

A STUDY ON FINANCIAL RATIO ANALYSIS OF ADANI GREEN ENERGY LIMITED

Submitted in partial fulfilment of the requirements for the award of
MASTER OF BUSINESS ADMINISTRATION

By

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**DEPARTMENT OF BUSINESS
ADMINISTRATIONSCHOOL OF MANAGEMENT
STUDIES**

SATHYABAMA

INSTITUTE OF SCIENCE AND TECHNOLOGY

(DEEMED TO BE UNIVERSITY)

Accredited with Grade “A++” by NAAC | 12B Status by UGC |

CATEGORY – 1 UNIVERSITY BY UGC | Approved by AICTE

JEPPIAAR NAGAR, RAJIV GANDHI SALAI, CHENNAI – 600119

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SCHOOL OF MANAGEMENT STUDIES

BONAFIDE CERTIFICATE

This is to certify that this Project Report is the bonafide work of DINESH.V 42410287 who carried out the project entitled “**Study on Financial ratio analysis of Adani green energy private limited**” under my supervision from October 2023 to December 2023.

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Submitted for Viva voce Examination held on _____

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DECLARATION

I **DINESH.V (42410287)** hereby declare that the Project Report entitled “**Study on Financial ratio analysis of Adani green energy private limited**” done by me under the guidance of **Dr. Jhon Britto** is submitted in partial fulfillment of the requirements for the award of Master of Business Administration degree.

DATE:

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ABSTRACT

A ratio analysis is a quantitative analysis of information contained in a company's financial statements. Ratio analysis is based on line items in financial statements like the balance sheet, income statement and cash flow statement. Ratio analysis is used to evaluate various aspects of a company's operating and financial performance such as its efficiency, liquidity, profitability and solvency. Adani Green Energy Limited is one of the largest renewable energy companies in India, with a pioneering effort to help India's transition to renewable power generation. We develop, build, own, operate and maintain utility scale grid connected solar and wind projects.

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CHAPTER 1 – INTRODUCTION

1.1. INTRODUCTION

RATIO ANALYSIS:

A ratio analysis is a quantitative analysis of information contained in a company's financial statements. Ratio analysis is based on line items in financial statements like the balance sheet, income statement and cash flow statement; the ratios of one item or a combination of items - to another item or combination are then calculated. Ratio analysis is used to evaluate various aspects of a company's operating and financial performance such as its efficiency, liquidity, profitability and solvency. The trend of these ratios over time is studied to check whether they are improving or deteriorating. Ratios are also compared across different companies in the same sector to see how they stack up, and to get an idea of comparative valuations. Ratio analysis is a cornerstone of analysis. Ratio analysis refers to the analysis and interpretation of the figures appearing in the financial statements (i.e., Profit and Loss Account, Balance Sheet and Fund Flow statement etc.). It is a process of comparison of one figure against another. It enables the users like shareholders, investors, creditors, Government, and analysts etc. to get better understanding of financial statements.

DEFINITION

Khan and Jain define the term ratio analysis as “the systematic use of ratios to interpret the financial statements so that the strengths and weaknesses of a firm as well as its historical performance and current financial conditions can be determined.”

HISTORY OF ADANI GREEN ENERGY LIMITED:

Adani green Energy Limited is an Indian renewable energy company headquarters in Ahmedabad, Gujarat. It is owned by Indian conglomerate Adani group. The company operate Kamuthi Solar Power Project, one of the largest solar photovoltaic plants in the world.

The company was incorporated on January 23, 2015, as Adani Green Energy Limited under the Companies Act 2013. During the initial days of existence, AGEL and Inox Wind together established a 20 MW capacity wind power project in Lahori, Madhya Pradesh. Also, AGEL bought Inox Wind's 50 MW wind power project at Dayapar village in Kutch. The project was conceived by the latter when it won a Solar Energy Corporation of India's capacity bids for wind power projects connected to the National Grid. In 2015–2016, Adani Renewable Energy Park Limited, a subsidiary of AGEL, signed a joint venture agreement with the Government of Rajasthan.

In 2017, the company took the complete control of overall solar energy portfolio of Adani Enterprises and got itself listed at National Stock Exchange of India and Bombay Stock Exchange. The Fundamental Analysis of Adani Green Energy hits ₹1,48,487Cr in market capital in March 23 2023.

VISION:

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

MISSION:

We are committed to create a greener future. Our mission is to have a portfolio of 25 GW of RE projects by 2025.

KEY STRENGTHS:

Land Acquisition :

- Leverage experience of dealing land & other statutory permissions from other similar business activities such as Transmission & Real estate

- Identifying strategic land near substation to reduce cost of transmission line

Engineering :

- Strong in-house design team with vast experience in Renewable & transmission
- Standardization & optimization achieved for various technologies and designs adopted for quick turn around in engineering activities.

Procurement:

- Leverage on group strength of large vendors base with long relations.
- Influence on supplier's by virtue of large portfolio across group companies .
- Strong procurement office based in China for better control on Chinese Vendors.

Construction :

- Strong in house team having strong knowledge base.
- Centralized project Controls using in house project management tools (SAP, Agile & pm software).
- Direct Contracts for higher degree of control on resources . No EPC contracts.

PHILOSOPHY

Operational strategy:

- Cluster based operating model to ensure adequate support and governance at each site.
- Optimized module cleaning cycle by comparing revenue loss due to soiling against the cost of module cleaning.
- Maintenance and Operational Excellence based on real time data analytics
- Thermal imaging of evacuation system at all sites post commissioning and at an interval of every 6/12 months

New Technology & Innovation:

- Remote Operations and Nerve Center (RONC) for central monitoring of the plant performance
- Dust Detection System(DDS) for measuring the soiling loss and optimizing the module cleaning cycle
- String monitoring for operational efficiency improvement
- Thermal imaging for monitoring module health
- Use of Google Glass and Module Level Power Electronics.

Maintenance Strategy:

- All equipment classified on the basis of criticality and maintenance strategy linked clearly to classification
- Comprehensive contract management framework for Inverters and Module

1.2. INDUSTRY PROFILE:

Market Condition

We strive to generate and provide reliable power at competitive prices by optimising the use of renewable energy resources with innovative ecofriendly technologies. Aligning with our vision to be market leaders in India's renewable energy landscape, we have developed a green financing framework is consistent with our vision and to support our development plans in renewable energy. The framework is structured in line with The Green Bond Principles (GBP) published by the International Capital Markets Association and the Green Loan Principles (GLP) published by the Loan Markets Association, Asia Pacific Loan Market Association and Loan Syndications and Trading Association. It sets guidelines on employing green financing instruments for the construction and/ or acquisition of eligible green projects in consistence with our values and provide the transparency and disclosures investors need to make investment decisions. The project to be financed or refinanced by the Green Financing Instruments will be evaluated and selected based on multiple parameters such as feasibility analysis and project qualification. The framework was reviewed for Second Party Opinion and alignment with GBP and GLP by Vigeo Eiris.

Market Development

Our talent strategy is designed for employees at all levels to develop their capabilities and enable them to predict new trends as well as upgrade their technical and behavioural skills. Training needs are arrived based on functional and behavioral competency assessment resulting into individual development plan (IDPs). The training programmes are based on the IDPs and organisational focus areas such as safety, management excellence (IMS), etc. We publish quarterly training calendars to enable healthy participation in training programmes through Oracle LMS. Some of our learning programmes include training on conflict management, leadership development, anticorruption and anti-bribery, data analytics, Program Logic Control (PLC) and Supervisory Control and Data Analytics (SCADA). We conduct a host of trainings for our employees and other than permanent employees through our Learning Management System (LMS), which enables employees to undergo technical, broad-based programmes and customised training. The trainings are designed to

cater to the varied aspirations of the employees. During the reporting period, we conducted 53 training programmes and provided technical training to 663 employees including 658 male and 5 female employees. We conducted two training programmes each for the Board and Key Managerial Personnels on topics such as ESG, regulatory, governance and general induction. These training programmes covered 80% of the Board and 100% of Key Managerial Personnels. We spent `2,000 on average per Full Time Equivalent (FTE) on training and development

1.3. COMPANY PROFILE

Adani Green Energy Limited (AGEL) is an India-based is a holding company. The Company is engaged in renewable power generation and other ancillary activities. The Company develops, builds, owns, operates, and maintains utility-scale grid-connected solar power, wind power, hybrid projects, and solar parks. It serves markets by the Company such as Local, State, and National with approximately 91 locations across States in India. The Company power projects are located in Gujarat Punjab, Rajasthan, Maharashtra, Karnataka, Tamil Nadu, Andhra Pradesh, Telangana, Chattisgarh, Madhya Pradesh, and Uttar Pradesh. Its wind power plants are located across Madhya Pradesh and Gujarat. The Company, together with its subsidiaries, sells power generated from these projects under a combination of long-term power purchase agreements (PPA) and on a merchant basis.

Number of employees : 1,436

Solar Power



Wind Power

We develop, build, own, operate and maintain utility scale grid connected renewable farm projects and generate revenue through the sale of electricity to Central and state government entities and government-backed corporations. For wind project development, we continuously evaluate various regions of the country for wind resource potential. We have already installed many wind-mast in resource rich areas of the country, enabling us to confirm the site wind resource potential and allowing micro siting.



Hybrid Power

Variability in Solar and Wind generation has emerged as a concern in large-scale adoption of renewables, especially after it contributes a major share in the energy mix. Hybridisation of wind and solar plant is developing a solution which will reduce this variability due to complementary nature of their generation profile - solar generation is higher during the day, while wind generation can be higher in the night.

Hybrid projects would also have much higher capacity utilization, thus removing the intermittency challenge. Such projects also enjoy the additional benefit of a reduction in costs associated with sharing transmission lines. Peak balancing through gas and

hydro generation shifting, demand management, smarter grids, electric vehicles as well as storage solutions including battery, pumped hydro and others are expected to further help out in smoothening out the variability cause due to nature of renewable energy supply.



LOGO OF ADANI GREEN ENERGY



1.4. OBJECTIVES OF THE STUDY

- Standardize financial information for comparisons
- Evaluate current operations
- Compare performance with past performance
- Analyzing a company's financial ratios over time can reveal trends and patterns
- Study the efficiency of operations
- Study the risk of operations.

1.5. SCOPE OF THE STUDY

- Ratio analysis can be applied to financial statements and similar data in order to perform
- Asses performance of a company
- Determine whether company is solvent and financially healthy
- Asses risk attached to its financial structure
- Analyse returns generated for shareholders and other interested parties.

1.6. LIMITATIONS OF THE STUDY

- Lack of adequate standards for comparison
- Inherent limitations of accounting
- Change of accounting policies, methods, etc..
- Window dressing
- Price level changes
- Ratios are not substitutes for financial statements
- Examining the past is no indication of the future prosperity
- Ratios often provide questions rather than answers you must consider why the trend is increasing or decreasing.

CHAPTER 2 – REVIEW OF LITERATURE

2.1. REVIEW OF LITERATURE

INTRODUCTION

A literature review is a critical and in-depth evaluation of previous research. It is a summary and synopsis of a particular area of research, allowing anybody reading the paper to establish why the study is pursuing this particular research. A good literature review expands on the reasons behind selecting a particular research question. A literature review is likewise not a collection of quotes and paraphrasing from other sources. A good literature review should critically evaluate the quality and findings of the research.

Andrew & Schmidgall (1993): The researchers has classified financial ratios into five categories “liquidity ratios, solvency ratios, activity ratios, profitability ratios, and operating ratios”. They indicated that financial ratios themselves do not provide valuable information about a firm’s performance, Andrew (1993) in his study conducted on automobile industry investigated the leverage ratio of companies and suggested that a value-maximizing capital structure.

Zopounidis (2000): The researcher in his study has proposed methodological framework based on financial ratio analyses for estimating small and medium size enterprises performance, Hsieh and Wang (2001) in their study examined and stressed the need of selecting relevant financial ratios for the purpose of analysis. They proposed new approach for finding useful financial ratio and also emphasized that industry differs in product, in size and have its own unique business practices and internal and external environment thus financial ratio analysis should be according to industry which suit it the most.

Gopinathan (2009): The researcher have presented that the financial ratios analysis can spot better investment options for investors as the ratio analysis measures various aspects of the performance and analyzes fundamentals of a company or an institution.

Goel (2012): The study found that there is no relationship between liquidity and solvency. He also found that the relatively low liquidity observed in firms was important to increase profitability. It is also found that increased profitability from decreased solvency can be offset by increased solvency. The relationship between liquidity and solvency, their influence has been measured, using Correlation and Regression Analysis and then tested using ANOVA.

Bhaskar Bagchie & J. C. (2012): The study revealed that the better explanatory power of the fixed effects LSDV model than that of the pooled OLS model. The study also concluded that DTA, AD, AC and AI are negatively associated with firm’s profitability as quantified by ROTA. The study also revealed that when they have assets the impact of all explanatory variables on ROI it, CCC it, DTA and AC are negatively associated with ROI. The results of their study are in line with the findings of Deloof (2003) and Padachi (2006), who found a strong negative relationship

between the measures of working capital management with corporate profitability using a fixed effect model. They have empirically investigated the effect of working capital management on firm's profitability as measured by return on total assets and return on investment. They have employed two models of panel data regression analysis-fixed effect LSDV and pooled OLS model.

Khamrui (2012): The study revealed that both the companies in terms of profitability & liquidity position have a significant impact on profitability. Descriptive statistics disclose that liquidity position has significant impact on profitability. Multiple regression tests confirm a higher degree of association between the liquidity and profitability. The researcher has taken into consideration two variables, i.e. dependent & independent. The experts have done the comparison between the various profitability ratios (as independent variable) and Return on Investment (ROI) as the dependent 38 variable.

Swetha Mehrota (2013): The study reveals that negative working capital is a sign of managerial efficiency in a business with low inventory and accounts receivables. This means they can generate cash so quickly as they actually have a negative working capital. The study also reveals that in this company, products are delivered and sold to the customer before the company even pays for them. The study also concluded that developments in SCM, ERP & implementation of JIT have made the firms leaner & hence now it is not possible to raise funds via the inventory. In this study, traditional methods of data analysis and ratio analysis as tools of financial statement analysis for examining the degree of efficiency of working capital management have been adopted during the study period.

Joshi (2013): The study conducted by the researcher reveals that there is a vast difference in Net Operating Profit Ratio, Net Profit, PAT to net worth Ratio and Cash ratio to Net worth Ratio. The study was conducted on the basis of the profitability ratios to evaluate the profitability of the company.

Paswan (2013): The study proved that the company was able to repay its debts during the study period. It also shows more use of proprietary funds in acquiring total assets. The study concentrated on various accounting ratios (Current ratio, Quick ratio, Proprietary ratio, Debt equity ratio, etc). The expert has used the tools like Average, Standard Deviation and Coefficient of variation.

Titto Varghese (2014): It can be concluded that there is no significant 47 difference in the profitability and liquidity position of the company. The researchers have used ratio analysis technique for making the analysis of liquidity profitability relationship. The study also concluded that the profitability position was strong were as the liquidity position was not satisfactory.

Maria Zain (2018), in this article he discusses about the return on assets is an important percentage that shows the company's ability to use its assets to generate income. He said that a high percentage indicates that company's is doing a good utilizing the company's asset to generate income. He notices that the following formula is one method of calculating the return on assets percentage. Return on

Assets = Net Profit/Total Assets. The net profit figure that should be used is the amount of income after all expenses, including taxes.

