

## INDEPENDENT AUDITOR'S REPORT

### To The Members of Adani Electricity Mumbai Limited Report on the Audit of the Standalone Financial Statements

#### Opinion

We have audited the accompanying standalone financial statements of **Adani Electricity Mumbai Limited** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

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 Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March 2022, and its profit, total comprehensive expense, its cash flows and the changes in equity for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

#### Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.



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- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibility for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



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- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

## **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, based on our audit we report, that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.



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- d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. (a) The Management has represented that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.  
  
(b) The Management has represented, that, to the best of it's knowledge and belief, other than as disclosed in the notes to accounts, no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that



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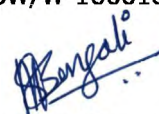
has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. The company has not declared or paid any dividend during the year.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)



Mohammed Bengali

(Partner)

(Membership No.105828)

(UDIN: 22105828AIHHUB7552)

Place: Mumbai

Date: 02 May, 2022

**ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT**

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

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

We have audited the internal financial controls over financial reporting of Adani Electricity Mumbai Limited ("the Company") as of 31<sup>st</sup> March, 2022 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

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

**Auditor's Responsibility**

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

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

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

**Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally

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

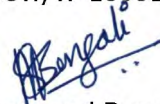
## **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

## **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2022, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Deloitte Haskins & Sells LLP  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)



Mohammed Bengali  
(Partner)  
(Membership No. 105828)  
(UDIN: 22105828AIHHUB7552)

Place: Mumbai  
Date: 02 May, 2022

**ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT**

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Adani Electricity Mumbai Limited of even date)

- (i) In respect of the Company's property, plant and equipment:
- (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, capital work-in progress and relevant details of right-of-use assets.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a program of physical verification of its property, plant and equipment, capital work-in-progress and right-of-use assets so to cover all the items in a phased manner over a period of *three* years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain assets were due for verification during the year and were physically verified by the Management during the year. Also, certain assets that were due for verification in earlier years, however weren't verified due to COVID-19 and were planned to be verified in current year, were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification. However, we are informed that distribution system being underground is not physically verifiable.
- (c) Based on the examination of the registered sale deed / transfer deed / conveyance deed / possession certificate / Encumbrance certificate provided to us, we report that, the title deeds of all the immovable properties, (other than those that have been taken on lease and self-constructed properties) disclosed in the financial statements included in property, plant equipment and capital work-in progress are held in the name of the Company as at the balance sheet date. The title deeds of certain immovable properties which were transferred from Reliance Infrastructure Limited consequent to a scheme of arrangement are in the erstwhile names of the Company viz: "Bombay Suburban Electric Supply Limited" / "Reliance Energy Limited" / "Reliance Infrastructure Limited" and the Company is in process of updating the same from erstwhile Company's name to the name of the Company. In respect of immovable properties that have been taken on lease and disclosed in the financial statements as property, plant and equipment, right-of use asset and capital-work-in-progress as at the balance sheet date, the lease agreements are duly executed in favour of the Company, except for the following:

| Description of immovable properties taken on lease | Gross carrying value as at 31 March 2022 (Rs. in Crores) | Carrying value (as at 31 March 2022 (Rs. in Crores) | Held in name of | Whether promoter, director or their relative or employee | Period held – indicate range, where appropriate | Reason for not being held in name of Company                    |
|----------------------------------------------------|----------------------------------------------------------|-----------------------------------------------------|-----------------|----------------------------------------------------------|-------------------------------------------------|-----------------------------------------------------------------|
| Leasehold land at various locations                | 0.65                                                     | 0.63                                                | NA              | NA                                                       | NA                                              | Title deeds in respect of the same are currently not traceable. |

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| Description of immovable properties taken on lease | Gross carrying value as at 31 March 2022 (Rs. in Crores) | Carrying value (as at 31 March 2022 (Rs. in Crores) | Held in name of | Whether promoter, director or their relative or employee | Period held – indicate range, where appropriate | Reason for not being held in name of Company                                                                                                                                                                                                         |
|----------------------------------------------------|----------------------------------------------------------|-----------------------------------------------------|-----------------|----------------------------------------------------------|-------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Right of use Leasehold land at BKC                 | 510.00                                                   | 506.56                                              | NA              | No                                                       | Since 18 September 2021                         | The Company has entered into memorandum of understanding and will enter into formal lease agreement on completion of the construction of the substation as per the applicable regulatory requirements (Refer note 5(b)(iii) of Financial Statement). |

(d) The Company has not revalued any of its Property, Plant and Equipment (including Right of Use assets) and intangible assets during the year.

(e) According to the information and explanations given to us, no proceedings have been initiated or is pending against the company as at 31 March 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) In respect of the Company's Inventories:

(a) The inventories except for goods in transit and those lying with a third party, were physically verified during the year by the Management at reasonable intervals. In our opinion and based on information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. In respect of goods in transit, the goods have been received subsequent to the year end. Confirmation has been obtained in respect of inventories in custody of a third party. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.

(b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at points of time during the year, from banks on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly statements comprising raw material, stores and spares, finished goods, advances for power purchase and coal, book debts (including unbilled revenue) and other receivable (<90 days) reduced by relevant trade payables (i.e. net of provisions, regulatory payables and other payables) filed by the Company with

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such banks are in agreement with the unaudited books of account of the Company of the respective quarters based on draft figures at the point of time of reporting and no material discrepancies have been observed.

- (iii) The Company has not made any investments in, provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, except for loans to employees, advance in nature of loan to a related party during the year and an unsecured intercorporate deposit granted to a related party during the earlier years falling due during the year whose tenure and repayment date were extended during the year.

