, and such Authority/Authorities as may be required to be consulted by the Company considering the prevailing market conditions and other relevant factors.

The consent of the shareholders is being sought pursuant to the provisions of Section 42, 62 and other applicable provisions of the Companies Act, 2013 and in terms of the provisions of the listing agreement executed by the Company with Stock Exchanges where the Equity Shares of the Company are listed. Since the resolution involves issue of Equity Shares to persons other than existing shareholders, special resolution in terms of Section 42 and 62 of the Companies Act, 2013 is proposed for your approval. The amount proposed to be raised by the Company shall not exceed ₹8,500 Crores (Rupees Eight Thousand Five Hundred Crores Only).

The Equity shares, which would be allotted, shall rank in all respects pari passu with the existing Equity Shares of the Company, except as may be provided otherwise under

the terms of issue/offering and in the offer document and/or offer letter and/or offering circular and/or listing particulars.

The Board of Directors recommends the said resolution for your approval.

None of the Directors or any key managerial personnel or any relative of any of the Directors of the Company or the relatives of any key managerial personnel is, in anyway, concerned or interested in the above resolution.

**For Item No. 12:**

As per the provisions of Section 42 of the Companies Act, 2013 ("Act") read with rules made thereunder a Company offering or making an invitation to subscribe to redeemable secured/ unsecured non-convertible debentures (NCDs) on a private placement basis is required to obtain the prior approval of the members by way of a Special Resolution. Such approval by a Special Resolution can be obtained once in a year for all the offers and an invitation for such debt securities to be made during the year.

It is proposed to offer or invite subscriptions for redeemable secured/ unsecured non-convertible debenture including subordinated debentures, bonds, and/ or other debt securities, etc., on a private placement basis, in one or more tranches, during the period of one year from the date of passing of the Special Resolution by the members, within the overall borrowing limits of ₹15,000 crore in excess of and in addition to the paid-up share capital and free reserves the Company, as approved by the members in the Extraordinary General Meeting held on 12th February, 2015, with authority to the Board to determine the terms and conditions, including the issue price of the debt securities, interest, repayment, security or otherwise, as it may deem expedient and to do all such acts, deeds, matters and things in connection therewith and incidental thereto as the Board in its absolute discretion deems fit, without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of the Resolution. Accordingly, the approval of the members is being sought by way of a Special Resolution under Section 42 and other applicable provisions, if any of the Act and its rules there under.

The Board of Directors recommends the said resolution for your approval.

None of the Directors or any key managerial personnel or any relative of any of the Directors of the Company or the relatives of any key managerial personnel is, in anyway, concerned or interested in the above resolution.

**For Item No. 13:**

Pursuant to the provisions of Section 188 of the Companies Act, 2013 read with rules made thereunder and in terms of applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, consent of members by way of an ordinary resolution is required for ratification/ approval of material related party transactions entered into by the Company with its related parties.

The Company has entered into the following material related party transactions with its related parties during the year under review:

(₹ in crores)

| Name of the Related Party | Nature of Relationship       | Nature of transactions | Outstanding as at 31.03.2016 |
|---------------------------|------------------------------|------------------------|------------------------------|
| Adani Agri Fresh Ltd.     | Significant influence by KMP | Financial transactions | 286.16                       |
| Adani Infra (India) Ltd.  | Significant influence by KMP | Financial transactions | 350.36                       |

As per the SEBI Listing Regulations, related parties of the Company shall abstain from voting on said resolution.

The Board of Directors recommends the said resolution for your approval.

Mr. Gautam S. Adani and Mr. Rajesh S. Adani and their relatives are deemed to be concerned or interested in this resolution. None of the other Directors or key managerial personnel or their relatives is, in anyway, concerned or interested in the said resolution.

**For Item No. 14:**

The Company issues Non-Convertible Debentures from time to time. It is proposed to insert Article which states that If the holders of any Non-Convertible Debentures issued or to be issued by the Company enter into any contract which provides for any pre-emption rights in relation to such non-convertible debentures, then, subject to the terms of the relevant debenture trust deed and the information memorandum relating to such Non-Convertible Debentures, any transfer of such Non-Convertible Debentures shall be made in accordance with such contracts.

Accordingly, the Company is required to amend/alter its Article of Association as proposed in the resolution.

The alteration of Articles of Association of the Company needs approval of shareholders of the Company by way of a Special Resolution.