James Clausen (2018), in this article expresses about the liquidity ratio. He Pronounce that it is analysis of the financial statements is used to measure company performance. It also analyses of the income statement and balance sheet. Investors and lending institutions will often use ratio analyses of the financial statements to determine a company's profitability and liquidity. If the ratios indicate poor performance, investors may be reluctant to invest. Therefore, the current ratio or working capital ratio, measures current assets against current liabilities

Gopinathan Thachappilly (2018), in his studies, states that the Liquidity Ratios help Good Financial. He knows that a business has high profitability, it can face short-term financial problems and its funds are locked up in inventories and receivables not realizable for months. Any failure to meet these can image its reputation and creditworthiness and in extreme cases even lead to bankruptcy.

Jo Nelgadde (2018), in this thesis, he briefly discusses about the asset management ratio. It divided into different types of categories. He states that about the used to analyze accounts receivable and other working capital figures to identify significant changes in the company's operations and financial accounts. He said that there are two categories about this ratio such as account receivable turnover and average age of account receive.

Al-Aameri and Alrikabi (2019) was focusing on one of the important techniques in financial analysis, namely, the financial ratios, for the purpose evaluating the performance of petroleum projects company, and to find out the main strength and weakness points, so as to suggest the remedial actions for treatment of negative points and enhance the positive one. The papers contains detail study for the data included in financial statements to explain the financial performance of the company, and that will help the management for planning the future according to the previous performance, and also contain the converting process of the data of financial statements to meaningful information through several techniques, the financial statement analysis among them.

Lucia Jenkins (2019), Understanding the use of various financial ratios and techniques can help in gaining a more complete picture of a company's financial outlook. He thinks the most important thing is fixed cost and variable cost. Fixed costs are those costs that are always present, regardless of how much or how little is sold. Some examples of fixed costs include rent, insurance and salaries. Variable costs are the costs that increase or decrease in ratios proportion to sales.

A study in Australian financial institutions (**Elizabith & Greg, 2019**) showed that all financial performance measures as interest margins, return on assets, and capital adequacy are positively correlated with customer service quality scores. Many

researchers have been too much focus on asset and liability management in the banking sector.

Arzu & Gokhan, 2019 discussed the asset and liability management in financial crisis. They argued that an efficient asset-liability management requires maximizing bank's profit as well as controlling and lowering various risk, and their study showed how shifts in market perceptions can create trouble during crisis.

Medhat, (2019) used multiple regression analysis and correlations to test the financial performance of Omani Commercial banks. He used the ROA and the interest income as performance proxies (dependent variables), and the bank size, the asset management and the operational efficiency as independent variables. He found positive strong correlation between financial performance and operational efficiency and a moderate correlation between ROA and bank size.

Khan (2019) found that the bank with higher total capital, deposits, credits, or total assets does not always mean that has better profitability performance. According to Dr. M. Ravichandran the financial performance can be measured by using various financial tools such as profitability ratio, solvency ratio, comparative statement, etc. Based on the analysis, findings have been arrived that the company has got enough funds to meet its debts & liabilities, the income statement of the company shows sales of the company increased every year at good rate and profit also increased every year.

M. Ganga (2020) on the evaluation of financial performance of Equitas Micro Finance Private Limited in Chennai. According to them financial analysis is important to plan and control the firm's financial resources. They adopted various research techniques to find the evaluation of financial performance of the organization. They found that the managers must concentrate on gray area which would be useful for future growth of the company.

Dr. M. Ravichandran (2020) the financial performance can be measured by using various financial tools such as profitability ratio, solvency ratio, comparative statement, etc. Based on the analysis, findings have been arrived that the company has got enough funds to meet its debts & liabilities, the income statement of the company shows sales of the company increased every year at good rate and profit also increased every year.

Gopinathan Thachappilly (2020), in this article he discusses about the Financial Ratio Analysis for Performance evaluation. Its analysis is typically done to make sense of the massive number of numbers presented in company financial statements. It helps evaluate the performance of a company, so that investors can decide whether to invest in that company.

CHAPTER 3 – RESEARCH METHODOLOGY

INTRODUCTION

Research Methodology is a systematic way to solve a research problem. It includes various steps that are generally adopted by a researcher in studying the problem along with the logic behind them. The present study was conducted at Adani Green Energy Limited. The study depends mainly on the secondary data namely the annual reports of the company. Five years annual reports had been collected from the company. Data had also been collected from text books, journals, newspapers, magazines and internet.

STATEMENT OF THE PROBLEM

Ratio analysis is used to evaluate various aspects of a company's operating and financial performance such as its efficiency, liquidity, profitability and solvency. The trend of these ratios over time is studied to check whether they are improving or deteriorating. Ratio analysis is widely used as a powerful tool of financial statement analysis to check the company's operations or financial performance is difficult task by some other tools for the company. So, the study on ratio analysis at Adani Green Energy Limited, is taken as the study to measure the performance of the company.

3.1. RESEARCH DESIGN

“A Research Design is the arrangement of conditions for collection and analysis of data in a manner that aims to combine relevance to the research purpose with the economy in procedure”. In fact, the research design is the conceptual structure with in which research is conducted; it constitutes the blue print for the collection, measurement and analysis of data, the research design utilized in this study is analytical research.

3.2. PERIOD OF STUDY

The duration taken by the researcher for the data collection and analysis regarding the ratio analysis of Adani Green Energy Limited. The data used are of last five years.

3.3. METHOD OF COLLECTION

The study basically uses primary and secondary data. Primary data means data which is fresh collected data. Secondary data means the data that are already available. Generally speaking, secondary data is collected by some organizations or agencies which have already been processed when the researcher utilizes secondary data. the process of secondary data collection and analysis is called desk research.

3.4. TOOLS USED

RATIO ANALYSIS

A ratio is the quotient of two mathematical expressions and the relationship between two or more numbers. In financial analysis, a ratio is used as an index or yardstick for evaluating the financial position and performance of a firm. The relationship between the two accounting figures expressed mathematically is known as a financial ratio. It involves comparison for a useful interpretation of the financial statements and it should be compared with some standards

3.5. CLASSIFICATION OF RATIOS BY PURPOSE/FUNCTION:

The basis for classification under this head is the purpose for which the ratios are calculated. Generally, ratios are used for the purpose of assessing profitability, activity or operating efficiency and financial position of a concern. Based on the purpose the ratios are classified as profitability ratios, turnover ratios and financial or solvency ratios.

3.6. Classification of ratios by purpose/function:

I. Profitability Ratios

1. Return on Investment
2. Gross Profit Ratio
3. Operating Ratio
4. Operating Profit Ratio
5. Net Profit Ratio

II. Turnover Ratios

1. Stock Turnover Ratio
2. Stock Turnover Period
3. Debtors Turnover Ratio
4. Debtors Collection Period
5. Creditors Turnover Ratio
6. Creditors Payment Period
7. Working capital Turnover Ratio
8. Fixed assets Turnover Ratio
9. Capital Turnover Ratio
10. Owned capital turnover ratio.

III. Financial or Solvency Ratios

1. Short term solvency:

- Current ratio
- Liquidity ratio

2. Long term solvency:

- Fixed assets ratio
- Proprietary ratio

3. Solvency ratio

- Solvency ratio

CHAPTER 4 – DATA ANALYSIS AND INTERPRETATIONS

4.1 RATIO ANALYSIS

RETURN ON INVESTMENT

Return on Investment (ROI) is a performance measure used to evaluate the efficiency or profitability of an investment or compare the efficiency of a number of different investments. ROI tries to directly measure the amount of return on a particular investment, relative to the investment's cost.

$$\text{RETURN ON INVESTMENT} = \frac{\text{OPERATING PROFIT}}{\text{CAPITAL EMPLOYED}} \times 100$$

PARTICULARS	2019 Rs.(Cr)	2020 Rs.(Cr)	2021 Rs.(Cr)	2022 Rs.(Cr)	2023 Rs.(Cr)
Operating profit	4,637	8,645	16,710	26,760	42,450
Capital employed	1,19,589	1,54,097	2,27,930	4,00,350	5,89,180
Return on investment	3.8%	5.6%	7.3%	6.6%	7.2%

TABLE NO: 4.1.1 - RETURN ON INVESTMENT

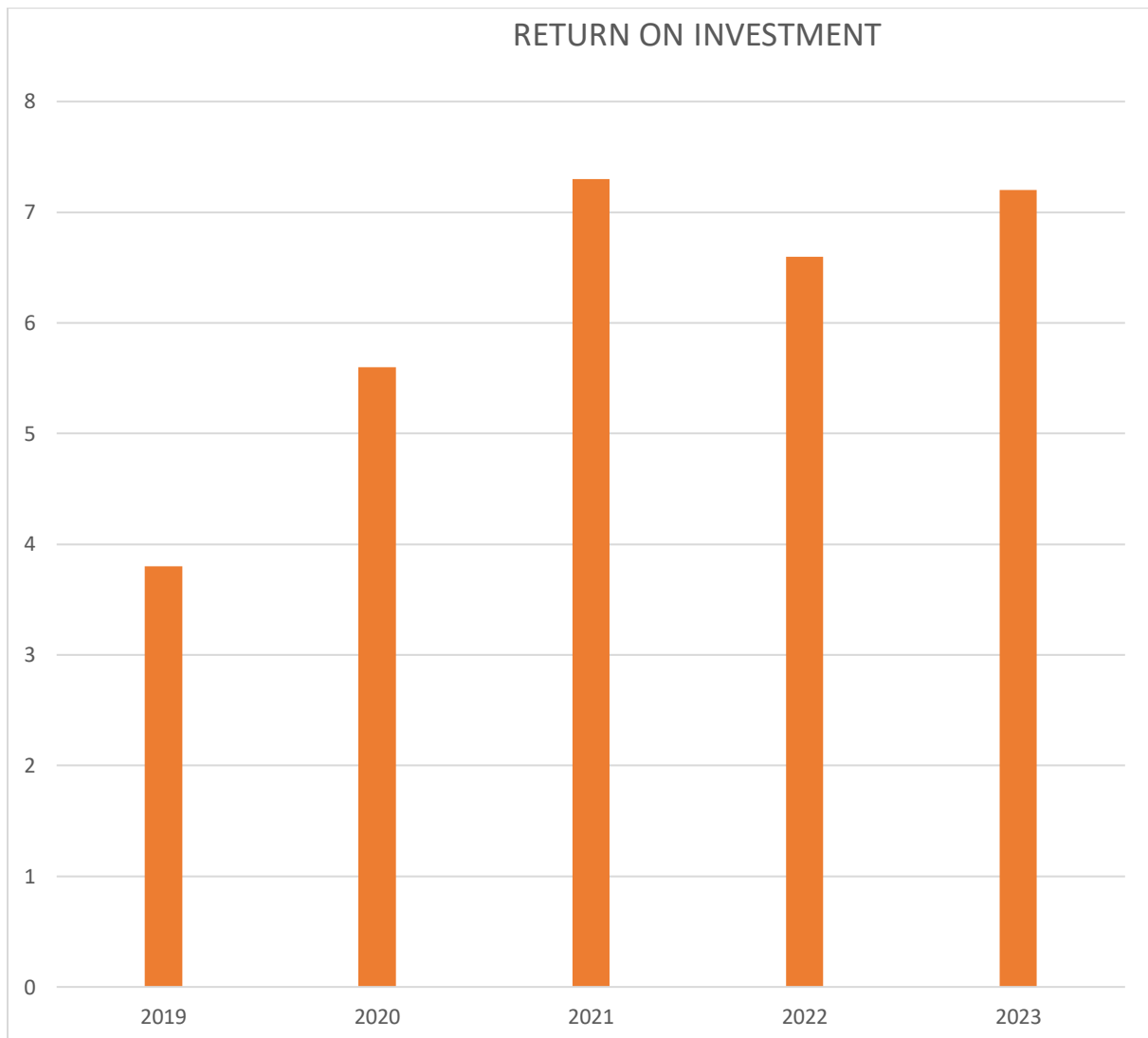


CHART NO: 4.1.1 – RETURN ON INVESTMENT

INTERPRETATION

The above table indicates that the return on investment is 3.8 in the year of 2019. It has increased to 5.6 in the year of 2020. It has increased to 7.3 in the year of 2021. It has decreased to 6.6 in 2022 and increased to 7.2 in the year of 2023.

GROSS PROFIT RATIO

Gross profit ratio is also known as Gross margin or Trading margin ratio. Gross profit ratio indicates the difference between sales and direct costs.

GROSS PROFIT

GROSS PROFIT RATIO = -----×100

NET SALES

PARTICULARS	2019 Rs.(Cr)	2020 Rs.(Cr)	2021 Rs.(Cr)	2022 Rs.(Cr)	2023 Rs.(Cr)
Gross profit	19,278	20,660	24,,930	37,180	58,580
Net sales	20,579	25,486	31,240	51,430	78,070
Gross profit ratio	93.6%	81%	79.8%	72%	75%

TABLE NO: 4.1.2 - GROSS PROFIT RATIO

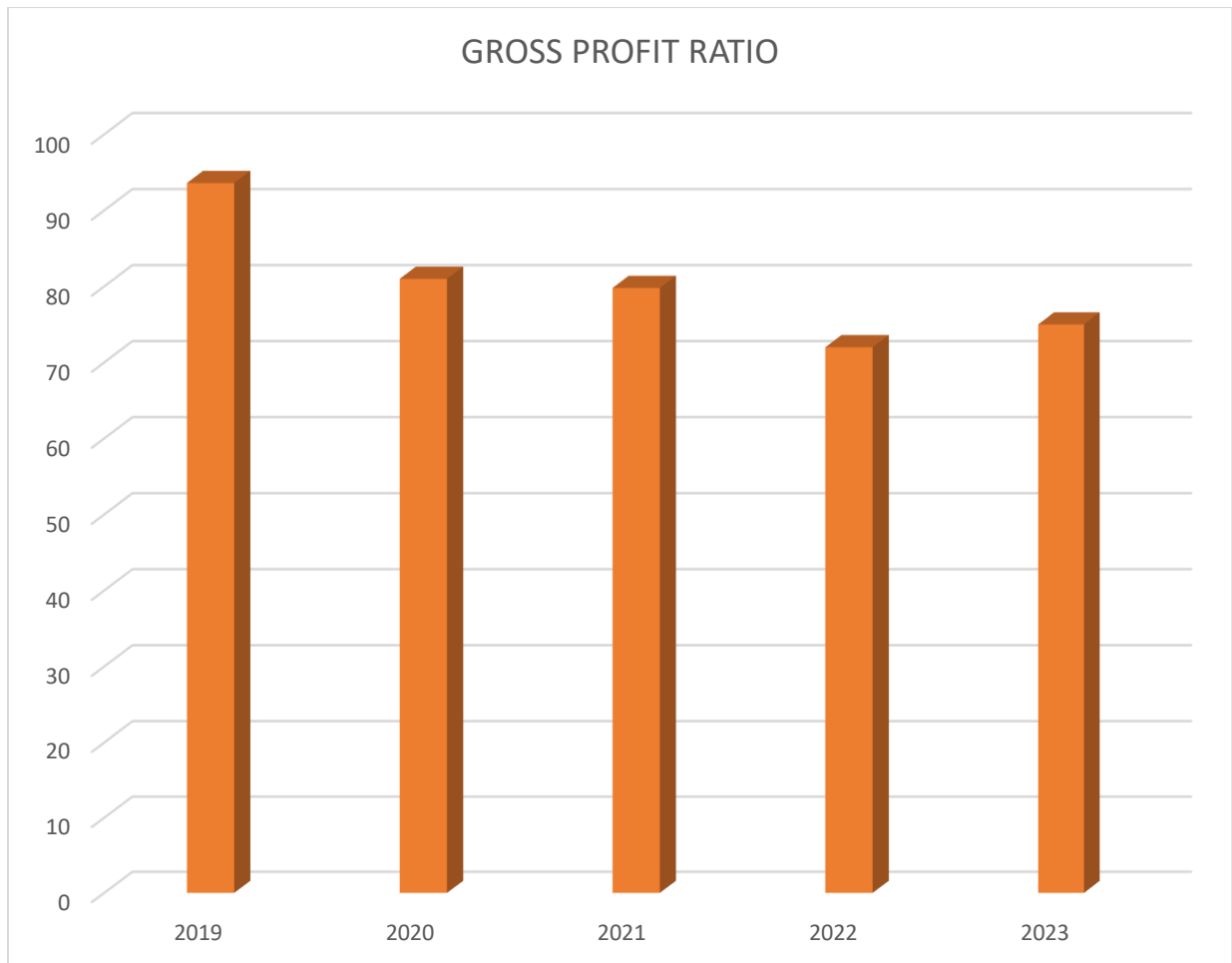


CHART NO: 4.1.2 - GROSS PROFIT RATIO

INTERPRETATION

The above table indicates that the gross profit ratio is 93.6% in the year of 2019. It has decreased to 81% in the year of 2020 and it has further decreased to 79.8% and 72.29% in the years of 2021 and 2022. It has increased to 75.03% in the year of 2023.