(a) The details of said loans are given below:

| Particulars                                                      | Intercorporate deposit in nature of loans to Adani Properties Private Limited (Related party) | Advances in nature of loans to Adani Enterprises Limited (Related party) | Loans to employees |
|------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|--------------------------------------------------------------------------|--------------------|
| Aggregate amount extended / advanced during the year             | Rs. 1,040 Crores                                                                              | Rs. 607.22 Crores                                                        | Rs. 5.41 Crores    |
| Balance outstanding as at balance sheet date in respect of above | Rs. 1,040 Crores                                                                              | Rs. Nil                                                                  | Rs. 35.41 Crores   |

- (b) The terms and conditions of the extension of the above-mentioned intercorporate deposit, employee loans and advance in the nature of loan, during the year are, in our opinion, *prima facie*, not prejudicial to the Company's interest.
- (c) In respect of above intercorporate deposit, employee loans and advance in the nature of loan provided by the Company, the schedule of repayment of principal and payment of interest has been stipulated. Repayment of principal of the intercorporate deposit was not due during the year and the receipts of interest are regular as per stipulation. Repayment of principal and receipts of interest were regular as per stipulation for employee loans and advance in nature of loan.
- (d) According to information and explanations given to us and based on the audit procedures performed, in respect of intercorporate deposit, employee loans and advance in the nature of loan provided by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.

(e) The details of such intercorporate deposit in nature of loan that fell due and extended by modifying the terms during the year are stated below:

| Name of the Party                | Aggregate amount that fell due during the year | Aggregate amount of existing loans extended | Date of extension | Details of the extension granted during the year       | Percentage of the aggregate to the total |
|----------------------------------|------------------------------------------------|---------------------------------------------|-------------------|--------------------------------------------------------|------------------------------------------|
| Adani Properties Private Limited | Rs. 1,040 crores                               | Rs. 1,040 crores                            | 3 May 2021        | Extension of the tenure and repayment date by 3 years. | 100%                                     |

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- (f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans without specifying any terms or period of repayment during the year. The intercorporate deposit in nature of loan as stated above is for a period of 3 years and is repayable on demand or on maturity of 3 years whichever is earlier.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.
- (vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Act. We have broadly reviewed the cost records maintained during the year by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended and prescribed by the Central Government under sub-section (1) of Section 148 of the Act, and are of the opinion that, *prima facie*, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
- (a) Undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income-tax, duty of Custom, cess and other material statutory dues applicable to the Company have been regularly deposited by it with the appropriate authorities in all cases during the year. We have been informed that there have not been payables towards Sales Tax, Service Tax, duty of Excise, Value Added Tax during the year.
- (b) There were no undisputed amounts payable in respect of Goods and Services tax, Provident Fund, Employees' State Insurance, Income-tax, duty of Custom and corresponding cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.
- (c) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2022 on account of disputes are given below:

| Name of Statute   | Nature of Dues | Forum where Dispute is Pending                             | Period to which amount relates | Amount (Rs. in crore) |
|-------------------|----------------|------------------------------------------------------------|--------------------------------|-----------------------|
| Finance Act, 1994 | Service tax    | Central, Excise and Service Tax Appellate Tribunal, Mumbai | October 2011 to December 2016  | 25.61*                |
| Finance Act, 1994 | Service tax    | Mumbai High Court                                          | July 2012 to June 2017         | 307.34                |

\* Net of Rs. 20.60 crore paid/ adjusted under protest.

There were no dues of Goods and Services tax, Provident Fund, Employees' State Insurance, Income-tax, duty of Custom, cess and other material statutory dues applicable to the Company which have not been deposited as on March 31, 2022 on account of disputes.

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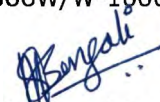
- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- (ix) (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
  - (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
  - (c) To the best of knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.
  - (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, *prima facie*, not been used during the year for long-term purposes by the Company.
  - (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries. The Company did not have any associate or joint venture during the year.
  - (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries.
- (x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.
  - (b) According to the information and explanations given to us, during the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence, reporting under paragraph (x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
  - (b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
  - (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company. Therefore, reporting under clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Act, where applicable, for all transactions with the related parties undertaken during the year and the details of such related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.



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- (b) We have considered, the internal audit reports issued to the Company during the year and covering the period upto (December 2021) and the draft of the internal audit reports were issued after the balance sheet date covering the period (January 2022 to March 2022) for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered any non-cash transactions with its Directors or persons connected to its Directors and hence provisions of section 192 of the Act are not applicable.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.
- (b) The Group does not have any Core Investment Company (CIC) as part of the Group and accordingly clause (xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

**For Deloitte Haskins & Sells LLP**  
Chartered Accountants  
(Firm Registration No. 117366W/W-100018)



**Mohammed Bengali**  
Partner  
Membership No. 105828  
UDIN: 22105828AIHHUB7552

Place: Mumbai  
Date: 02 May, 2022

ADANI ELECTRICITY MUMBAI LIMITED  
Balance Sheet

adani  
(₹ in Crores)