A copy of Articles of Association of the Company with the proposed alterations is available for inspection at the Registered Office of the Company on any working day during business hours.

The Board of Directors recommends the above resolution for your approval.

None of the Directors or any key managerial personnel or any relative of any of the Directors of the Company or the relatives of any key managerial personnel is, in anyway, concerned or interested in the above resolution.

For and on behalf of the Board

Place : Ahmedabad  
Date: 26th May, 2016

**Jaladhi Shukla**  
Company Secretary

**Regd. Office:**  
"Adani House",  
Near Mithakhali Six Roads,  
Navrangpura, Ahmedabad - 380 009  
Gujarat, India.  
CIN : L40300GJ2013PLC077803

**IMPORTANT COMMUNICATION TO MEMBERS**

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

## Annexure to Notice

### Details of Directors seeking Appointment / Re-appointment

| Name of Director    | Date of Birth (No. of Shares held) | Qualification | Nature of expertise in specific functional areas  | Name of the public companies in which he holds directorship   | Name of committees of public companies of which he holds membership/ chairmanship *   |
|---------------------|------------------------------------|---------------|---|---|---|
| Mr. Gautam S. Adani | 24.06.1962 (Nil)#                  | S.Y.B.Com.    | Mr. Gautam S. Adani is the Chairman and Founder of the Adani Group. Under his leadership, Adani Group has emerged as a global integrated infrastructure player with interest across Resources, Logistics and Energy verticals. His journey has been marked by his ambitious and entrepreneurial vision, coupled with great vigour and hard work. This has not only enabled the Group to achieve numerous milestones with speed and scale but also resulted in the creation of a robust business model which is contributing towards building sound infrastructure in India. | <ul style="list-style-type: none"> <li>Adani Enterprises Limited</li> <li>Adani Ports and Special Economic Zone Limited</li> <li>Adani Power Limited</li> <li>Adani Transmission Limited</li> <li>Adani Green Energy Limited</li> </ul>   | Nil   |
| Mr. Rajesh S. Adani | 07.12.1964 (Nil)#                  | B.Com.        | Mr. Rajesh S. Adani has been associated with Adani Group since its inception. He is in charge of the operations of the Group and has been responsible for developing its business relationships. His proactive, personalised approach to the business and competitive spirit have helped towards the growth of the Group and its various businesses.  | <ul style="list-style-type: none"> <li>Adani Enterprises Limited</li> <li>Adani Ports and Special Economic Zone Limited</li> <li>Adani Power Limited</li> <li>Adani Transmission Limited</li> <li>Adani Wilmar Limited</li> <li>Adani Gas Limited</li> <li>Adani Welspun Exploration Limited</li> <li>Adani Green Energy Limited</li> </ul> | <ul style="list-style-type: none"> <li>Adani Ports and Special Economic Zone Limited                             <ul style="list-style-type: none"> <li>Audit Committee (Member)</li> <li>Stakeholders' Relationship Committee (Chairman)</li> </ul> </li> <li>Adani Power Limited                             <ul style="list-style-type: none"> <li>Audit Committee (Member)</li> <li>Stakeholders' Relationship Committee (Member)</li> </ul> </li> <li>Adani Transmission Limited                             <ul style="list-style-type: none"> <li>Audit Committee (Member)</li> <li>Stakeholders' Relationship Committee (Member)</li> </ul> </li> <li>Adani Wilmar Limited                             <ul style="list-style-type: none"> <li>Audit Committee (Chairman)</li> </ul> </li> <li>Adani Gas Limited                             <ul style="list-style-type: none"> <li>Audit Committee (Member)</li> </ul> </li> <li>Adani Welspun Exploration Limited                             <ul style="list-style-type: none"> <li>Audit Committee (Chairman)</li> </ul> </li> </ul> |