OPERATING RATIO

Operating ratio is a company's operating expenses as a percentage of revenue. This financial ratio is most commonly used for industries which require a large percentage of revenues to maintain operations, such as railroads. In railroading, an operating ratio of 80 or lower is considered desirable.

COST OF GOODS SOLD+OPERATING EXPENSES

OPERATING RATIO = ----- ×100

NET SALES

Particulars	2019 Rs.(Cr)	2020 Rs.(Cr)	2021 Rs.(Cr)	2022 Rs.(Cr)	2023 Rs.(Cr)
Cost of goods sold	2,073	2,583	3,989	6,127	7,808
Operating expenses	15,942	16,840	14,530	24,670	35,620
Net sales	20,579	25,486	31,240	51,430	78,070
Operating ratio	87%	76%	59%	59.8%	55%

TABLE NO: 4.1.3 - OPERATING RATIO

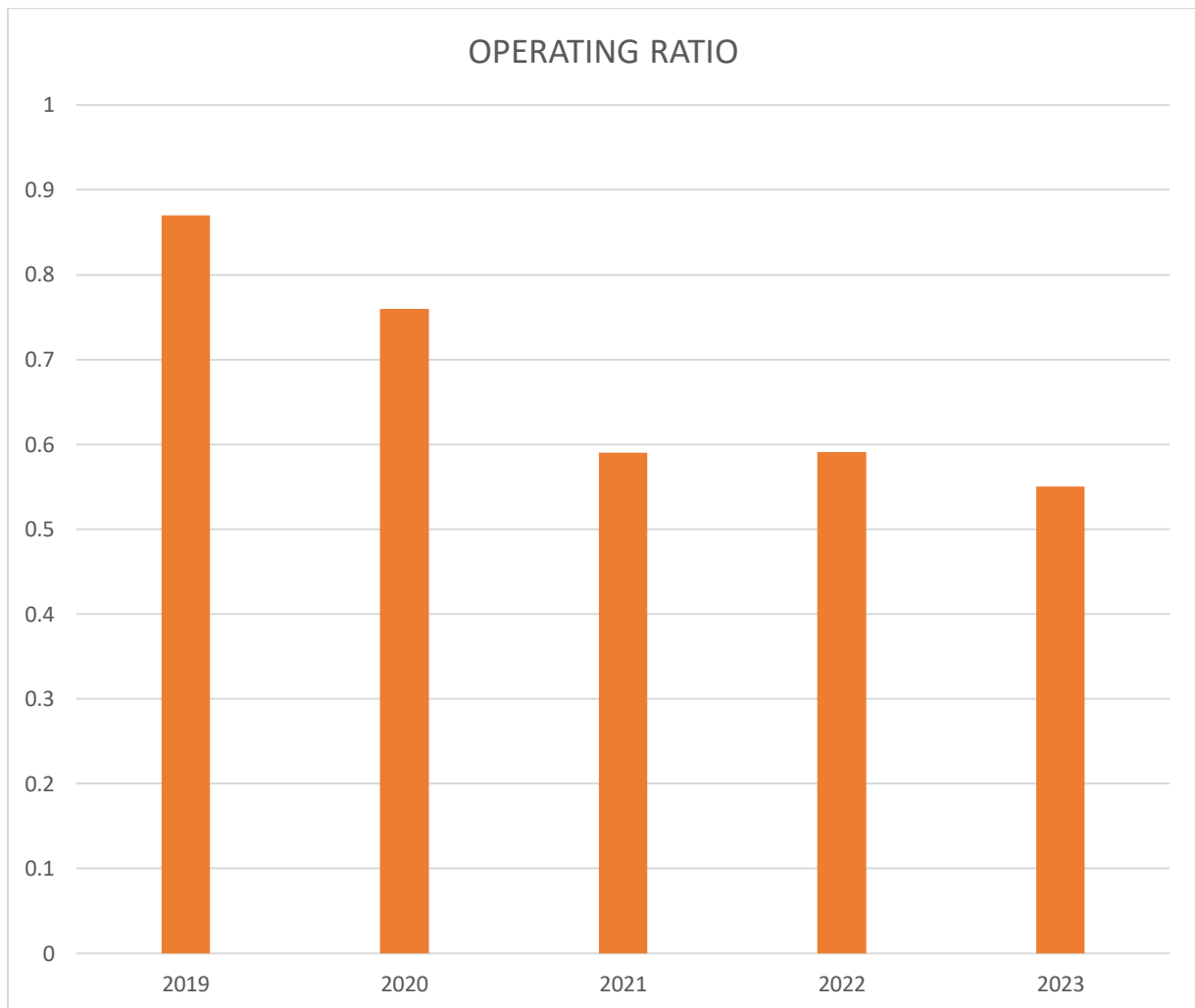


CHART NO: 4.1.3 - OPERATING RATIO

INTERPRETATION

The above table indicates that the operating ratio is 87% in the year of 2019 and it has further decreased to 76%, 59%, 59.8% and 55% in the years of 2020, 2021, 2022 and 2023.

OPERATING PROFIT RATIO

Operating profit ratio is the ratio of profit made from operating sources to the sales, usually shown as a percentage. It shows the operational efficiency of the firm and is a measure of the management efficiency in running the routine operations of the firm.

OPERATING PROFIT

$$\text{OPERATING PROFIT RATIO} = \frac{\text{OPERATING PROFIT}}{\text{NET SALES}} \times 100$$

PARTICULARS	2019 Rs.(Cr)	2020 Rs.(Cr)	2021 Rs.(Cr)	2022 Rs.(Cr)	2023 Rs.(Cr)
Operating profit	4,637	8,645	16,710	26,760	42,450
Net sales	20,579	25,486	31,240	51,430	78,070
Operating profit ratio	22.5%	33.9%	53%	52%	54%

TABLE NO: 4.1.4 - OPERATING PROFIT RATIO

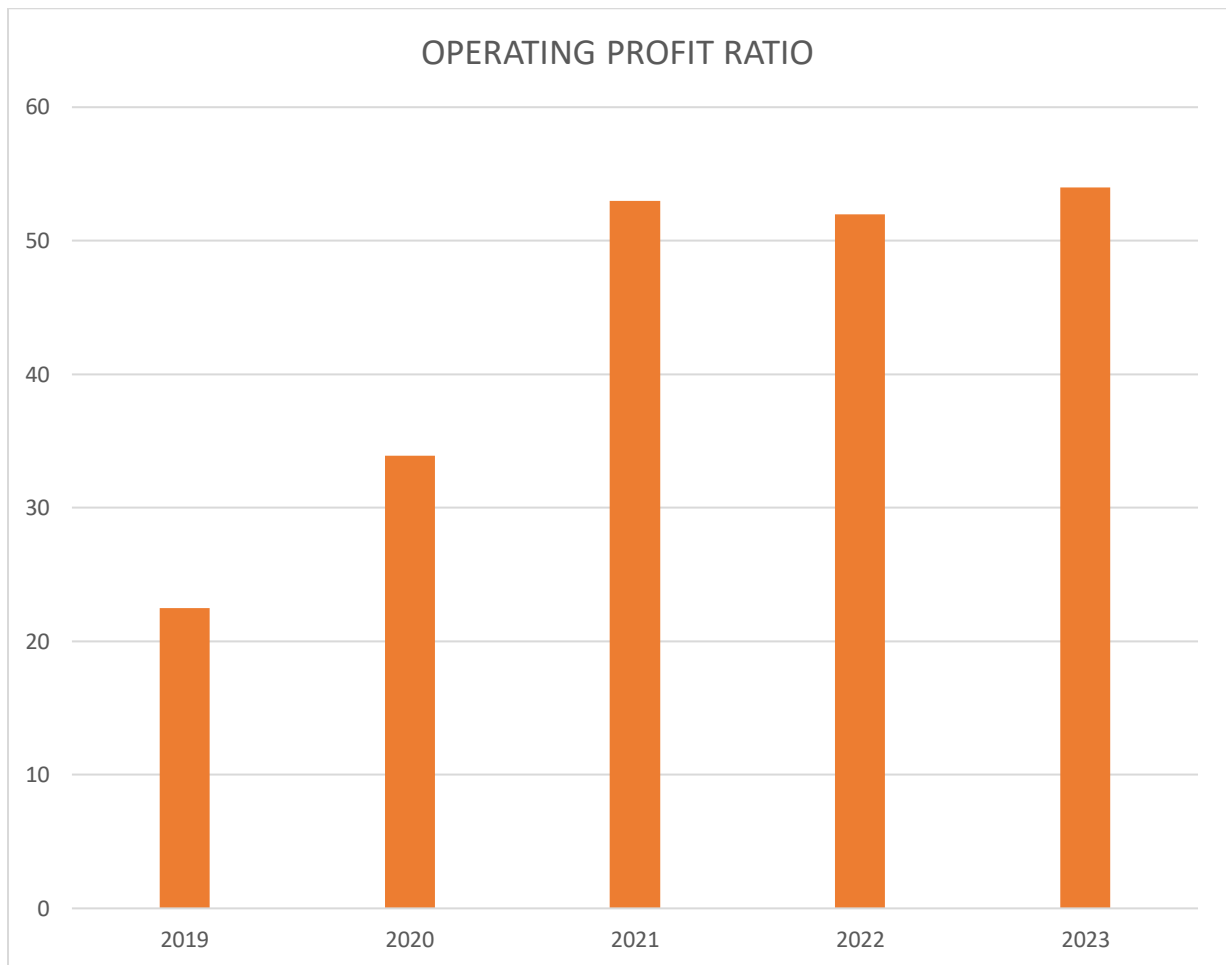


CHART NO: 4.1.4 - OPERATING PROFIT RATIO

INTERPRETATIONS

The above table indicates that the operating profit ratio is 22.5% in the year of 2019. It has increased to 33.9% in the year of 2020 and it has further increased to 53% in 2021 and it has decreased to 52% in 2022 and it has increased to 54% in the year of 2023.

NET PROFIT RATIO

Net profit ratio is a popular profitability ratio that shows relationship between net profit after tax and net sales. It is computed by dividing the net profit (after tax) by net sales.

$$\text{NET PROFIT RATIO} = \frac{\text{NET PROFIT}}{\text{NET SALES}} \times 100$$

PARTICULARS	2019 Rs.(Cr)	2020 Rs.(Cr)	2021 Rs.(Cr)	2022 Rs.(Cr)	2023 Rs.(Cr)
Net profit	4,739	2,323	2,100	4,890	9,740
Net sales	20,579	25,486	31,240	51,430	78,070
Net profit ratio	23%	9.11%	6.72%	9.50%	12.47%

TABLE NO: 4.1.5 - NET PROFIT RATIO

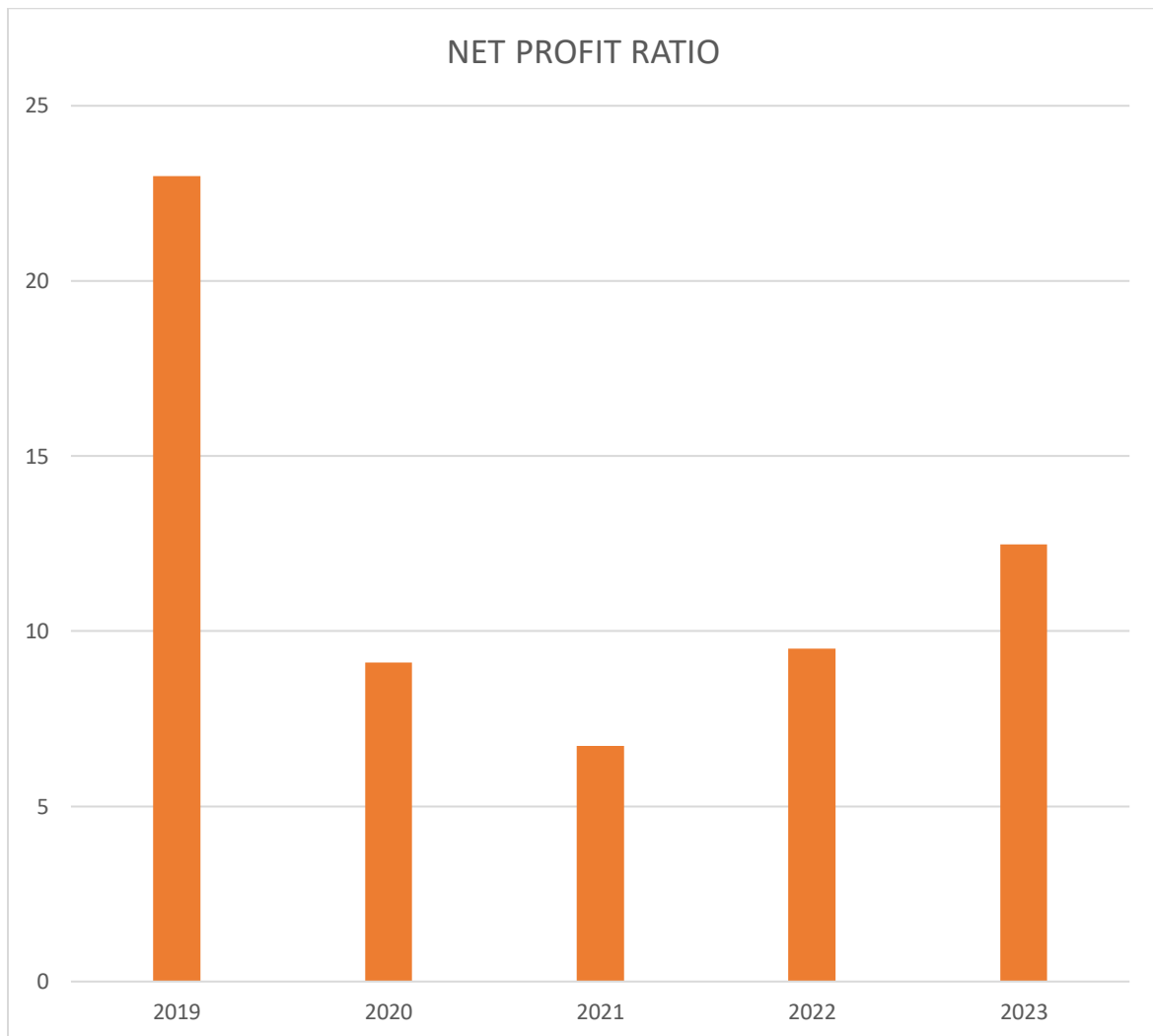


CHART NO: 4.1.5 - NET PROFIT RATIO

INTERPRETATION

The above table indicates that the net profit ratio is 23.02% in the year of 2019. It has decreased to 9.11% in the year 2020 and it has further decreased to 6.72% in the year 2021 and it has increased to 9.50%, 12.47% in the years of 2022 and 2023.