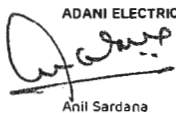
| Particulars                                                                                 | Note | As at 31 March, 2022 | As at 31 March, 2021 |
|---------------------------------------------------------------------------------------------|------|----------------------|----------------------|
| <b>ASSETS</b>                                                                               |      |                      |                      |
| <b>Non-current Assets</b>                                                                   |      |                      |                      |
| Property, Plant and Equipment                                                               | 5    | 13,487.71            | 12,985.27            |
| Capital Work-In-Progress                                                                    | 5c   | 315.48               | 363.56               |
| Right-of-Use Assets                                                                         | 5a   | 592.79               | 141.49               |
| Intangible Assets                                                                           | 5b   | 1,038.19             | 1,004.30             |
| Intangible Assets Under Development                                                         | 5d   | -                    | 15.41                |
| Financial Assets                                                                            |      |                      |                      |
| (i) Investments                                                                             | 6a   | 204.64               | 204.97               |
| (ii) Loans                                                                                  | 7    | 1,068.40             | 1,073.11             |
| (iii) Other Financial Assets                                                                | 8    | 700.23               | 639.82               |
| Income Tax Assets (net)                                                                     | 9a   | 3.91                 | 3.91                 |
| Other Non-current Assets                                                                    | 10   | 71.90                | 288.56               |
| <b>Total Non-current Assets</b>                                                             |      | <b>17,483.25</b>     | <b>16,720.40</b>     |
| <b>Current Assets</b>                                                                       |      |                      |                      |
| Inventories                                                                                 | 11   | 204.49               | 193.50               |
| Financial Assets                                                                            |      |                      |                      |
| (i) Investments                                                                             | 6b   | 24.84                | -                    |
| (ii) Trade Receivables                                                                      | 12   | 485.85               | 578.06               |
| (iii) Cash and Cash Equivalents                                                             | 13   | 74.41                | 151.89               |
| (iv) Bank Balances other than (iii) above                                                   | 14   | 624.48               | 886.56               |
| (v) Loans                                                                                   | 7    | 7.01                 | 6.72                 |
| (vi) Other Financial Assets                                                                 | 8    | 623.59               | 491.10               |
| Other Current Assets                                                                        | 10   | 145.95               | 385.22               |
| <b>Total Current Assets</b>                                                                 |      | <b>2,190.62</b>      | <b>2,693.05</b>      |
| <b>Total Assets before Regulatory Deferral Account</b>                                      |      | <b>19,673.87</b>     | <b>19,413.45</b>     |
| <b>Regulatory Deferral Account - Assets</b>                                                 |      | <b>1,121.92</b>      | <b>439.45</b>        |
| <b>Total Assets</b>                                                                         |      | <b>20,795.79</b>     | <b>19,852.90</b>     |
| <b>EQUITY AND LIABILITIES</b>                                                               |      |                      |                      |
| <b>Equity</b>                                                                               |      |                      |                      |
| Share Capital                                                                               | 15   | 4,020.82             | 4,020.82             |
| Other Equity                                                                                | 16   | 673.99               | 689.53               |
| <b>Total Equity</b>                                                                         |      | <b>4,694.81</b>      | <b>4,710.35</b>      |
| <b>Liabilities</b>                                                                          |      |                      |                      |
| <b>Non-current Liabilities</b>                                                              |      |                      |                      |
| Financial Liabilities                                                                       |      |                      |                      |
| (i) Borrowings                                                                              | 17   | 11,864.65            | 10,544.70            |
| (ii) Trade Payables                                                                         | 18   | -                    | -                    |
| (A) total outstanding dues of micro enterprises and small enterprises; and                  |      | -                    | -                    |
| (B) total outstanding dues of creditors other than micro enterprises and small enterprises. |      | 32.22                | 31.93                |
| (iii) Lease Liabilities                                                                     | 19   | 26.25                | 50.70                |
| (iv) Other Financial Liabilities                                                            | 20   | 66.02                | 63.12                |
| Provisions                                                                                  | 21   | 572.28               | 542.20               |
| Deferred Tax Liabilities (Net)                                                              | 29   | 179.35               | 78.17                |
| Other Non Current Liabilities                                                               | 22   | 245.47               | 282.89               |
| <b>Total Non-current Liabilities</b>                                                        |      | <b>12,986.24</b>     | <b>11,593.71</b>     |
| <b>Current Liabilities</b>                                                                  |      |                      |                      |
| Financial Liabilities                                                                       |      |                      |                      |
| (i) Borrowings                                                                              | 23   | -                    | 916.68               |
| (ii) Trade Payables                                                                         | 18   | -                    | -                    |
| (A) total outstanding dues of micro enterprises and small enterprises; and                  |      | 25.07                | 28.99                |
| (B) total outstanding dues of creditors other than micro enterprises and small enterprises. |      | 1,465.88             | 1,158.69             |
| (iii) Lease Liabilities                                                                     | 19   | 18.59                | 42.89                |
| (iv) Other Financial Liabilities                                                            | 20   | 976.01               | 817.82               |
| Provisions                                                                                  | 21   | 63.80                | 58.55                |
| Current Tax Liabilities                                                                     | 9b   | 2.13                 | -                    |
| Other Current Liabilities                                                                   | 22   | 291.70               | 253.66               |
| <b>Total Current Liabilities</b>                                                            |      | <b>2,843.18</b>      | <b>3,277.28</b>      |
| <b>Total Liabilities before Regulatory Deferral Account</b>                                 |      | <b>15,829.42</b>     | <b>14,870.99</b>     |
| <b>Regulatory Deferral Account - Liabilities</b>                                            |      | <b>271.56</b>        | <b>271.56</b>        |
| <b>Total Equity and Liabilities</b>                                                         |      | <b>20,795.79</b>     | <b>19,852.90</b>     |

See accompanying notes forms part of the financial statements

As per our attached report of even date  
For Deloitte Haskins & Sells LLP  
Chartered Accountants  
ICAI Firm Registration Number : 117366W/W-100018

  
Mohammed Benali  
Partner  
Membership No. 105828

For and on behalf of the Board of Directors  
ADANI ELECTRICITY MUMBAI LIMITED

  
Anil Sardana  
Chairman  
DIN: 00006867  
Kandar Patel  
Managing Director & CEO  
DIN: 02947643