### Details of Directors seeking Appointment / Re-appointment

| Name of Director    | Date of Birth (No. of Shares held) | Qualification   | Nature of expertise in specific functional areas   | Name of the public companies in which he holds directorship   | Name of committees of public companies of which he holds membership/ chairmanship *   |
|---------------------|------------------------------------|---|--|---|---|
| Mr. Deepak Bhargava | 14.04.1956<br>(Nil)                | B.E. (Electrical)   | Mr. Deepak Bhargava is an engineer with over 40 years of experience in the field of construction and commissioning of substations, and is an expert in all activities related to construction. He also has experience in handling contracts, erection and commissioning of transformers and stant reactors.  | <ul style="list-style-type: none"> <li>Adani Transmission Limited</li> <li>Adani Power Resources Limited</li> </ul>   | <ul style="list-style-type: none"> <li>Adani Transmission Limited</li> <li>Stakeholders' Relationship Committee (Member)</li> </ul>   |
| Mr. K. Jairaj       | 25.05.1952<br>(Nil)                | Graduate in the field of Economics, Public Policy & Management; Retired IAS | Mr. K. Jairaj, a member of the 1976 batch of the Indian Administrative Service, has held distinguished appointments in the infrastructure, energy, transport and urban development sectors, including a role as Additional Chief Secretary, Energy Department and Chairman, BESCOM, Managing Director, Bangalore International Airport Ltd; Managing Director, Karnataka Power Corporation Ltd; Managing Director, Karnataka State Road Transport Corporation; Commissioner, Bangalore City Corporation for two terms; Commissioner for Commercial Taxes and Principal Secretary to the Chief Minister. With N.R. Narayanamurthy, Chairman Emeritus of Infosys, Mr. Jairaj established the Bangalore International Airport Limited, India's first greenfield airport on public-private partnership basis with Siemens, Germany. Mr. Jairaj served with the World Bank, Washington D.C. USA, as senior public sector management specialist in the Africa region between 2004-2006. Mr. Jairaj's has academic background in economics, public policy and management. He has a Bachelor of Arts (Honours) degree from Bangalore University, Master of Arts degree in Economics from the Delhi School of Economics, M.P.A. Woodrow Wilson School of Public And International Affairs, Princeton University and M.P.A, Kennedy School of Government, Harvard University, U.S.A, where he was Edward's Mason Fellow. Mr. K. Jairaj is active in the National Management Movement and served as President, All India Management Association (AIMA), the only IAS officer to have done so; Past President Bangalore Management Association; currently on the Board of Governors, Indian Institute of Management, Kashipur. He was on the Board of Governors of Indian Institute of Management, Bangalore from 2000 to 2004. He is associated with several educational and not-for-profit institutions. | <ul style="list-style-type: none"> <li>Royal Orchid Hotels Limited</li> <li>CEESC Limited</li> <li>Adani Transmission Limited</li> <li>Maharashtra Eastern Grid Power Transmission Company Limited</li> <li>Adani Transmission (India) Limited</li> </ul> | <ul style="list-style-type: none"> <li>Royal Orchid Hotels Limited</li> <li>Audit Committee (Member)</li> <li>Stakeholders' Relationship Committee (Chairman)</li> <li>Adani Transmission Limited</li> <li>Audit Committee (Chairman)</li> <li>Stakeholders' Relationship Committee (Chairman)</li> </ul> |