STOCK TURNOVER RATIO

This ratio is also called stock velocity ratio . It is calculated to ascertain the efficiency of inventory management in terms of capital investment . It shows the relationship between the cost of goods sold and the amount of average inventory.

COST OF GOODS SOLD

STOCK TURNOVER RATIO = ----- ×100

AVERAGE INVENTORY

PARTICULARS	2019 Rs.(Cr)	2020 Rs.(Cr)	2021 Rs.(Cr)	2022 Rs.(Cr)	2023 Rs.(Cr)
Cost of goods sold	2,073	2,583	3,989	6,127	7,808
Average inventory	1,358	1,959	1,490	2,910	1,220
Stock turnover ratio	1.52 times	1.31 times	2.67 times	2.10 times	6.4 times

TABLE NO: 4.1.6 - STOCK TURNOVER RATIO

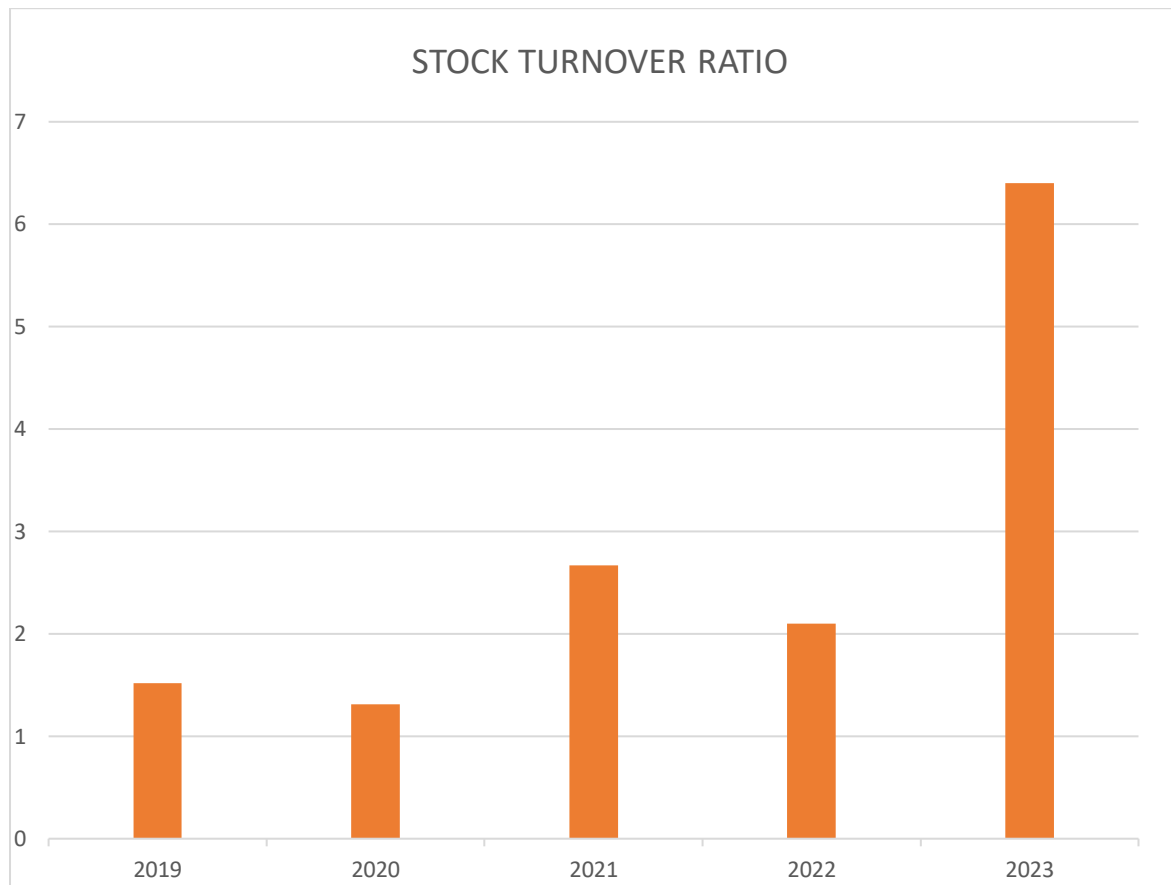


CHART NO: 4.1.6 - STOCK TURNOVER RATIO

INTERPRETATIONS

The above table indicates that the stock turnover ratio has 1.52 in the year of 2019. It has decreased to 1.31 in the year of 2020. It has increased to 2.67 in the year of 2021. It has decreased to 2.10 in the year of 2022 and it has increased to 6.4 in the year of 2023.

STOCK TURNOVER PERIOD

Inventory turnover ratio or stock turnover ratio can be related to 'time'. The ratio can be expressed in terms of days or months.

DAYS OR MONTHS IN THE YEAR

STOCK TURNOVER PERIOD = -----

INVENTORY TURNOVER RATIO

PARTICULARS	2019 Rs.(Cr)	2020 Rs.(Cr)	2021 Rs.(Cr)	2022 Rs.(Cr)	2023 Rs.(Cr)
Days	365	365	365	365	365
Inventory turnover ratio	1.52	1.31	2.67	2.10	6.4
Stock turnover ratio	240 days	278 days	136 days	173 days	57 days

TABLE NO: 4.1.7 - STOCK TURNOVER PERIOD

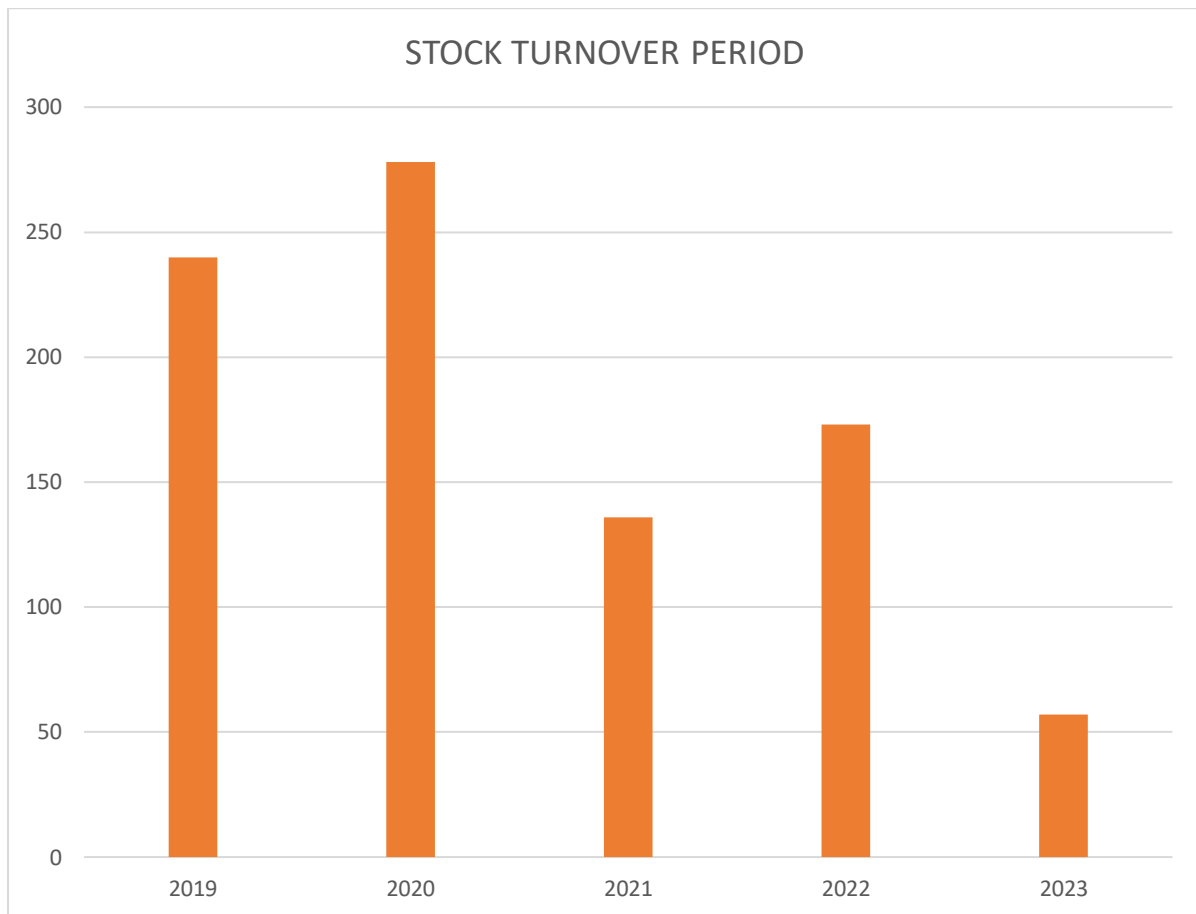


CHART NO: 4.1.7 - STOCK TURNOVER PERIOD

INTERPRETATIONS

The above table indicates that the stock turnover ratio is 240 days in the year of 2019. It has increased to 278 days in the year of 2020. It has decreased to 136 days in the year of 2021. It has increased to 173 days in the year of 2022. It has decreased to 57 days in the year of 2023.

DEBTORS TURNOVER RATIO

Debtors Turnover ratio is also called as receivables turnover ratio or debtors velocity. A business concern generally adopts different methods of sales. One of them is selling on credit. Goods are sold on credit based on credit policy adopted by the firm. The customers who purchase on credit are called trade debtors or book debts.

$$\text{DEBTORS TURNOVER RATIO} = \frac{\text{NET CREDIT SALE}}{\text{AVERAGE RECIEVABLES}}$$

PARTICULARS	2019 Rs.(Cr)	2020 Rs.(Cr)	2021 Rs.(Cr)	2022 Rs.(Cr)	2023 Rs.(Cr)
Net credit sales	20,579	25,486	31,240	51,430	78,070
Average receivables	803	749	1,779	2,230	2,546
Debtors turnover ratio	25.6 times	34.02 times	17.5 times	23.06 times	30.6 times

TABLE NO: 4.1.8 - DEBTORS TURNOVER RATIO

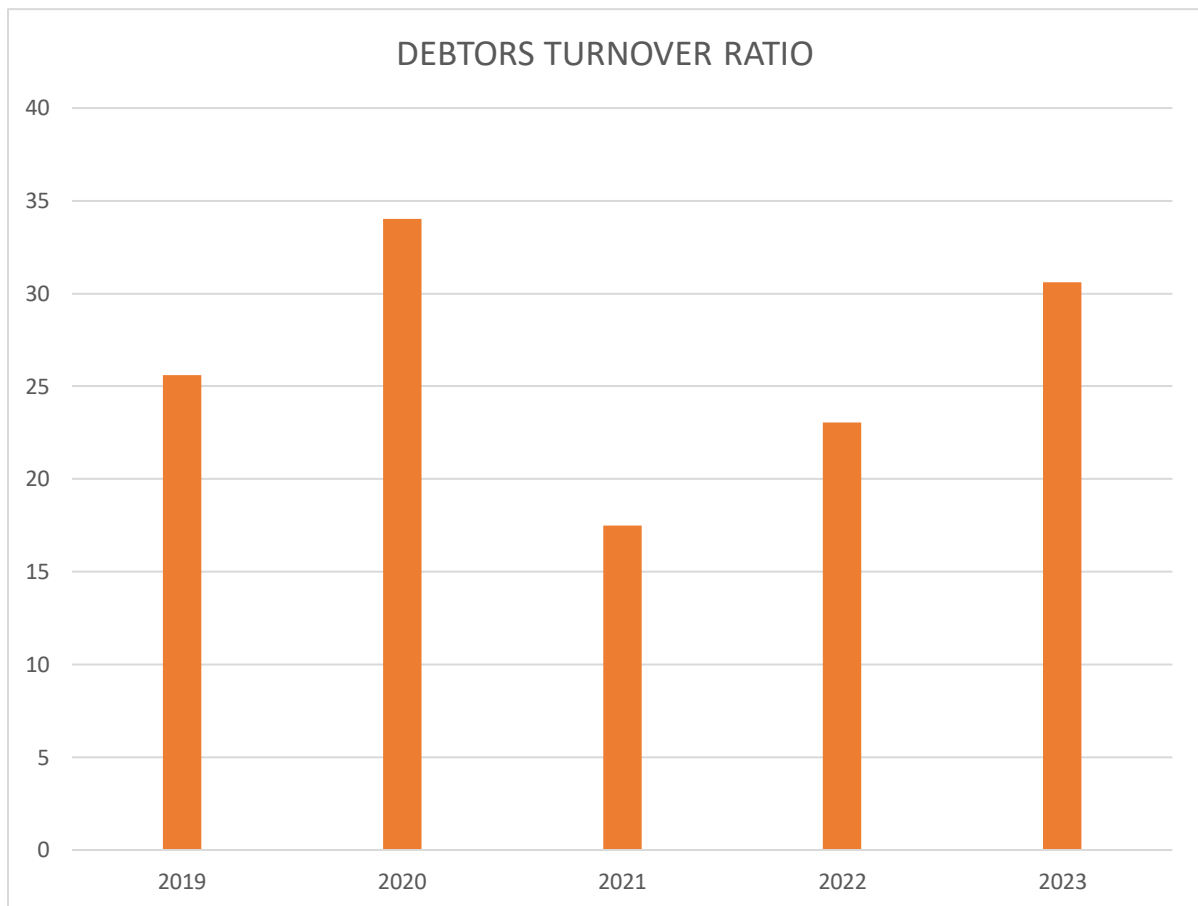


CHART NO: 4.1.8 - DEBTORS TURNOVER RATIO

INTERPRETATIONS

The above table indicates that the debtors turnover ratio is 25.6 in the year of 2019. It has increased to 34.02 in the year of 2020. It has decreased to 17.5 in the year of 2021. It has increased to 23.06, 30.6 in the years of 2022 and 2023.

DEBTORS COLLECTION PERIOD

A debtor collection period is the amount of time it takes to collect all trade debts. The smaller the amount of time it takes to collect these debts, the more efficient a company will seem to be. A longer period indicates problematic trade debtors or less overall efficiency.