  
Kunjal Mehta  
Chief Financial Officer  
Place : Ahmedabad  
Date : 02 May, 2022  
Jaladhi Shukla  
Company Secretary

Place : Mumbai  
Date : 02 May, 2022

## ADANI ELECTRICITY MUMBAI LIMITED

**adani**  
 (₹ in Crores)

## Statement of Profit and Loss

| Particulars                                                                                              | Note               | For the year ended<br>31 March, 2022 | For the year ended<br>31 March, 2021 |
|----------------------------------------------------------------------------------------------------------|--------------------|--------------------------------------|--------------------------------------|
| <b>Income :</b>                                                                                          |                    |                                      |                                      |
| Revenue from Operations                                                                                  | 24                 | 6,908.94                             | 6,049.27                             |
| Other Income                                                                                             | 25                 | 409.65                               | 421.67                               |
| <b>Total Income</b>                                                                                      |                    | <b>7,318.59</b>                      | <b>6,470.94</b>                      |
| <b>Expenses :</b>                                                                                        |                    |                                      |                                      |
| Cost Of Power Purchased                                                                                  |                    | 2,736.41                             | 1,914.51                             |
| Cost of Fuel                                                                                             |                    | 1,065.99                             | 972.56                               |
| Transmission Charges                                                                                     |                    | 477.84                               | 468.52                               |
| Purchases of traded goods                                                                                |                    | 0.76                                 | 1.46                                 |
| Employee Benefits Expense                                                                                | 26                 | 798.68                               | 856.17                               |
| Finance Costs                                                                                            | 27                 | 1,160.38                             | 1,096.98                             |
| Depreciation and Amortisation Expenses                                                                   | 5,5a&5b            | 651.58                               | 644.56                               |
| Other Expenses                                                                                           | 28                 | 838.30                               | 762.67                               |
| <b>Total Expenses</b>                                                                                    |                    | <b>7,729.94</b>                      | <b>6,717.43</b>                      |
| <b>Profit/(Loss) Before Movement in Regulatory Deferral<br/>Balance, Exceptional Items and Tax</b>       |                    | <b>(411.35)</b>                      | <b>(246.49)</b>                      |
| Add/(Less): Net Movement in Regulatory Deferral Balance                                                  |                    | 682.47                               | 582.81                               |
| <b>Profit Before Exceptional Items and Tax</b>                                                           |                    | <b>271.12</b>                        | <b>336.32</b>                        |
| Exceptional items                                                                                        |                    | -                                    | -                                    |
| <b>Profit Before Tax</b>                                                                                 |                    | <b>271.12</b>                        | <b>336.32</b>                        |
| <b>Tax Expense:</b>                                                                                      | 29                 |                                      |                                      |
| Current Tax                                                                                              |                    | 47.78                                | 49.40                                |
| Deferred Tax                                                                                             |                    | 101.18                               | 27.75                                |
|                                                                                                          |                    | <b>148.96</b>                        | <b>77.15</b>                         |
| <b>Profit after tax</b>                                                                                  | <b>Total A</b>     | <b>122.16</b>                        | <b>259.17</b>                        |
| <b>Other Comprehensive Income / (Expense)</b>                                                            |                    |                                      |                                      |
| (a) Items that will not be reclassified to profit or loss                                                |                    |                                      |                                      |
| -Remeasurement of Defined Benefit Plans                                                                  |                    | 17.17                                | 33.34                                |
| -Income Tax Impact                                                                                       |                    | (3.00)                               | (5.83)                               |
| (b) Items that will be reclassified to profit or loss                                                    |                    |                                      |                                      |
| -Effective portion of gains and losses on designated portion of hedging instruments in a cash flow hedge |                    | (151.87)                             | (100.66)                             |
| <b>Other Comprehensive Expense</b>                                                                       | <b>Total B</b>     | <b>(137.70)</b>                      | <b>(73.15)</b>                       |
| <b>Total Comprehensive Income</b>                                                                        | <b>Total (A+B)</b> | <b>(15.54)</b>                       | <b>186.02</b>                        |
| <b>Earnings Per Share (EPS) (in ₹)</b>                                                                   | 30                 |                                      |                                      |
| <b>(Face Value ₹ 10 Per Share)</b>                                                                       |                    |                                      |                                      |
| Basic / Diluted earnings per Equity Share before net Movement in Regulatory Deferral Balance             |                    | (1.10)                               | (0.55)                               |
| Basic / Diluted earnings per Equity Share after net Movement in Regulatory Deferral Balance              |                    | 0.30                                 | 0.64                                 |

See accompanying notes forms part of the financial statements

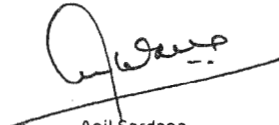
As per our attached report of even date

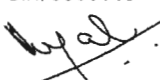
**For Deloitte Haskins & Sells LLP**  
**Chartered Accountants**

ICAI Firm Registration Number : 117366W/W-100018

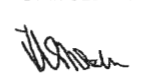

**Mohammad Rengai**  
**Partner**

Membership No. 105828

 For and on behalf of the Board of Directors  
**ADANI ELECTRICITY MUMBAI LIMITED**

**Anil Sardana**  
**Chairman**  
 DIN: 00006867


**Kunjal Mehta**  
**Chief Financial Officer**

**Kangarp Patel**  
**Managing Director & CEO**  
 DIN.: 02947643


**Jaladhi Shukla**  
**Company Secretary**

 Place : Mumbai  
 Date : 02 May, 2022

 Place : Ahmedabad  
 Date : 02 May, 2022

**A. Equity Share Capital** (₹ in Crores)

| Particulars                                             | No. Shares    | Amount   |
|---------------------------------------------------------|---------------|----------|
| Balance as at 01 April, 2020                            | 4,020,823,535 | 4,020.82 |
| Changes in Equity Share Capital during the year         | -             | -        |
| Balance as at 31 March, 2021                            | 4,020,823,535 | 4,020.82 |
| Changes in Equity Share Capital during the current year | -             | -        |
| Balance as at 31 March, 2022                            | 4,020,823,535 | 4,020.82 |