## Details of Directors seeking Appointment / Re-appointment

| Name of Director         | Date of Birth (No. of Shares held) | Qualification  | Nature of expertise in specific functional areas  | Name of the public companies in which he holds directorship  | Name of committees of public companies of which he holds membership/ chairmanship *  |
|--------------------------|------------------------------------|--|---|--|--|
| Mr. V. Subramanian       | 17.06.1948<br>(Nil)                | B.Com, C.A., I.I.B;<br>Retired IAS   | Mr. V. Subramanian joined the Indian Administrative Service in 1971 (West Bengal Cadre). He occupied many senior positions in the Government of India and the Government of West Bengal during a career of 37 years. Most recently Mr. Subramanian was the Secretary to the Government of India with the Ministry of New and Renewable Energy (MNRE) where he pioneered important initiatives for reforms and development of the renewable energy sector, including the introduction of the "Feed-in Tariff" concept. As Additional Secretary & later Financial Adviser, Ministry of Rural Development, he implemented National Rural Development plans including the National Rural Employment Guarantee Scheme. Presently, he is a freelance consultant. He is also the Business Development Adviser to the Council for Industrial and Scientific Research at New Delhi, the Secretary General of the Indian Wind Energy Association, and Chairman of the Research Council of Indian Institute of Petroleum, in an honorary capacity. | <ul style="list-style-type: none"> <li>Suzlon Energy Limited</li> <li>Adani Transmission Limited</li> <li>Sundaram -Clayton Limited</li> <li>Bhoruka Power Corporation Limited</li> <li>SE Electricals Limited</li> <li>Suzlon Power Infrastructure Limited</li> </ul> | <ul style="list-style-type: none"> <li>Adani Transmission Limited               <ul style="list-style-type: none"> <li>Audit Committee (Member)</li> </ul> </li> <li>Suzlon Energy Limited               <ul style="list-style-type: none"> <li>Audit Committee (Member)</li> </ul> </li> <li>Sundaram -Clayton Limited               <ul style="list-style-type: none"> <li>Audit Committee (Member)</li> </ul> </li> </ul> |
| Dr. Ravindra H. Dholakia | 02.04.1953<br>(Nil)                | M.A. with Distinction, M.S. University, Baroda (1975) (Economics and Econometrics); Ph.D. in Economics, M.S. University, Baroda (1978) (Regional Disparities in Economic Growth in India); Post-Doctoral Fellow, University of Toronto (1983-84) (Regional Economic Disparities in Canada) | Dr. Ravindra H. Dholakia, a faculty of economics and public systems at IIM, Ahmedabad, has more than 38 years of experience in regional economic development, economic analysis and policy, international economics and health economics. He holds a post-doctoral research fellowship from the University of Toronto and a PhD in Economics from M S University, Baroda. Earlier, he has served as a consultant to State and Central governments, private sector institutions and international organizations such as WHO, UNICEF, ADB and World Bank. He has also been a member of various committees appointed by the Government and has more than 140 research papers and 22 books to his credit.   | <ul style="list-style-type: none"> <li>Air India Limited</li> <li>Adani Transmission Limited</li> <li>Gujarat State Petroleum Corporation Limited</li> </ul>   | <ul style="list-style-type: none"> <li>Gujarat State Petroleum Corporation Limited               <ul style="list-style-type: none"> <li>Audit Committee (Chairman)</li> </ul> </li> </ul>  |

### Details of Directors seeking Appointment / Re-appointment

| Name of Director  | Date of Birth (No. of Shares held) | Qualification   | Nature of expertise in specific functional areas  | Name of the public companies in which she holds directorship  | Name of committees of public companies of which she holds membership/ chairmanship *                           |
|-------------------|------------------------------------|---|---|---|--|
| Ms. Meera Shankar | 09.10.1950<br>(Nil)                | A Post Graduate in English Literature;<br>Retired IFS | Ms. Meera Shankar joined the Indian Foreign Service in 1973 and had an illustrious career spanning 38 years. She served in the Prime Minister's Office for six years, from 1985 to 1991 working on foreign policy and security matters. Thereafter, she led the Commercial Wing in the Indian Embassy in Washington as Minister (Commerce) till 1995. She returned as Director General of the Indian Council of Cultural Relations overseeing India's cultural diplomacy. She has had extensive experience in South Asia having worked on Bangladesh, Sri Lanka and Maldives as Under Secretary and Deputy Secretary in the Ministry of External Affairs. Later, as Joint Secretary she headed divisions dealing with neighbours, Nepal and Bhutan, and the South Asian Association of Regional Cooperation (SAARC). As Additional Secretary, she handled the UN and international security issues. She served as Ambassador of India to Germany from 2005 to 2009 and then to the United States from 2009 to 2011. | <ul style="list-style-type: none"> <li>ITC Limited</li> <li>Pidilite Industries Limited</li> <li>Adani Transmission Limited</li> <li>Hexaware Technologies Limited</li> </ul> | <ul style="list-style-type: none"> <li>Adani Transmission Limited</li> <li>Audit Committee (Member)</li> </ul> |