DAYS OR MONTHS IN THE YEAR

DEBTOR COLLECTION PERIOD = -----

DEBTOR TURNOVER RATIO

PARTICULARS	2019 Rs.(Cr)	2020 Rs.(Cr)	2021 Rs.(Cr)	2022 Rs.(Cr)	2023 Rs.(Cr)
Days	365	365	365	365	365
Debtors turnover ratio	25.6	34.02	17.5	23.06	30.6
Debtor collection period	142 days	107 days	208 days	158 days	119 days

TABLE NO: 4.1.9 - DEBTOR COLLECTION PERIOD

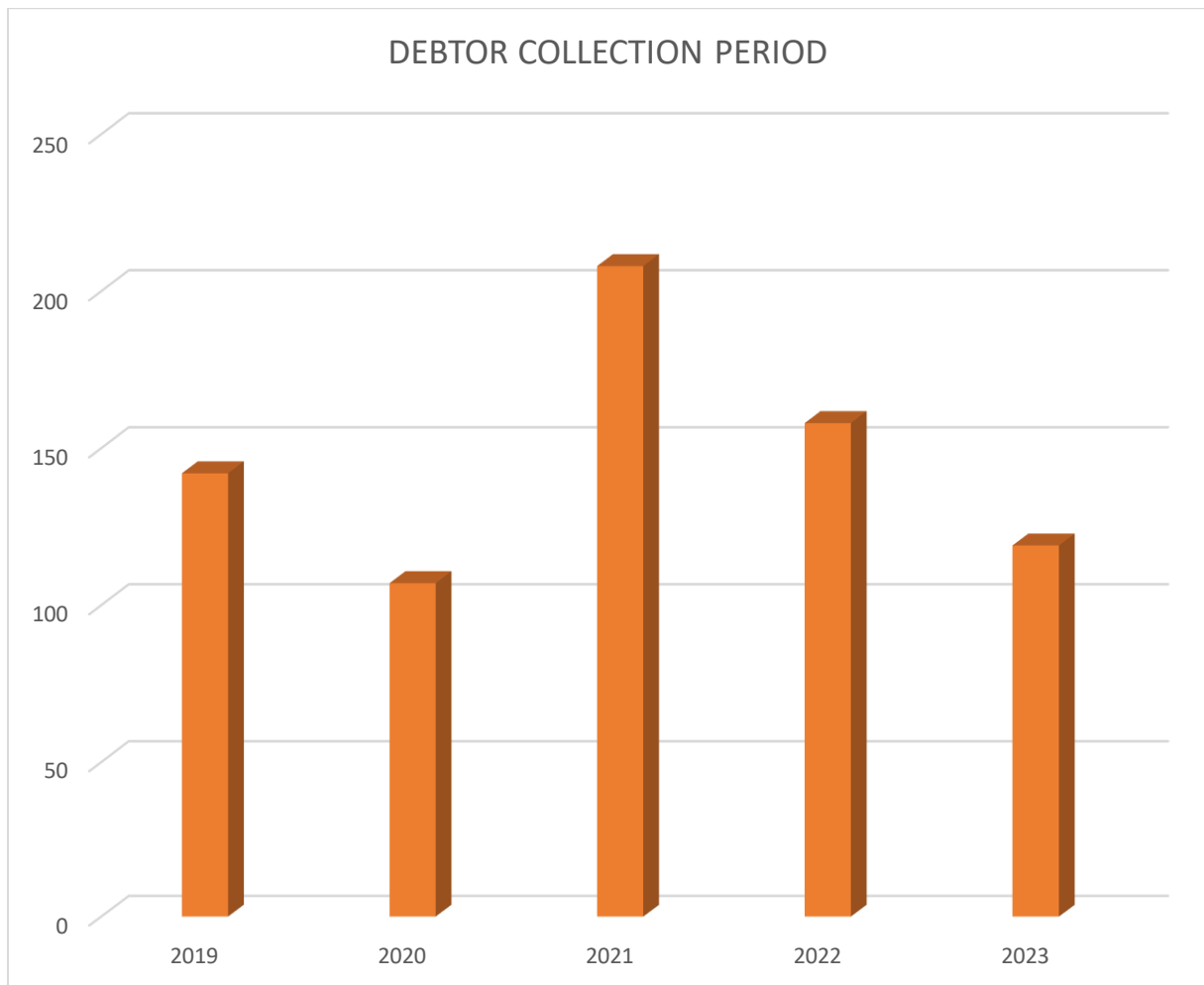


CHART NO: 4.1.9 - DEBTOR COLLECTION PERIOD

INTERPRETATIONS

The above table indicates that the debtor collection period is 14.2 days in the year of 2019. It has decreased to 10.7 days in the year of 2020. It has increased to 20.8 days in the year of 2021. It has decreased to 15.8 days in the year of 2022. It has further decreased to 11.9 days in the year of 2023.

CREDITORS TURNOVER RATIO

A Creditors turnover ratio is a measure of how often a particular company pays off its debts to suppliers within a given accounting period. A high ratio indicates prompt payment is not being made to suppliers for purchases on credit.

NET CREDIT PURCHASE

CREDITORS TURNOVER RATIO = -----

AVERAGE ACCOUNTS PAYABLE

PARTICULARS	2019 Rs.(Cr)	2020 Rs.(Cr)	2021 Rs.(Cr)	2022 Rs.(Cr)	2023 Rs.(Cr)
Net credit purchase	5,964	5,287	4,409	12,559	4,280
Average accounts payable	1,297	8,149	152	145	391
Creditors turnover ratio	4.59 times	0.64 times	29.006 times	86.6 times	10.94 times

TABLE NO: 4.1.10 - CREDITORS TURNOVER RATIO

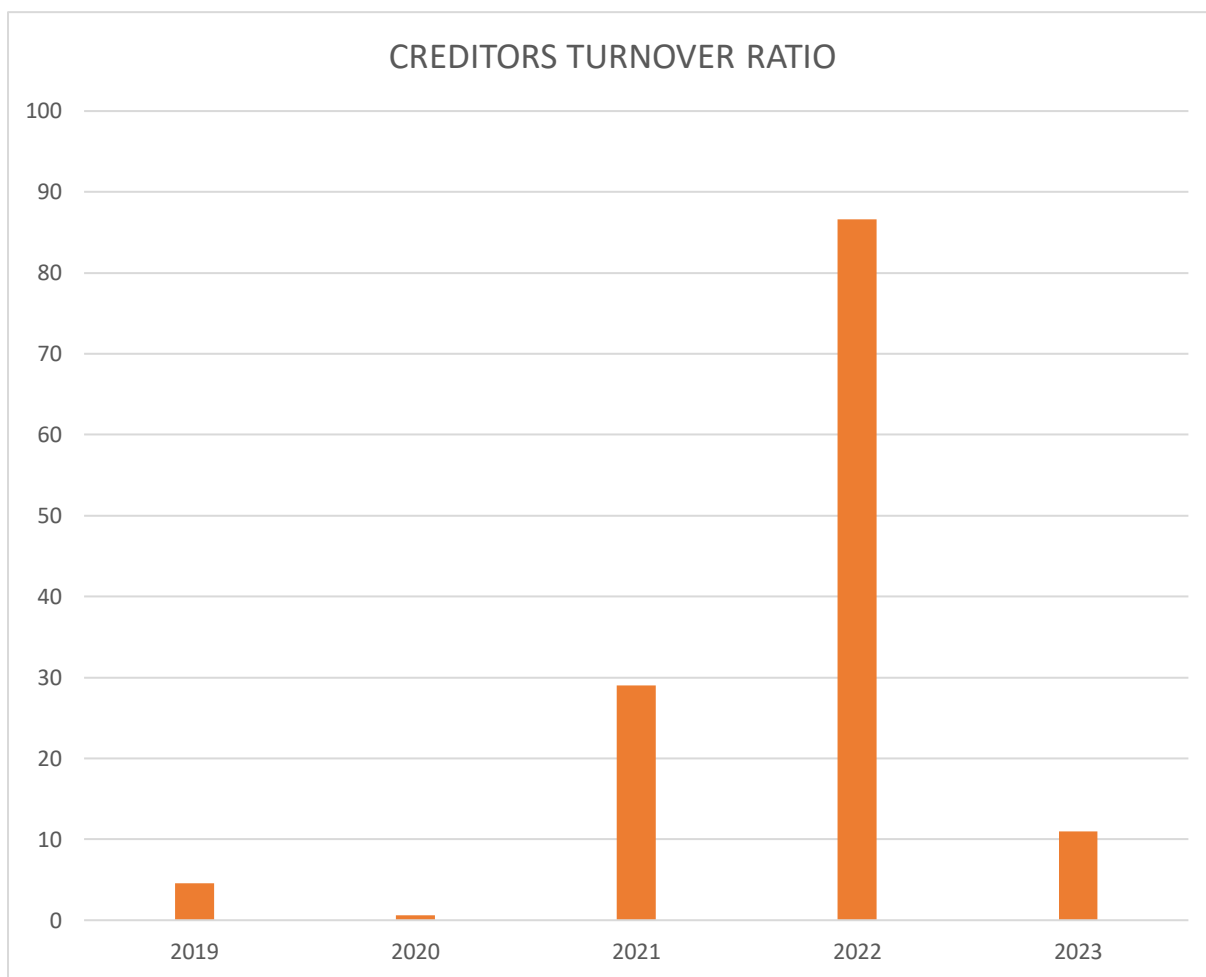


CHART NO: 4.1.10 - CREDITORS TURNOVER RATIO

INTERPRETIONS

The above table indicates that the creditors turnover ratio is 4.59 in the year of 2019. It has decreased to 0.64 in the year of 2020. It has increased to 29.006 in the year of 2021. It has further increased to 86.6 in the year of 2022. It has decreased to 10.94 in the year of 2023.

CREDITORS PAYMENT PERIOD

Average payment period means the average period taken by the company in making payments to its creditors. It is computed by dividing the number of working days in a year by creditor turnover ratio. Some other formulas for its computation are given below.

DAYS OR MONTHS IN THE YEAR

CREDITORS PAYMENT PERIOD = -----

CREDITORS TURNOVER RATIO

PARTICULARS	2019 Rs.(Cr)	2020 Rs.(Cr)	2021 Rs.(Cr)	2022 Rs.(Cr)	2023 Rs.(Cr)
Days	365	365	365	365	365
Creditors turnover ratio	4.59	0.64	29.006	86.6	10.94
Creditor payment period	79 days	570 days	125 days	421 days	333 days

TABLE NO: 4.1.11 - CREDITORS PAYMENT PERIOD

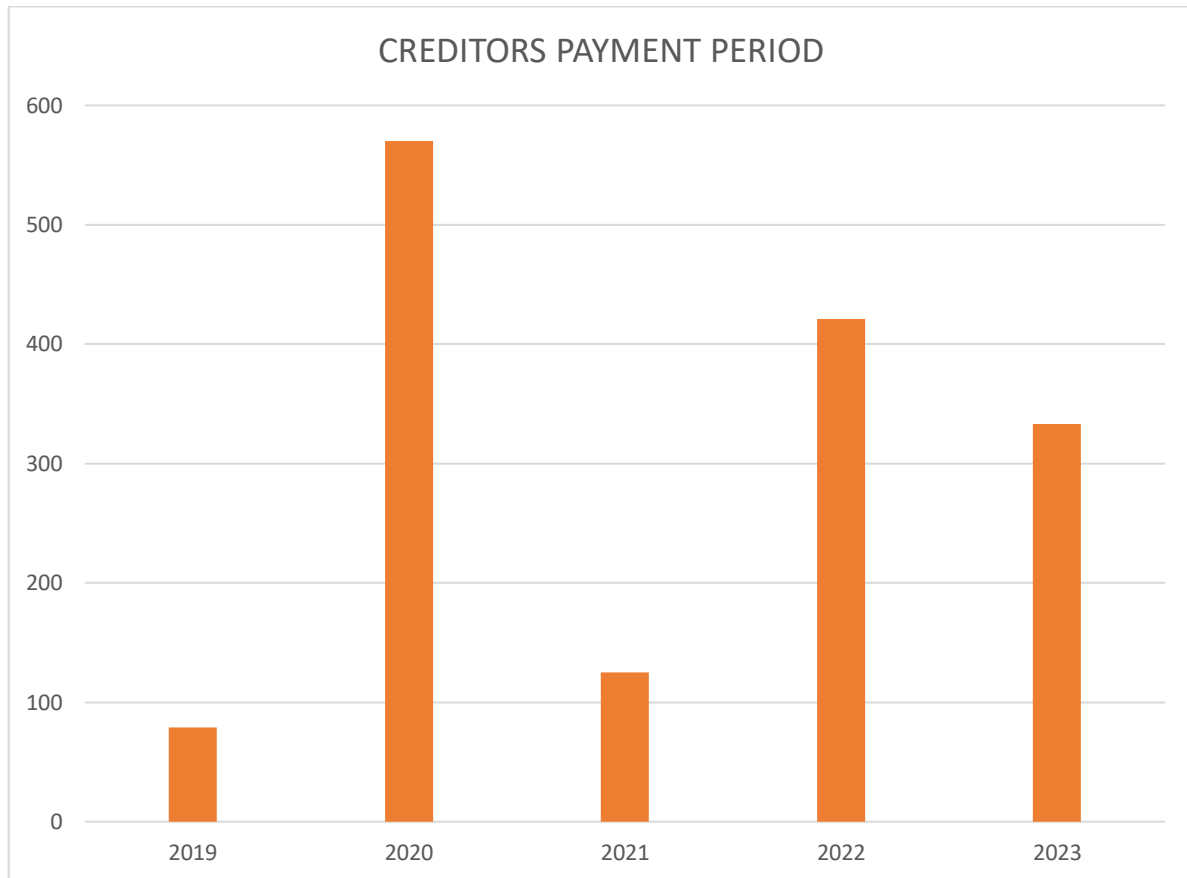


CHART NO: 4.1.11 - CREDITORS PAYMENT PERIOD

INTERPRETATIONS

The above table indicates that the creditors payment period is 79 days in the year of 2019. It has increased to 570 days in the year of 2020. It has decreased to 125 days in the year of 2021. It has increased to 421 days in the year of 2022. It has decreased to 333 days in the year of 2023.

WORKING CAPITAL TURNOVER RATIO

The working capital turnover ratio is a ratio of the turnover of the business to its working capital. It is a measure of the ability of a business to use its working capital to support its turnover, or revenues. The ratio can be used to evaluate the efficiency of a business in using its resources. The turnover of a business is its total revenue or sales it generates from selling products to its customers. The turnover of a business, for profit-making businesses, is one of the major indicators of a business' performance and profit generation capacity.

SALES

$$\text{WORKING CAPITAL TURNOVER RATIO} = \frac{\text{SALES}}{\text{NET WORKING CAPITAL}}$$

PARTICULARS	2019 Rs.(Cr)	2020 Rs.(Cr)	2021 Rs.(Cr)	2022 Rs.(Cr)	2023 Rs.(Cr)
Sales	20,579	25,486	31,240	51,430	78,070
Net working capital	2,076	601	1,555	2,241	1,035
Working capital turnover ratio	9.91 times	42.4 times	20.5 times	22.9 times	75.4 times

TABLE NO: 4.1.12 - WORKING CAPITAL TURNOVER RATIO

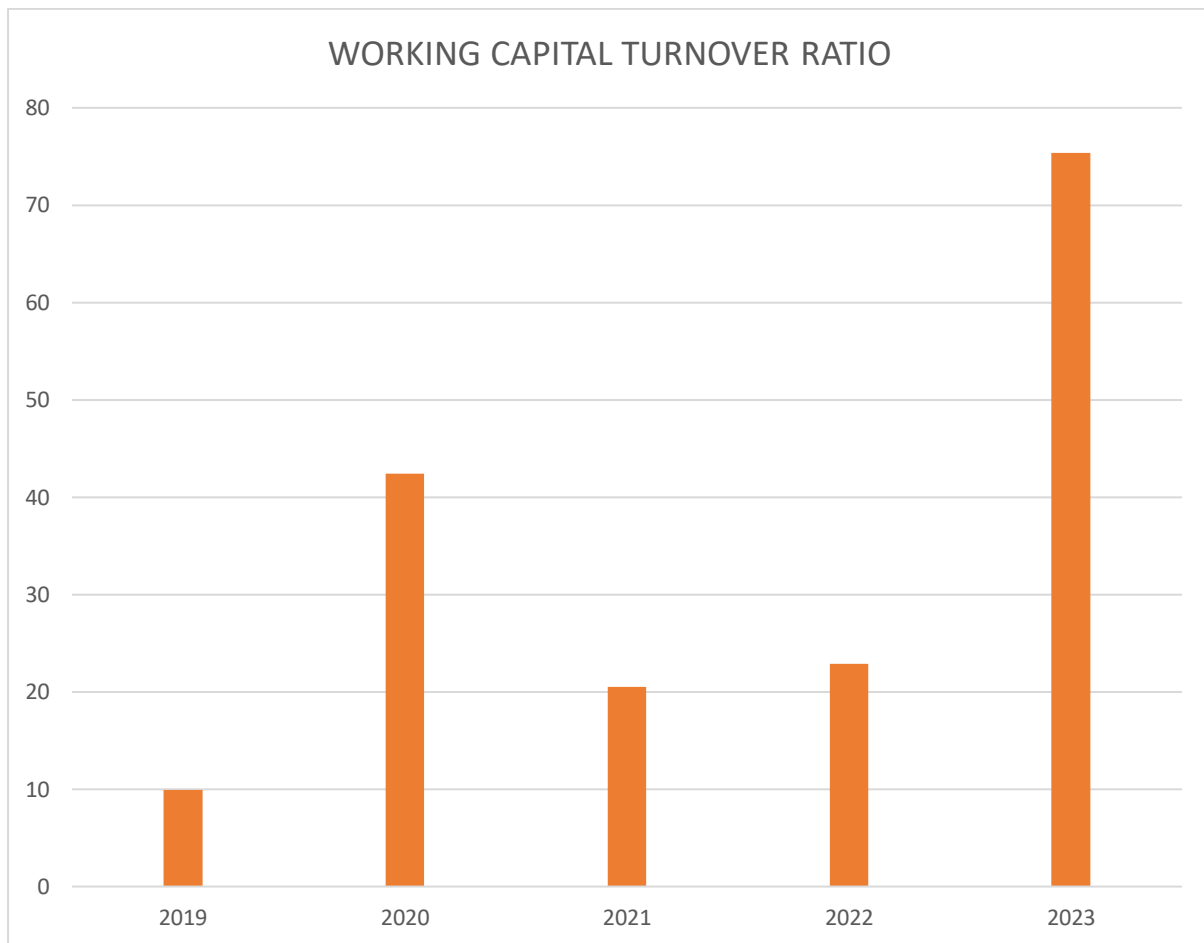


CHART NO: 4.1.12 - WORKING CAPITAL TURNOVER RATIO

INTERPRETATION

The above table indicates that the working capital turnover ratio is 9.91 in the year of 2019. It has increased to 42.4 in the year of 2020. It has increased to 201.5 in the year of 2021. It has decreased to 22.9 in the year of 2022. It has increased to 75.4 in the year of 2023.