**B. Other Equity**

For the year ended 31 March 2022

(₹ in Crores)

| Particulars                                                | Reserves and Surplus |                          |                       |                   | Items of Other Comprehensive Income | Total          |
|------------------------------------------------------------|----------------------|--------------------------|-----------------------|-------------------|-------------------------------------|----------------|
|                                                            | Capital Reserve      | Contingency Reserve Fund | Share Premium Account | Retained Earnings | Cashflow Hedge Reserve              |                |
| Balance as at 01 April, 2020                               | 230.78               | 196.95                   | 120.43                | (31.41)           | (13.24)                             | 503.51         |
| Profit for the year                                        | -                    | -                        | -                     | 259.17            | -                                   | 259.17         |
| Other comprehensive Income / (Expense) for the year        | -                    | -                        | -                     | 27.51             | (100.66)                            | (73.15)        |
| <b>Total comprehensive Income / (Expense) for the year</b> | -                    | -                        | -                     | <b>286.68</b>     | <b>(100.66)</b>                     | <b>186.02</b>  |
| Transfer to Contingency Reserve                            | -                    | 22.74                    | -                     | (22.74)           | -                                   | -              |
| Balance as at 31 March, 2021                               | <b>230.78</b>        | <b>219.69</b>            | <b>120.43</b>         | <b>232.53</b>     | <b>(113.90)</b>                     | <b>689.53</b>  |
| Balance as at 01 April, 2021                               | 230.78               | 219.69                   | 120.43                | 232.53            | (113.90)                            | 689.53         |
| Profit for the year                                        | -                    | -                        | -                     | 122.16            | -                                   | 122.16         |
| Other comprehensive Income / (Expense) for the year        | -                    | -                        | -                     | 14.17             | (151.87)                            | (137.70)       |
| <b>Total comprehensive Income / (Expense) for the year</b> | -                    | -                        | -                     | <b>136.33</b>     | <b>(151.87)</b>                     | <b>(15.54)</b> |
| Transfer to Contingency Reserve                            | -                    | 25.74                    | -                     | (25.74)           | -                                   | -              |
| Balance as at 31 March, 2022                               | <b>230.78</b>        | <b>245.43</b>            | <b>120.43</b>         | <b>343.12</b>     | <b>(265.77)</b>                     | <b>673.99</b>  |

See accompanying notes forming part of the financial statements

As per our attached report of even date

For Deloitte Haskins & Sells LLP

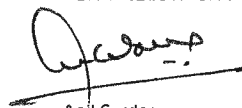
Chartered Accountants

ICAI Firm Registration Number : 117366W/W-100018

Mohammed Bengali  
Partner

Membership No. 105828

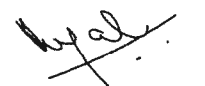
For and on behalf of the Board of Directors  
ADANI ELECTRICITY MUMBAI LIMITED



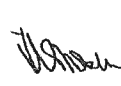
Anil Sardana  
Chairman  
DIN: 00006867



Kandar Patel  
Managing Director & CEO  
DIN: 02947643



Kunjal Mehta  
Chief Financial Officer



Jaladhi Shukla  
Company Secretary

Place : Mumbai  
Date : 02 May, 2022

Place : Ahmedabad  
Date : 02 May, 2022

## ADANI ELECTRICITY MUMBAI LIMITED

adani

## Statement of Cash flow

(` in Crores)