# In Individual Capacity.

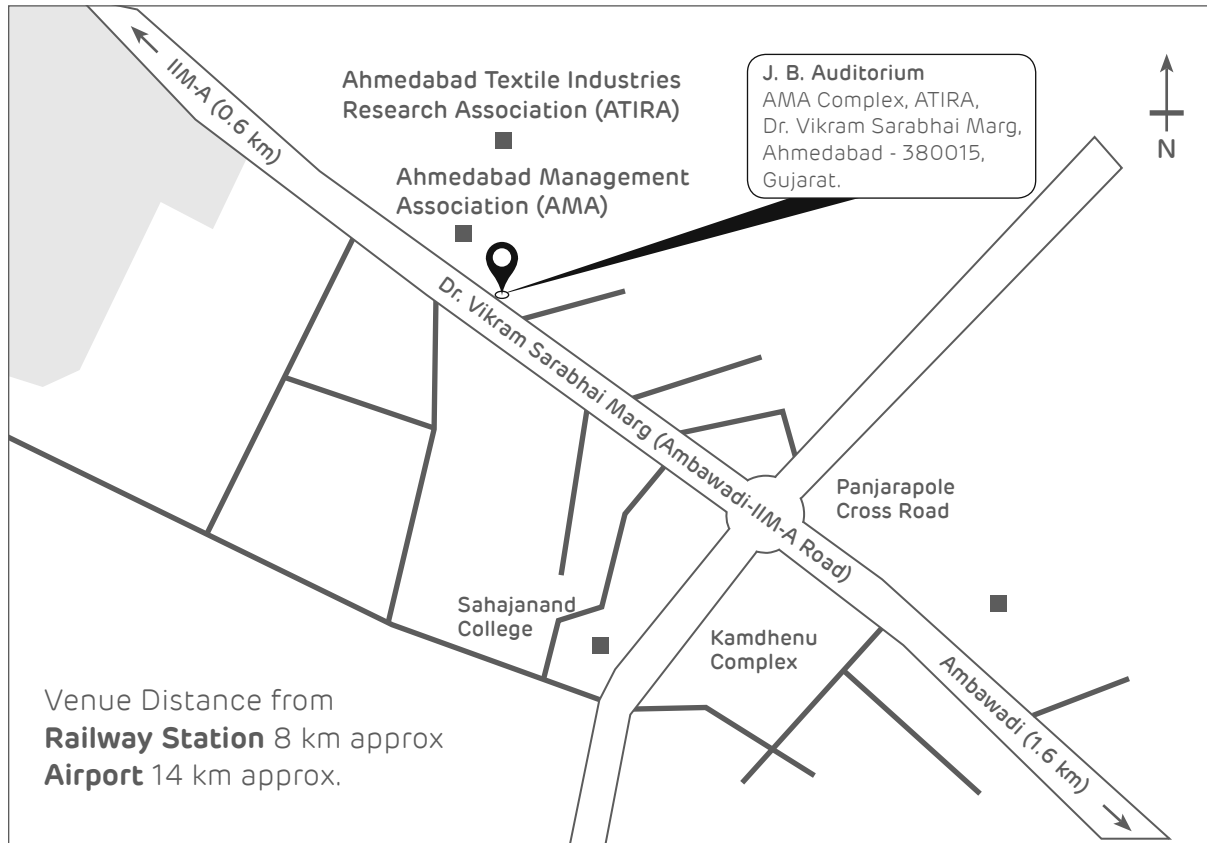
\* Represents Membership / Chairmanship of Committees viz. Audit Committee and Stakeholders' Relationship Committee as per SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

For other details such as number of meetings of the board attended during the year, remuneration drawn and relationship with other directors and key managerial personnel in respect of above directors, please refer to the Corporate Governance Report.

# Route map to the venue of the AGM

Venue : J. B. Auditorium, Ahmedabad Management Association,  
AMA Complex, ATIRA, Dr. Vikram Sarabhai Marg,  
Ahmedabad - 380015

Landmark: Opposite Indian Institute of Management, Ahmedabad







**Adani Transmission Limited**

Regd. Office: "Adani House" Nr. Mithakhali Six Roads, Navrangpura,  
Ahmedabad-380 009, Gujarat, India  
CIN: L40300GJ2013PLC077803

**Form No. MGT-11  
Proxy Form**

**[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]**

CIN : L40300GJ2013PLC077803  
Name of the Company : Adani Transmission Limited  
Registered office : "Adani House" Nr. Mithakhali Six Roads, Navrangpura,  
Ahmedabad – 380 009, Gujarat, India

|                         |  |
|-------------------------|--|
| Name of the member(s) : |  |
| Registered Address :    |  |
| Email ID :              |  |
| Folio No/Client ID :    |  |
| DP ID :                 |  |

I/We, being the member(s) of .....shares of the above named company, hereby appoint:

1. Name : \_\_\_\_\_

Address : \_\_\_\_\_

E-mail ID : \_\_\_\_\_

Signature: \_\_\_\_\_, or failing him
2. Name : \_\_\_\_\_

Address : \_\_\_\_\_

E-mail ID : \_\_\_\_\_

Signature: \_\_\_\_\_, or failing him
3. Name : \_\_\_\_\_

Address : \_\_\_\_\_

E-mail ID : \_\_\_\_\_

Signature: \_\_\_\_\_



as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at 3rd Annual General Meeting of the Company, to be held on Wednesday, the 10th day of August, 2016 at 9:30 a.m. at J.B. Auditorium, Ahmedabad Management Association, AMA Complex, ATIRA, Dr. Vikram Sarabhai Marg, Ahmedabad-380 015 and at any adjournment thereof in respect of such resolutions as are indicated below:

**Ordinary Business:**

1. Adoption of audited financial statements (including consolidated financial statements) for the financial year ended 31st March, 2016 (Ordinary Resolution).
2. Re-appointment of Mr. Deepak Bhargava (DIN: 05247943), as a Director of the Company who retires by rotation (Ordinary Resolution).
3. Ratification of appointment of M/s. Dharmesh Parikh and Co., Chartered Accountants, Ahmedabad and fixing their remuneration (Ordinary Resolution).

**Special Business:**

4. Appointment of Mr. Gautam S. Adani as a Director (Ordinary Resolution).
5. Appointment of Mr. Rajesh S. Adani as a Director (Ordinary Resolution).
6. Appointment of Mr. K. Jairaj as an Independent Director (Ordinary Resolution).
7. Appointment of Mr. V. Subramanian as an Independent Director (Ordinary Resolution).
8. Appointment of Dr. Ravindra H. Dholakia as an Independent Director (Ordinary Resolution).
9. Appointment of Ms. Meera Shankar as an Independent Director (Ordinary Resolution).
10. Waiver of the recovery of the excess remuneration paid to Mr. Deepak Bhargava, Whole-time Director for the Financial Year 2015-16 (Special Resolution).
11. Approval of offer or invitation to subscribe to Securities for an amount not exceeding ₹8,500 Crores (Special Resolution).
12. Approval of offer or invitation to subscribe to Non-Convertible Debentures on private placement basis (Special Resolution).
13. Approval/ratification of material related party transactions entered into by the Company during the financial year ended 31st March, 2016 as per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Ordinary Resolution).
14. Alteration of Articles of Association of the Company (Special Resolution).

Signed this ..... day of ..... 2016.

Signature of Shareholder: \_\_\_\_\_

Signature of Proxy holder(s): \_\_\_\_\_



**Note:** This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.

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**Adani Transmission Limited**

Regd. Office: "Adani House" Nr. Mithakhali Six Roads, Navrangpura,  
Ahmedabad-380 009, Gujarat, India  
CIN: L40300GJ2013PLC077803

**Attendance Slip**

Full name of the member attending \_\_\_\_\_

Full name of the joint-holder \_\_\_\_\_  
(To be filled in if first named Joint – holder does not attend meeting)

Name of Proxy \_\_\_\_\_  
(To be filled in if Proxy Form has been duly deposited with the Company)

I hereby record my presence at the 3rd Annual General Meeting held at J.B. Auditorium, Ahmedabad Management Association, AMA Complex, ATIRA, Dr. Vikram Sarabhai Marg, Ahmedabad – 380 015 on Wednesday, 10th August, 2016 at 9:30 a.m.

Folio No \_\_\_\_\_ DP ID No.\* \_\_\_\_\_ Client ID No.\* \_\_\_\_\_

\*Applicable for members holding shares in electronic form.

No. of Share(s) held \_\_\_\_\_

Member's / Proxy's Signature









## The advantages of an HVDC line

A HVDC line can transmit bulk power over long distances in a single hop through a single transmission line. Besides being economical, this technology minimises transmission losses. At this voltage level and construction detail, losses are estimated at about 5% at full capacity. High voltage direct current transmission allows the use of energy sources remote from load centers. In a number of applications, HVDC is more effective than AC transmission for a longer distance.

### Some examples include:

- Endpoint-to-endpoint long-haul bulk power transmission without intermediate 'taps', in remote areas
- Increasing the capacity of an existing grid in situations where additional wires are difficult or expensive to install
- Allowing power transmission between unsynchronized AC distribution systems
- Reducing the profile of wiring and pylons for a given power transmission capacity
- Connecting a remote generating plant to the distribution grid.
- Stabilizing a predominantly AC power grid without increasing maximum prospective short circuit current
- Reducing line cost since HVDC transmission requires fewer conductors (i.e. two conductors; one is positive, another negative)

Source: <http://www.ustudy.in>

**adani**<sup>TM</sup>

**Adani Transmission Limited**

**Adani House**

Nr. Mithakhali Six Roads, Navrangpura  
Ahmedabad 380 009, Gujarat, India

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