FIXED ASSETS TURNOVER RATIO

The fixed asset turnover ratio is an efficiency ratio calculated by dividing a company's net sales by its net property, plant, and equipment (property, plant, and equipment - depreciation). It measures how well a company generates sales from its property, plant, and equipment.

$$\text{FIXED ASSETS TURNOVER RATIO} = \frac{\text{COST OF GOODS SOLD}}{\text{NET FIXED ASSETS}}$$

PARTICULARS	2019 Rs.(Cr)	2020 Rs.(Cr)	2021 Rs.(Cr)	2022 Rs.(Cr)	2023 Rs.(Cr)
Sales	20,579	25,486	31,240	51,430	78,070
Net fixed assets	1,038	1,212	1,880	3,454	4,616
Fixed assets turnover ratio	19.8 times	21.02 times	16.6 times	14.8 times	16.9 times

TABLE NO: 4.1.13 - FIXED ASSETS TURNOVER RATIO

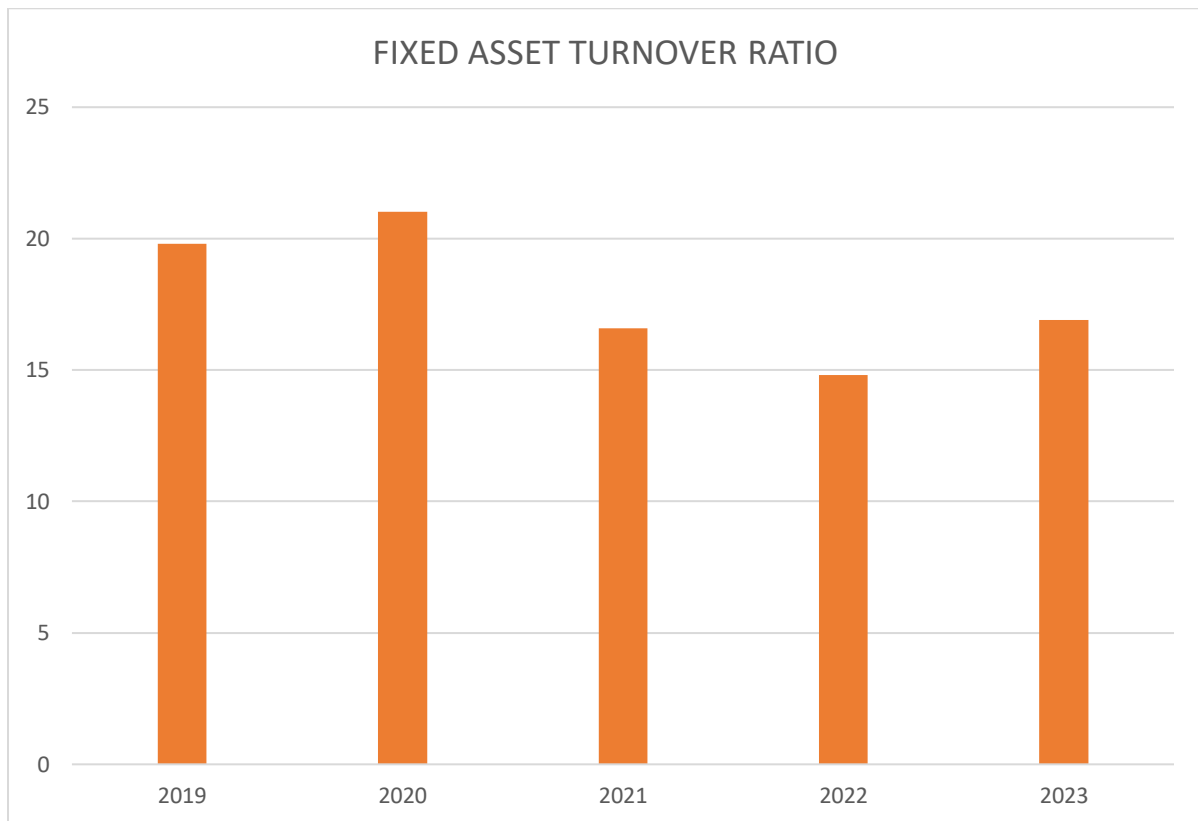


CHART NO: 4.1.13 - FIXED ASSETS TURNOVER RATIO

INTERPRETATION

The above table indicates that the fixed assets turnover ratio is 19.8 in the year of 2019. It has increased to 21.02 in the year of 2020. It has decreased to 16.6 in the year of 2021. It has decreased to 14.8 in the year of 2022. It has increased to 16.9 in the year of 2023.

CAPITAL TURNOVER RATIO

Managerial efficiency is also calculated by establishing the relationship between cost of sales or sales with the amount of capital invested in the business.

SALES

$$\text{CAPITAL TURNOVER RATIO} = \frac{\text{SALES}}{\text{CAPITAL EMPLOYED}}$$

PARTICULARS	2019 Rs.(Cr)	2020 Rs.(Cr)	2021 Rs.(Cr)	2022 Rs.(Cr)	2023 Rs.(Cr)
Net sales	20,579	25,486	31,240	51,430	78,070
Capital employed	1,19,589	1,54,097	2,27,930	4,00,350	5,89,180
Capital turnover ratio	0.17 times	0.16 times	0.13 times	0.12 times	0.13 times

TABLE NO: 4.1.14 - CAPITAL TURNOVER RATIO

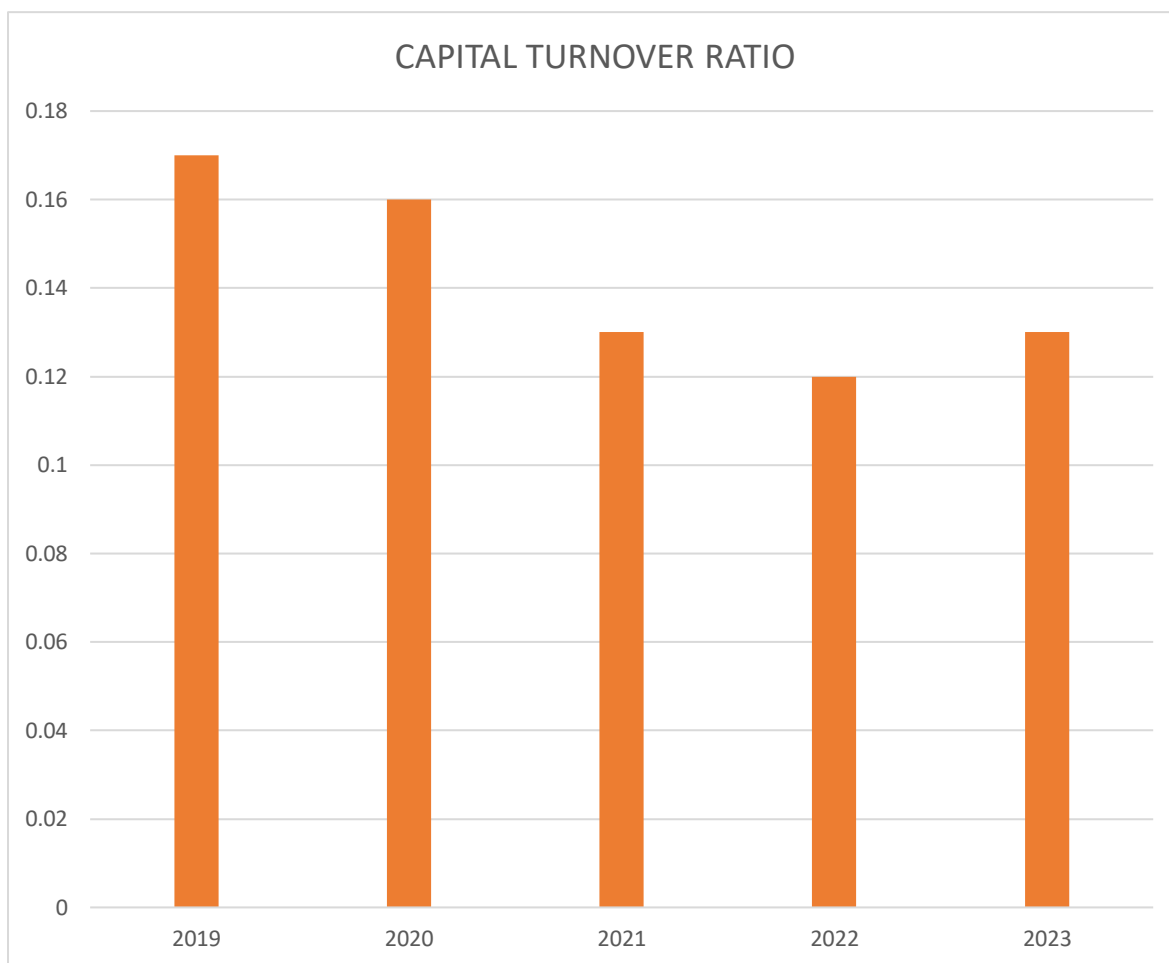


CHART NO: 4.1.14 - CAPITAL TURNOVER RATIO

INTERPRETATION

The above table indicates that the capital turnover ratio is 0.17 in the year of 2019. It has decreased to 0.16 in the year of 2020. It has further decreased to 0.13, 0.12 in the years of 2021 and 2022. It has increased to 0.13 in the year of 2023.

OWNED CAPITAL TURNOVER RATIO

Owned capital turnover ratio of how effectively a publicly traded company manages the capital invested in it to produce revenues.

SALES

OWNED CAPITAL TURNOVER RATIO = -----

SHAREHOLDERS FUND

PARTICULARS	2019 Rs.(Cr)	2020 Rs.(Cr)	2021 Rs.(Cr)	2022 Rs.(Cr)	2023 Rs.(Cr)
Sales	20,579	25,486	31,240	25,486	20,579
Shareholders funds	1,684	1,688	1,721	1,520	4,907
Owned capital turnover ratio	12.2 times	15.09 times	18.15 times	16.7 times	4.19 times

TABLE NO: 4.1.15 - OWNED CAPITAL TURNOVER RATIO

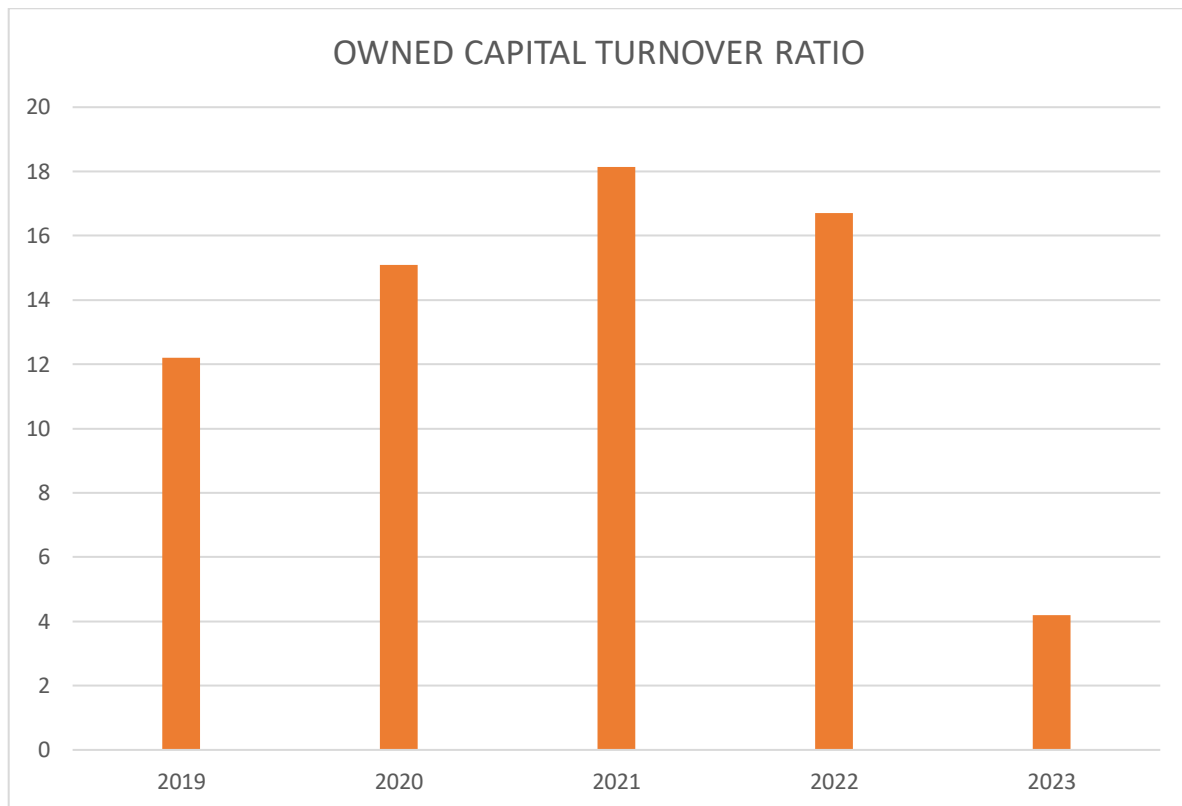


CHART NO: 4.1.15 - OWNED CAPITAL TURNOVER RATIO

INTERPRETATION

The above table indicates that the owned capital turnover ratio is 12.2 in the year of 2019. It has increased to 15.09 in the year of 2020. It has further increased to 18.15 in the year of 2021. It has decreased to 16.7 in the year of 2022. It has decreased to 4.19 in the year of 2023.

CURRENT RATIO

Current ratio of current assets to current liabilities is called current ratio. Current ratio indicates the ability of a concern to meet its current obligations and when they are due for payment. The current ratio is a liquidity ratio that measures a company's ability to pay short-term obligations or those due within one year. It tells investors and analysts how a company can maximize the current assets on its balance sheet to satisfy its current debt and other payables.