| Particulars                                                                                   | For the year ended<br>31 March, 2022 | For the year ended<br>31 March, 2021 |
|-----------------------------------------------------------------------------------------------|--------------------------------------|--------------------------------------|
| <b>A. Cash flow from operating activities</b>                                                 |                                      |                                      |
| Profit before tax                                                                             | 271.12                               | 336.32                               |
| Adjustments for:                                                                              |                                      |                                      |
| Interest Income                                                                               | (309.34)                             | (334.32)                             |
| Delayed Payment Charges                                                                       | (22.90)                              | (27.00)                              |
| Unrealised Foreign Exchange Gain from Borrowings net of Hedging                               | 155.64                               | 166.80                               |
| Amortisation of Consumer Contribution                                                         | (10.30)                              | (9.22)                               |
| Gain On Sale / Fair Value Of Current Investments Measured at FVTPL                            | (1.13)                               | (39.73)                              |
| Gain On Sale / Fair Value Of Current Investments Measured at FVTPL - Contingency Reserve Fund | -                                    | (1.33)                               |
| Finance Costs                                                                                 | 1,004.74                             | 930.18                               |
| Depreciation and Amortisation Expense                                                         | 651.58                               | 644.56                               |
| (Profit)/Loss on sale of Fixed Assets (Net)                                                   | (0.42)                               | (1.87)                               |
| Sundry credit balances written back                                                           | (57.41)                              | -                                    |
| Provisions no longer required written back                                                    | (38.74)                              | -                                    |
| Bad Debts Written Off                                                                         | 18.31                                | 22.52                                |
| <b>Operating Profit before working capital changes</b>                                        | <b>1,661.15</b>                      | <b>1,686.91</b>                      |
| Changes in Working Capital:                                                                   |                                      |                                      |
| Adjustments for (Increase) / Decrease in Assets :                                             |                                      |                                      |
| Trade Receivables                                                                             | 103.77                               | (48.58)                              |
| Inventories                                                                                   | (10.99)                              | 317.92                               |
| Financial Assets - Current / Non Current                                                      | (132.43)                             | 40.61                                |
| Other Assets - Current / Non Current                                                          | 240.98                               | (73.82)                              |
| Regulatory Deferral Account - Assets                                                          | (682.47)                             | (191.72)                             |
| Adjustment for Increase / (Decrease) in Liabilities :                                         |                                      |                                      |
| Trade Payables                                                                                | 369.84                               | (253.14)                             |
| Financial Liabilities - Current / Non Current                                                 | (6.04)                               | (71.15)                              |
| Provisions - Current / Non Current                                                            | 52.50                                | 327.35                               |
| Other Liabilities - Current / Non Current                                                     | (14.42)                              | (31.31)                              |
| Regulatory Deferral Account - Liability                                                       | -                                    | (232.77)                             |
| <b>Cash generated from operations</b>                                                         | <b>1,581.89</b>                      | <b>1,470.30</b>                      |
| Tax paid (Net)                                                                                | (48.65)                              | (83.35)                              |
| <b>Net cash from operating activities (A)</b>                                                 | <b>1,533.24</b>                      | <b>1,386.95</b>                      |
| <b>B. Cash flow from investing activities</b>                                                 |                                      |                                      |
| Capital expenditure on Property, Plant and Equipment & Intangible Assets                      | (1,235.43)                           | (1,191.82)                           |
| Proceeds from Sale of Property, Plant and Equipment                                           | 8.46                                 | 4.30                                 |
| (Purchase) / Sale of Mutual Funds / Other Investments-Net                                     | (27.41)                              | 21.87                                |
| Investment in Subsidiary                                                                      | -                                    | (0.01)                               |
| Bank balances not considered as Cash & Cash Equivalents                                       | 237.28                               | (773.13)                             |
| Advances - Given                                                                              | (607.22)                             | -                                    |
| Advances - received back                                                                      | 607.22                               | -                                    |
| Loans / Advances (given) / repaid (net)                                                       | 4.42                                 | 590.11                               |
| Delayed payment charges received                                                              | 22.90                                | 27.00                                |
| Interest Received                                                                             | 299.82                               | 297.96                               |
| <b>Net cash used in investing activities (B)</b>                                              | <b>(689.96)</b>                      | <b>(1,023.72)</b>                    |
| <b>C. Cash flow from financing activities</b>                                                 |                                      |                                      |
| Increase in Service Line Contribution                                                         | 25.34                                | 14.29                                |
| Proceeds from Long-term borrowings                                                            | 2,231.98                             | 767.54                               |
| Repayment of Long-term borrowings                                                             | (1,369.40)                           | (33.33)                              |
| Proceeds from Short-term borrowings                                                           | 1,535.53                             | 3,673.70                             |
| Repayment of Short-term borrowings                                                            | (2,418.88)                           | (3,774.66)                           |
| Payment of Lease Liability Obligation                                                         | (16.12)                              | (10.43)                              |
| Interest of Lease Liability Obligation                                                        | (6.25)                               | (6.92)                               |
| Interest & Other Borrowing Cost                                                               | (902.96)                             | (964.22)                             |
| <b>Net cash used in financing activities (C)</b>                                              | <b>(920.76)</b>                      | <b>(334.03)</b>                      |
| <b>Net (decrease) / increase in cash and cash equivalents (A+B+C)</b>                         | <b>(77.48)</b>                       | <b>29.20</b>                         |
| <b>Cash and cash equivalents as at 01 April (Opening Balance)</b>                             | <b>151.89</b>                        | <b>122.69</b>                        |
| <b>Cash and cash equivalents as at 31 March (Closing Balance)</b>                             | <b>74.41</b>                         | <b>151.89</b>                        |

MB

**ADANI ELECTRICITY MUMBAI LIMITED**  
**Statement of Cash flow**

**adani**  
(₹ in Crores)

**Cash and Cash Equivalents Includes**

Balances with banks  
- In current accounts  
- Fixed Deposits  
Cash On Hand  
Cheques / Drafts On Hand  
**Total Cash & Cash Equivalents**

| As at 31 March, 2022 | As at 31 March, 2021 |
|----------------------|----------------------|
| 64.51                | 104.52               |
| -                    | 20.00                |
| 0.80                 | 2.40                 |
| 9.10                 | 24.97                |
| <b>74.41</b>         | <b>151.89</b>        |

See accompanying notes forming part of the financial statements

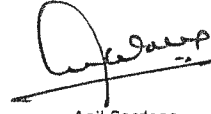
As per our attached report of even date

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



Mohammed Bengali  
**Partner**  
Membership No. 105828

For and on behalf of the Board of Directors  
**ADANI ELECTRICITY MUMBAI LIMITED**



Anil Sardana  
**Chairman**  
DIN: 00006867



Kandar Patel  
**Managing Director & CEO**  
DIN.: 02947643



Kunjal Mehta  
**Chief Financial Officer**



Jaladhi Shukla  
**Company Secretary**

Place : Mumbai  
Date : 02 May, 2022

Place : Ahmedabad  
Date : 02 May, 2022

## Notes to Financial Statements for the year ended on 31st March, 2022

**1 Corporate information**

Adani Electricity Mumbai Limited ("AEML") ("The Company") is a public limited company incorporated and domiciled in India having its registered office at Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad 382421, Gujarat, India. It is subsidiary of Adani Transmission Limited (ATL) ("the Holding Company") and ultimate holding entity is S. B. Adani Family Trust (SBAFT).

The integrated Mumbai Generation, Transmission and Distribution (GTD) Business, under a license, transmits and distributes electricity to consumers in and around suburbs of Mumbai inclusive of areas covered under the Mira Bhayender Municipal Corporation, making it the country's largest private sector integrated power utility.

The Tariff to be charged to the consumers is regulated by Maharashtra Electricity Regulatory Commission ("MERC").

These financial statements of the Company for the year ended March 31, 2022 were authorised for issue by the board of directors on 02 May, 2022.

**2 Summary of Significant Accounting Policies****2.1 Statement of Compliance**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (IndAS) as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with section 133 of the Companies Act, 2013 ("the Act") (as amended from time to time).

**2.2 Basis of preparation and presentation**

The financial statements have been prepared on a historical cost basis except for the following assets and liabilities which have been measured at fair value.

- certain financial assets and liabilities that are measured at fair value;
- defined benefit plans - planned assets measured at fair value;

The financial statements have been prepared in "Indian Rupees" which is also the Company's functional currency and all amounts, are rounded to the nearest Crore with two decimals, (Transactions below ₹50,000.00 denoted as ₹ 0.00) unless otherwise stated.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

**2.3 Current versus Non-Current Classification**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle; or
- Held primarily for the purpose of trading; or
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle; or
- It is held primarily for the purpose of trading; or
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

**2.4 1 Property, plant and equipment ("PPE")**

Property, plant and equipment is stated at cost less accumulated depreciation and accumulated impairment losses, if any.

In respect of Property, Plant and Equipment ("Assets") pertaining to Mumbai Generation, Transmission and Distribution business acquired from Reliance Infrastructure Limited under a Court sanctioned scheme of arrangement with an appointed date of 1 April, 2018, in line with the requirements of the Court Scheme, the Company has accounted for such Assets at their respective fair values as at April 01, 2018 based on valuation done by a Government registered valuer.

## Notes to Financial Statements for the year ended on 31st March, 2022

Subsequent additions to the assets on or after 1st April, 2018 are accounted for at cost. Cost includes purchase price (net of trade discount & rebates) and any directly attributable cost of bringing the asset to its working condition for its intended use and for qualifying assets, borrowing costs capitalised in accordance with IndAS 23. Capital work-in-progress is stated at cost, net of accumulated impairment loss, if any. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.

**Decapitalisation**

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.

**Depreciation**

Depreciation commences when an asset is ready for its intended use. Freehold land is not depreciated.

Regulated Assets: subject to the below, depreciation on property, plant and equipment in respect of Mumbai Generation, Transmission and Distribution business of the Company covered under Part B of Schedule II of the Companies Act, 2013, has been provided on the straight line method at the rates using the methodology as notified by the regulator.

For certain types of assets in respect of which useful life is not specified in MERC Multi Year Tariff Regulations ("MYT regulations"), useful life as prescribed under Schedule-II of Companies Act, 2013 is considered.

In respect of assets (other than Dahanu Thermal Power Station-DTPS) which have been accounted at fair value, considering life as specified in MYT regulations, depreciation is provided on Straight Line Method (considering a salvage value of 5%) over their balance useful life. In respect of DTPS based on technical evaluation, the balance useful life has been determined as 15 years as on 01 April, 2018.

Salvage value in respect of assets which have not been accounted at fair value has been considered at 10% except in respect of Furniture & Fixture, Vehicles, Office Equipment and Electrical Installations which has been considered at 5% and Computers & Software at Nil (Consequent to amendment in tariff regulations, the Company has changed the Salvage value of Computers from 5 % to Nil w.e.f. 01 April 2020).

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, and the effect of any changes in estimate is accounted for on a prospective basis.

Estimated useful lives of assets other than assets at DTPS are as follows:-

| Type of Asset                                    | Useful lives |
|--------------------------------------------------|--------------|
| Building                                         | 30-60 Years  |
| Plant and Equipment (Except Meters & Batteries)* | 25-35 Years  |
| Plant and Equipment - Meters*                    | 10 Years     |
| Plant and Equipment - Batteries*                 | 5 Years      |
| Distribution Line / Transmission Cable           | 35 Years     |
| Street Light                                     | 25 Years     |
| Furniture and Fixtures                           | 10 Years     |
| Office Equipment                                 | 5 Years      |
| Computers, Servers & Related Network             | 6 Years      |
| Vehicles                                         | 8 - 10 Years |

- \* Consequent to amendment in tariff regulations, w.e.f. 01 April, 2020 the Company has changed the useful life (years) in respect of meters (from 25 to 10), batteries (from 25 to 5), Computers (from 3 to 6) and Substations put to use post 01 April, 2016 (Plant & Equipment) (from 25 to 35).

**2 Intangible Assets**

Intangible assets are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

In respect of Intangible Asset ("Assets") pertaining to Mumbai Generation, Transmission and Distribution business acquired from Reliance Infrastructure Limited under a Court sanctioned scheme of arrangement with an appointed date of 1 April, 2018, in line with the requirements of the Court Scheme, the Company has accounted for such Assets at their respective fair values as at April 01, 2018 based on valuation done by professional valuation firm.

Subsequent additions to the assets on or after 1st April, 2018 are accounted for at cost.

## Notes to Financial Statements for the year ended on 31st March, 2022

**Derecognition of Intangible assets.**

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognised in statement of profit and loss when the asset is derecognised.

**Useful life**

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible Assets with Indefinite lives are not amortised but are tested for impairment on annual basis.

Estimated useful lives of the intangible assets are as follows

| Type of Assets       | Useful lives |
|----------------------|--------------|
| Transmission License | Indefinite   |
| Computer Software    | 3 years      |

Consequent to amendment in tariff regulations, the Company has changed the Salvage value of Computers Software from 1% to Nil w.e.f. 01 April 2020.