CURRENT ASSETS

CURRENT RATIO = -----

CURRENT LIABILITIES

PARTICULARS	2019 Rs.(Cr)	2020 Rs.(Cr)	2021 Rs.(Cr)	2022 Rs.(Cr)	2023 Rs.(Cr)
Current assets	20,735	25,833	39,890	61,270	78,080
Current liabilities	26,990	30,154	59,280	1,19,320	84,430
Current ratio	0.76 times	0.85 times	0.67 times	0.51 times	0.92 times

TABLE NO: 4.1.16 – CURRENT RATIO

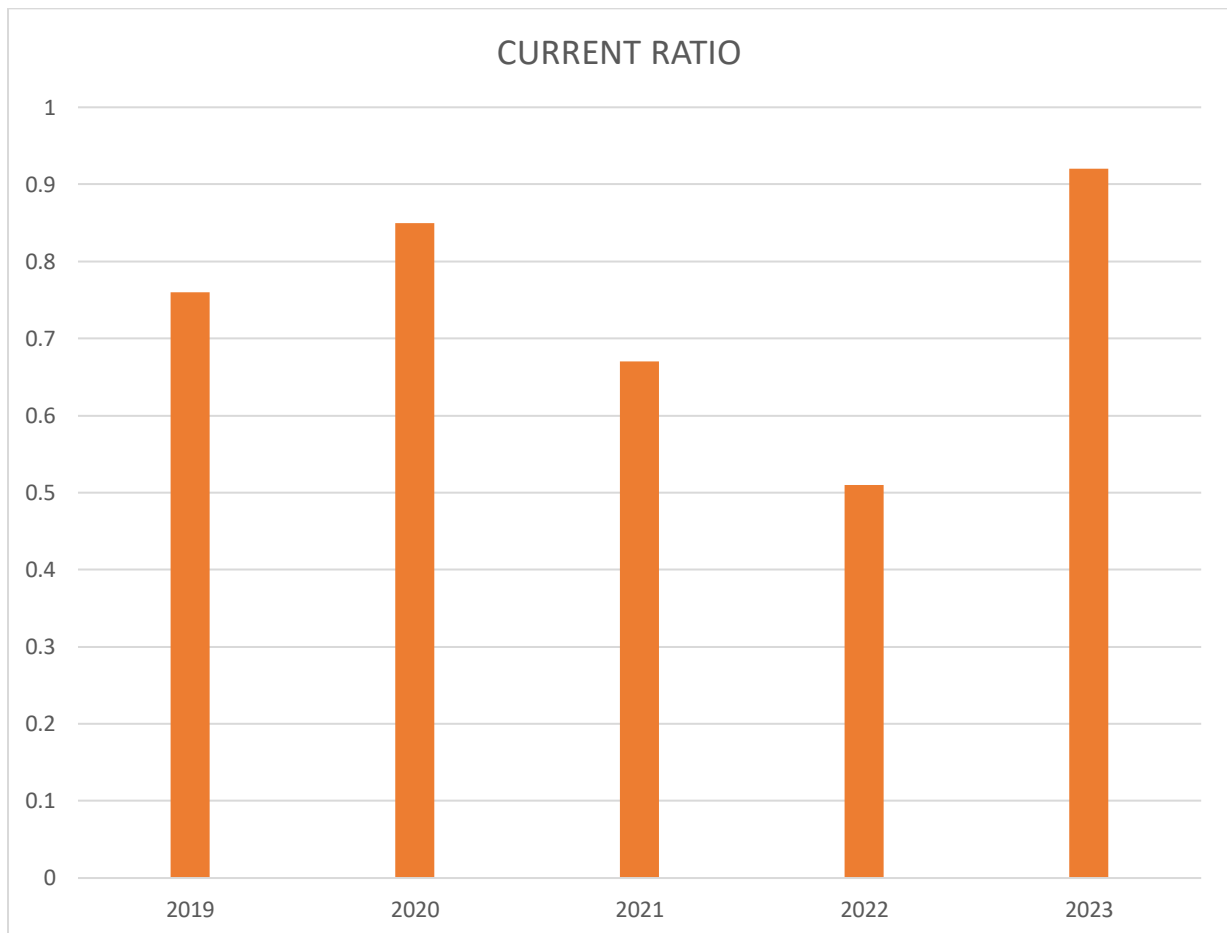


CHART NO: 4.1.16 – CURRENT RATIO

INTERPRETATIONS

The above table indicates that the current ratio is 0.76 in the year of 2019. It has increased to 0.85 in the year of 2020. It has decreased to 0.67 in the year of 2021. It has further decreased to 0.51 in the year of 2022. It has increased to 0.92 in the year of 2023.

LIQUIDITY RATIO

Liquidity refers to the efficiency or ease with which an asset or security can be converted into ready cash without affecting its market price. The most liquid asset of all is cash itself.

QUICK ASSETS

LIQUIDITY RATIO = -----

CURRENT LIABILITIES

PARTICULARS	2019 Rs.(Cr)	2020 Rs.(Cr)	2021 Rs.(Cr)	2022 Rs.(Cr)	2023 Rs.(Cr)
Quick assets	19,121	23,782	37,890	57,310	76,250
Current liabilities	26,990	30,154	59,280	1,19,320	84,430
Liquidity ratio	0.70 times	0.78 times	0.63 times	0.48 times	0.90 times

TABLE NO: 4.1.17 – LIQUIDITY RATIO

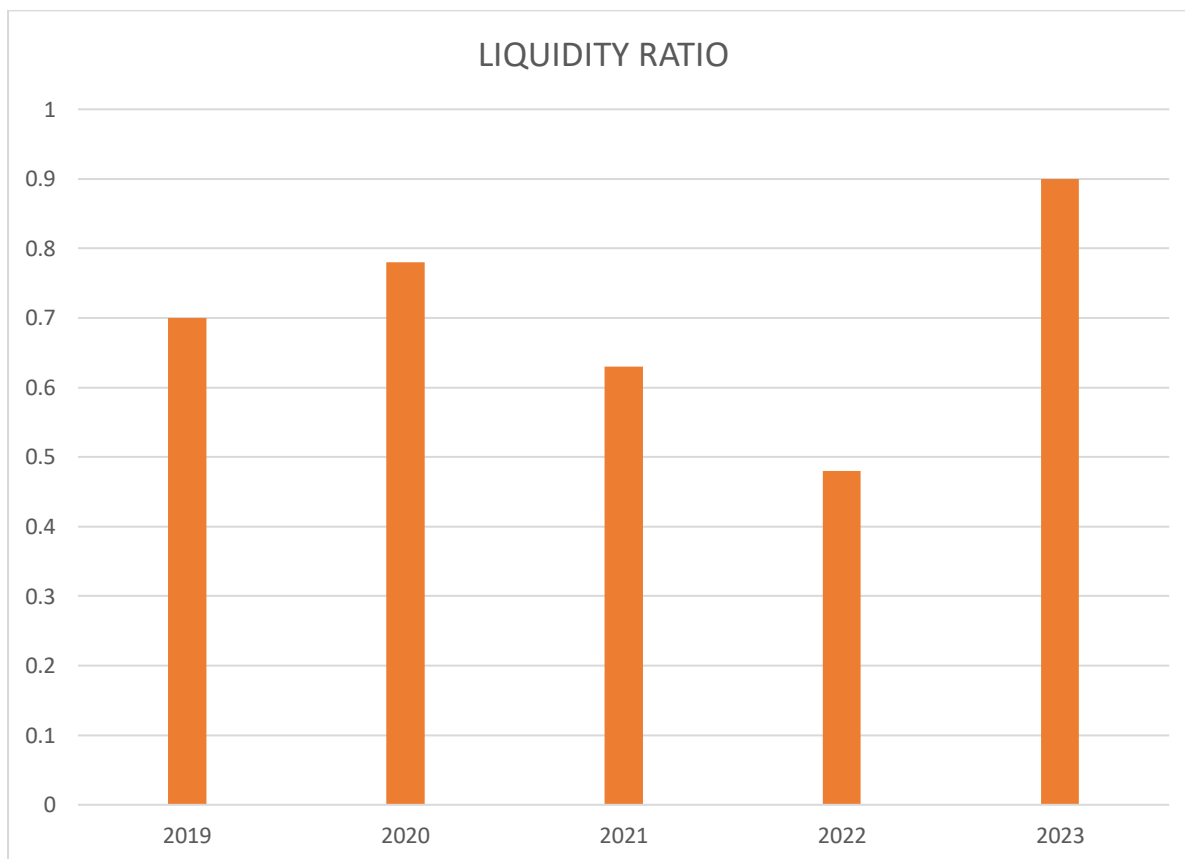


TABLE NO: 4.1.17 – LIQUIDITY RATIO

INTERPRETATIONS

The above table indicates that the liquidity ratio is 0.70 in the year of 2019. It has increased to 0.78 in the year of 2020. It has decreased to 0.63 in the year of 2021. It has further decreased to 0.48 in the year of 2022. It has increased to 0.90 in the year of 2023.

FIXED ASSETS RATIO

Fixed Assets ratio is a type of solvency ratio (long-term solvency) which is found by dividing total fixed assets (net) of a company with its long-term funds. It shows the amount of fixed assets being financed by each unit of long-term funds.

FIXED ASSETS

FIXED ASSETS RATIO = -----

LONG TERM FUNDS

PARTICULARS	2019 Rs.(Cr)	2020 Rs.(Cr)	2021 Rs.(Cr)	2022 Rs.(Cr)	2023 Rs.(Cr)
Fixed assets	11,128	13,758	20,878	48,348	53,624
Long term funds	4,732	2,796	3,030	740	1,310
Fixed assets ratio	2.35	4.92	6.89	65.3	40.9

TABLE NO: 4.1.18 – FIXED ASSETS RATIO

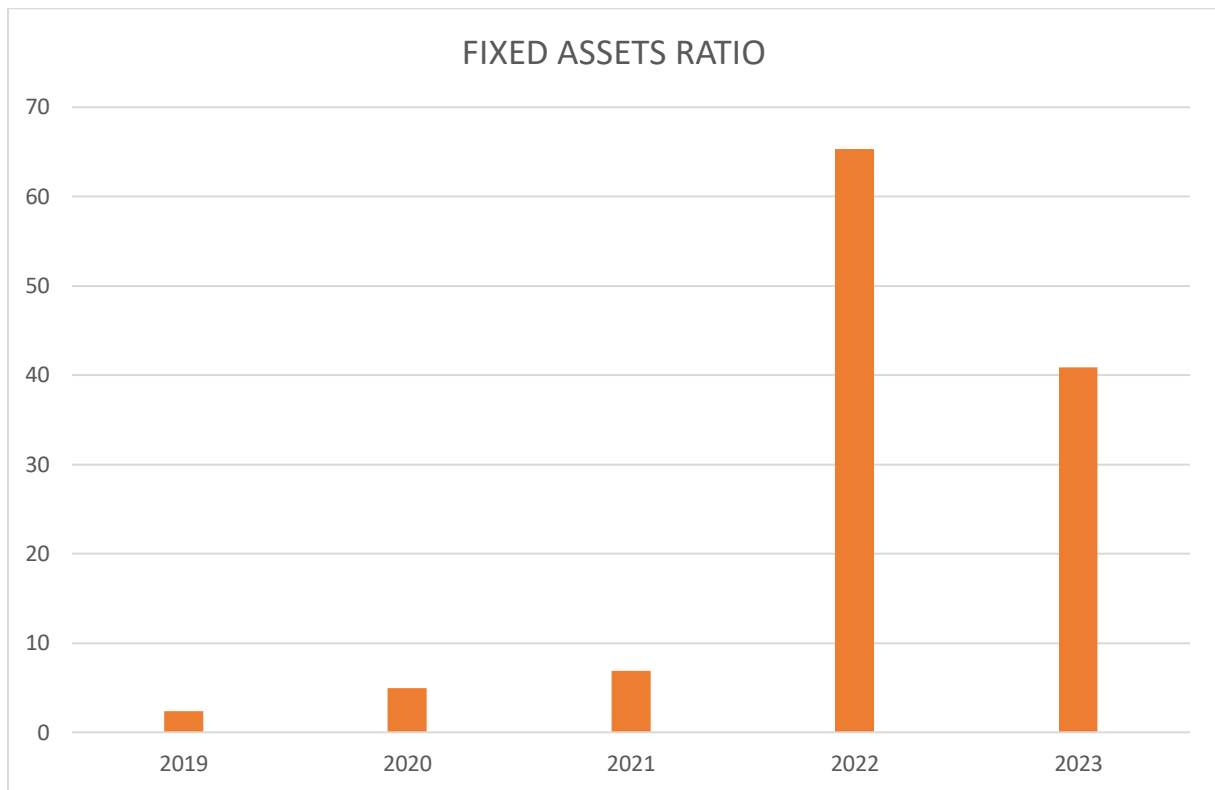


CHART NO: 4.1.18 – FIXED ASSETS RATIO

INTERPRETATIONS

The above table indicates that the fixed assets ratio is 2.35 in the year of 2019. It has increased to 4.92 in the year of 2020. It has further increased to 6.89 in the year of 2021. It has increased to 65.3 in the year of 2022. It has decreased to 40.9 in the year of 2023.

PROPRIETARY RATIO

This ratio compares the shareholders' funds or owner's funds and total tangible assets. In other words this ratio expresses the relationship between the proprietor's funds and the total tangible assets.

SHAREHOLDERS FUND

$$\text{PROPRIETARY RATIO} = \frac{\text{-----}}{\text{TOTAL TANGIBLE ASSETS}}$$

PARTICULARS	2019 Rs.(Cr)	2020 Rs.(Cr)	2021 Rs.(Cr)	2022 Rs.(Cr)	2023 Rs.(Cr)
Shareholders fund	1,408.8	1,439.4	1,721.0	1,520.0	4,907.0
Total tangible assets	10,384	12,548	16,348	28,369	48,257
Proprietary ratio	0.13	0.11	0.10	0.05	0.10

TABLE NO: 4.1.19 – PROPRIETARY RATIO

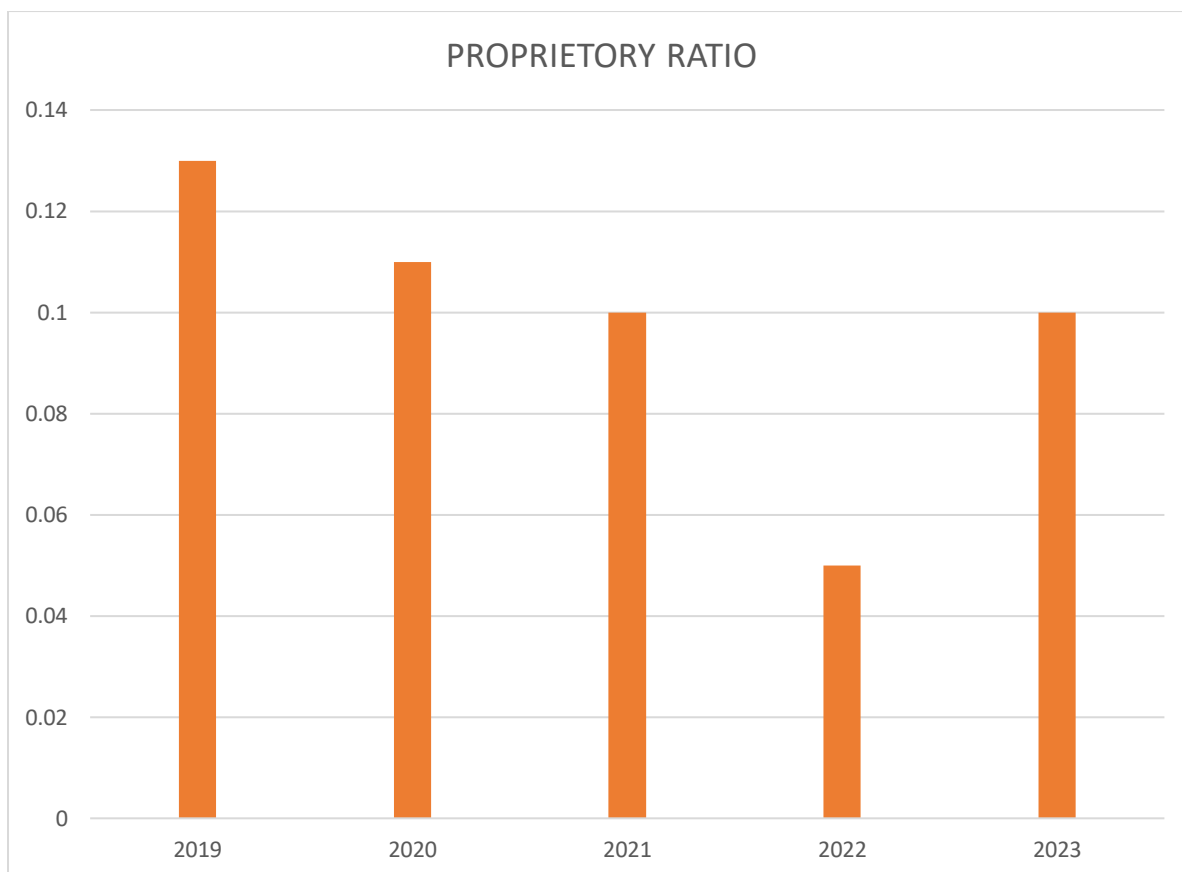


TABLE NO: 4.1.19 – PROPRIETARY RATIO

INTERPRETATIONS

The above table indicates that the proprietary ratio is 0.13 in the year of 2019. It has decreased to 0.11, 0.10, 0.05 in the years of 2020, 2021, and 2022. It has increased to 0.10 in the year of 2023.

SOLVENCY RATIO

Solvency ratios are a key component of the financial analysis which helps in determining whether a company has sufficient cash flow to manage the debt obligations that are due. Solvency ratios are also known as leverage ratios. It is believed that if a company has a low solvency ratio, it is more at the risk of not being able to fulfil its debt obligation and is likely to default in debt repayment.

$$\text{SOLVENCY RATIO} = \frac{\text{TOTAL DEBT}}{\text{TOTAL TANGIBLE ASSETS}}$$

PARTICULARS	2019 Rs.(Cr)	2020 Rs.(Cr)	2021 Rs.(Cr)	2022 Rs.(Cr)	2023 Rs.(Cr)
Total debt	111.4	148.7	242.1	528.3	542.2
Total tangible assets	10,384	12,548	16,348	28,369	48,257
Solvency ratio	0.010	0.011	0.014	0.01	0.011

TABLE NO: 4.1.20 – SOLVENCY RATIO

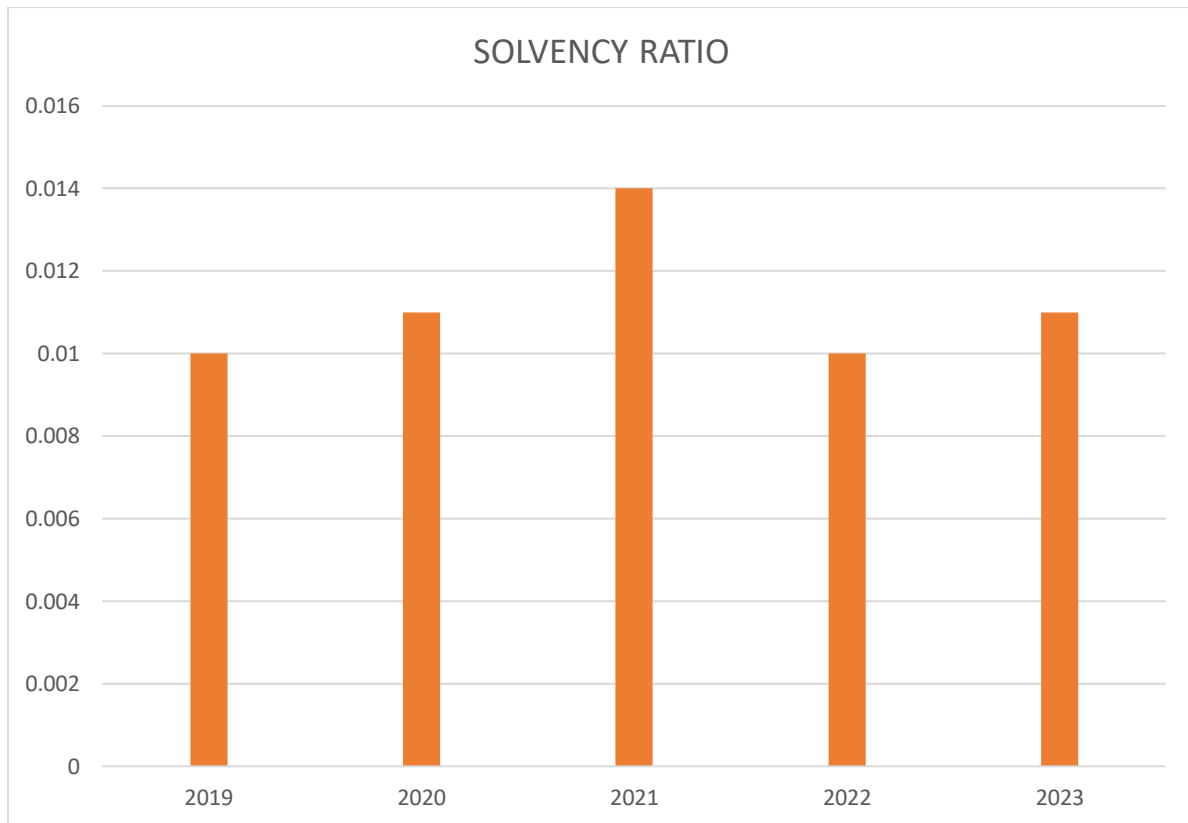


CHART NO: 4.1.20 – SOLVENCY RATIO

INTERPRETATIONS

The above table indicates that the solvency ratio is 0.010 in the year of 2019. It has increased to 0.011 in the year of 2020. It has further increased to 0.014 in the year of 2021. It has decreased to 0.01 in the year of 2022. It has increased to 0.011 in the year of 2023.

CHAPTER 5 - FINDINGS, SUGGESTIONS AND CONCLUSION

5.1. FINDINGS:

- The return on investment is 3.8 in the year of 2019. It has increased to 7.3 in the year of 2021.
- The gross profit ratio is increased to 93.6 in the year of 2019. It has decreased to 75.03 in the year of 2023.
- The operating profit decreased to 76% in the year of 2020. It has further decreased to 55% in the year of 2023.
- The operating profit ratio increased to 33.9% in the year of 2020. It has further increased to 54% in the year of 2023.
- The net profit ratio is 23.02% in the year of 2019. It has decreased to 9.50% in the year of 2022.
- The stock turnover ratio increased to 2.67 in the year of 2020 and it has further increased to 6.4 in the year of 2023.
- The stock turnover period increased to 278 days in the year of 2020. It has decreased to 57 days in the year of 2023.
- The debtor turnover ratio is increased to 34.02 in the year of 2020. It has decreased to 23.06 in the year of 2022.
- The debtor collection period is 14.2 days in the year of 2019. It has increased to 20.8 days in the year of 2023.
- The creditor turnover period is 4.59 in the year of 2019. It has increased to 86.6 in the year of 2023.
- The creditor payment period is increased to 570 days in the year of 2020. It has decreased to 333 days in the year of 2023.
- The working capital turnover ratio is increased to 42.4 in the year of 2020. It has further increased to 201.5 in the year of 2021.
- The fixed asset turnover ratio is increased to 21.02 in the year of 2020. It has decreased to 14.8 in the year of 2022.
- The capital turnover ratio is 0.17 in the year of 2019. It has decreased to 0.12 in the year of 2022.
- The owned capital turnover ratio is increased to 18.15 in the year of 2021. It has decreased to 4.19 in the year of 2023.
- The current ratio is increased to 0.85 in the year of 2020. It has further increased to 0.92 in the year of 2023.
- The liquidity ratio is increased to 0.78 in the year of 2020. It has decreased to 0.48 in the year of 2022.
- The fixed assets is increased to 6.89 in the year of 2021. It has increased to 65.3 in the year of 2022.
- The proprietary ratio is 0.13 in the year of 2019. It has decreased to 0.05 in the year of 2022.
- The solvency ratio is 0.010 in the year of 2019. It has decreased to 0.01 in the year of 2022.

5.2. SUGGESTIONS:

To avoid cruel dispossession of land-holders and adverse environmental consequences arising from the indiscriminate installation of vast solar arrays, the relevant corporations, including Adani Green, must commit to:

- An approvals process that is fair, consultative, thorough and transparent;
- Full assessment of environmental, social and economic impacts of proposed installations;
- Equitable leasing of land from owners and fair compensation for other traditional users.
- A code of practice that requires a defined minimum of land in utility-scale solar installations to be set aside for protecting natural assets (Example : streams, streamside vegetation, patches of forest).
- No development in places where social and/or environmental consequences are high.

Adopting such measures could lead to win-win outcomes for renewable-energy companies, indigenous farmers and the local environment.

5.3. CONCLUSION:

Adani Group is a diversified organisation in India with market cap of over comprising 7 publicly traded companies. It has created a world class transport and utility infrastructure portfolio that has a pan-India presence. Adani Group is headquartered in Ahmedabad, in the state of Gujarat, India. Over the years, Adani Group has positioned itself to be the market leader in its transport logistics and energy utility portfolio businesses focusing on large scale infrastructure development in India with O & M practices benchmarked to global standards. With four IG rated businesses, it is the only Infrastructure Investment Grade issuer in India.

Adani owes its success and leadership position to its core philosophy of 'Nation Building' driven by 'Growth with Goodness' - a guiding principle for sustainable growth. Adani is committed to increase its ESG footprint by realigning its businesses with emphasis on climate protection and increasing community outreach through its CSR programme based on the principles of sustainability, diversity and shared values.

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BALANCE SHEET OF ADANI GREEN ENERGY

Balance sheet of Adani green energy	2019 Rs.(Cr)	2020 Rs.(Cr)	2021 Rs.(Cr)	2022 Rs.(Cr)	2023 Rs.(Cr)
Total current assets	20,735.54	25,833.54	39,890	61,270	78,080
Cash and short term investments	6,857.38	8,677.73	6,700	14,830	26,450
Cash	-	2,540.80	6,373.15	1,840	5,670
Cash & equivalents	1,073.87	579.02	8,350	5,670	10,020
Short term investments	3,242.72	2,304.58	4,860	4,150	6,250
Total receivables, net	8519.77	11,417.77	17,130	21,100	25,200
Accounts receivables-Trade, Net	7,578.92	9,602.79	14,940	18,090	22,060
Total inventory	1,358.80	1,959.43	1,490	2,910	1,220
Prepaid expenses	256.49	92.74	510	1,050	610
Other current assets, Total	3,999.58	3,685.87	14,060	21,380	24,600
Total assets	1,46,579.95	1,84,251.41	2,87,210	5,91,670	6,73,610
Property/Plant/Equipment, Total-Net	1,11,270.48	1,37,564.89	2,08,000	4,82,680	5,35,480
Property/Plant/Equipment, Total-Gross	7,428.67	1,48,715.07	1,91,440	5,19,100	5,84,560
Accumulated depreciation total	-19,380.74	-23,228.87	-27,960	-36,420	-49,080
Goodwill, Net	29.78	29.78	30	30	30
Intangibles, Net	11.89	21.65	780	800	760
Long term investments	4,732.13	2,796.95	3,030	740	1,310
Note receivables-Long term	527.48	1,614.49	16,680	2,760	2,270
Other long term assets, Total	9,272.67	16,390.11	18,800	39,830	52,240
Other assets, Total	-	-	-	18,920	23,630

Total current liabilities	26,990.03	30,154.15	59,280	1,19,320	84,430
Accounts payable	1,612.45	1,754.46	1,290	1,450	3,910
Payable/Accrued	-	-	-	-	-
Accrued expenses	694.46	40.83	2,560	4,650	4,810
Notes payable/Short term debt	7,422.23	11,150.34	36,930	81,840	19,880
Current port of LT debt/Capital leases	4,521.61	7,861.52	4,660	13,450	23,270
Other current liabilities, Total	17,955.35	9,346.98	13,180	17,930	32,560
Total liabilities	1,27,246.50	1,60,685.79	2,65,950	5,65,530	6,00,110
Total long term debt	99,481.15	1,29,649.97	2,00,500	4,33,030	4,99,080
Long term debt	99,481.15	1,29,649.97	1,97,460	4,27,170	4,86,320
Capital lease obligations	-	-	3,040	5,860	12,760
Deferred income tax	4.64	14.57	290	2,130	4,520
Minority interest	-10.98	-458.29	-740	0	460
Other liabilities, Total	781.66	1,325.39	-1,58,310	-3,74,040	- 3,47,520
Total equity	19,333.45	23,565.62	22,000	26,140	73,500
Common stock, Total	15,640.14	15,640.14	15,640	15,640	15,840
Retained earnings (Accumulated deficit)	-7,240.06	-8,235.91	-7020	-3,130	5,820
Other equity, Total	10,933.37	1,61,61.38	13,380	13,630	13,530
Total liabilities & shareholder's equity	1,46,579.95	1,84,251.41	2,87,210	59,1670	6,73,610
Total common shares outstanding	1,564.01	15,64.01	1,564.01	1,564.01	1,584.03

INCOME STATEMENT OF ADANI GREEN ENERGY

Income statement of Adani green energy	2019	2020	2021	2022	2023
Total revenue	20,579.83	25,486.27	31,240	51,430	78,070
Revenue	20,579.83	25,486.27	31,240	51,330	77,920
Other revenue, Total	-	-	-	100	150
Cost of revenue, Total	1,301.36	4,826.18	6,310	14,250	19,490
Gross profit	19,278.47	20,660.08	24,930	37,180	58,580
Total operating expenses	15,942.17	16,840.55	14,530	24,670	35,620
Selling/General/Amin. Expenses, Total	3,866.26	1,984.69	2,380	410	430
Research & Development	-	-	-	-	-
Depreciation/Amortization	10,619.60	3,943.06	4,860	230	330
Interest expense (Income) – Net operating	-	-	-	-21,780	-26,350
Unusual expense (Income)	-	-	1,914.37	840	-640
Other operating expenses, Total	154.95	4,172.25	140	30,170	39,710
Operating income	4,637.66	8,645.72	16,710	26,760	42,450
Interest income (Expense), Net Non-Operating	-	-9,651.82	-8,941.77	-14,430	-25,880
Gain (loss) on sale of assets	-2.50	-1.44	-60	80	-430
Other, Net	-829.90	-201.41	-350	21,150	28,610
Net income before taxes	-5,846.55	-498.91	1,870	5,530	14,270
Provision for income taxes	-1,131.63	-328.86	270	640	4,530
Net income after taxes	-4,714.92	-170.05	1,600	4,890	9,740

Minority interest	11.44	447.31	-740	0	460
Equity in affiliates	-	-35.64	-66.80	60	10
U.S GAAP Adjustment	-	-	-	-	-
Net income before extraordinary items	-4,739.12	210.46	1,940	4,890	9,740
Total extraordinary items	-	-442.79	160	0	0
Net income	-4,739.12	-232.32	2,100	4,890	9,740
Total adjustments to net income	-	-	-	-1,100	-1,170
Income available to common excluding extraordinary items	-4,739.12	210.46	1,940	3,790	8,570
Dilution adjustment	-	-	-	1,100	1,170
Diluted net income	-4,739.12	-232.32	2,100	3,790	8,570
Diluted weighted average shares	1,564.01	1,564.01	1,564.01	1,564.01	1,581.78
Diluted EPS Excluding extraordinary items	-3.03	0.13	1.24	2.42	5.42
DPS – common stock primary issue	-	-	-	-	-
Diluted normalized EPS	-3.03	0.93	1.73	1.85	6.22