**3 Intangible Assets Under Development - Software**

Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled are recognised as intangible assets where the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use
- management intends to complete the software and use or sell it
- there is an ability to use or sell the software
- it can be demonstrated how the software will generate probable future economic benefits
- adequate technical, financial and other resources to complete the development and to use or sell the software are available, and
- the expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is available for use.

**4 Impairment of PPE and intangible assets**

PPE (including CWIP) and intangible assets with definite lives, are reviewed for impairment, whenever events or changes in circumstances indicate that their carrying values may not be recoverable. Intangible assets having indefinite useful lives are tested for impairment, at least annually and whenever circumstances indicate that it may be impaired.

For the purpose of impairment testing, the recoverable amount (that is, higher of the fair value less costs to sell and the value-in-use) is determined on an individual asset basis, unless the asset does not generate cash flows that are largely independent of those from other assets, in which case the recoverable amount is determined at the cash generating unit ("CGU") level to which the said asset belongs. If such individual assets or CGU are considered to be impaired, the impairment to be recognised in the statement of profit and loss is measured by the amount by which the carrying value of the asset / CGU exceeds their estimated recoverable amount and allocated on pro-rata basis.

Impairment losses are reversed in the statement of profit and loss and the carrying value is increased to its revised recoverable amount provided that this amount does not exceed the carrying value that would have been determined had no impairment loss been recognised for the said asset / CGU in previous years.

**2.5 Cash & Cash Equivalents**

Cash & cash equivalents comprises cash on hand, cash at bank and short term deposit with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. Cash & cash equivalents include balance with banks which are unrestricted for withdrawal and usage.

For the purpose of the statement of cash flows, cash & cash equivalents consists of cash at banks and short term deposits as defined above, as they are considered an integral part of the Company's cash management.

**2.6 Cash Flow Statement**

Cash flows are reported using the indirect method, where by profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

## Notes to Financial Statements for the year ended on 31st March, 2022

**2.7 Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities measured at fair value through profit or loss are recognised immediately in the statement of profit and loss.

**2.8 Financial assets**

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

**1 Financial assets at amortised cost**

Financial assets are subsequently measured at amortised cost using the effective interest rate method if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**2 Financial assets at fair value through other comprehensive income (FVTOCI)**

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition, the Company makes an irrevocable election on an instrument-by-instrument basis to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments, other than equity investment which are held for trading. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

**3 Financial assets at fair value through profit or loss (FVTPL)**

All financial assets that do not meet the criteria for amortised cost are measured at FVTPL.

**4 Impairment of investments**

The Company reviews its carrying value of investments carried at cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted in the statement of profit and loss.

**5 Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- the right to receive cash flows from the asset have expired, or
- the Company has transferred its right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its right to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

**6 Impairment of financial assets**

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

## Notes to Financial Statements for the year ended on 31st March, 2022

**2.9 Financial liabilities and equity instruments****1 Classification as debt or equity**

Debt and equity instruments issued by The Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

**2 Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by The Company are recognised at the proceeds received, net of direct issue costs.

**3 Financial liabilities**

All financial liabilities are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in statement of profit and loss when the liabilities are derecognised as well as through the Effective Interest Rate (EIR) amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

**4 Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

**2.10 Reclassification of financial assets and liabilities**

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

**2.11 Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

**2.12 Inventories**

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on weighted average basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. Cost of inventory includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Unserviceable/damaged stores and spares are identified and written down based on technical evaluation.

**2.13 Business combinations and Goodwill**

The Company accounts for its business combinations under acquisition method of accounting. Acquisition related costs are recognised in statement of profit and loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the condition for recognition are recognised at their fair values at the acquisition date.

If the initial accounting for a business combination is incomplete as at the reporting date in which the combination occurs, the identifiable assets and liabilities acquired in a business combination are measured at their provisional fair values at the date of acquisition. Subsequently adjustments to the provisional values are made within the measurement period, if new information is obtained about facts and circumstances that existed as of the acquisition date and, if known, would have resulted in the recognition of those assets and liabilities as of that date; otherwise the adjustments are recorded in the period in which they occur.

Purchase consideration paid in excess of the fair value of net assets acquired is recognised as goodwill. Where the fair value of identifiable assets and liabilities exceed the cost of acquisition, after reassessing the fair values of the net assets and contingent liabilities, the excess is recognised as capital reserve.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Company re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in other comprehensive income (OCI) and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

## Notes to Financial Statements for the year ended on 31st March, 2022

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

**2.14 Foreign currencies**

The functional currency of the Company is Indian Rupee ₹

Income and expenses in foreign currencies are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are translated at the exchange rate prevailing on the balance sheet date and exchange gains and losses arising on settlement and restatement are recognised in the statement of profit and loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated.

Exchange differences on monetary items are recognised in the statement of profit and loss in the period in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

**2.15 Derivative financial instruments and hedge accounting****Initial recognition and subsequent measurement:**

In order to hedge its exposure to foreign exchange and interest rate risks, the Company enters into forward, option, swap contracts and other derivative financial instruments. The Company does not hold derivative financial instruments for speculative purposes.

Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value.

Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to the statement of profit and loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to the statement of profit and loss when the hedge item affects profit or loss. When the hedged

item is the cost of a non-financial asset or non-financial liability, the amounts recognised as OCI are transferred to the initial carrying amount of the non-financial asset or liability.

For the purpose of hedge accounting, hedges are classified as:

Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment.

Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting.

The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

**Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:**

**i) Fair value hedges**

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in the statement of profit and loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in statement of profit and loss.

## Notes to Financial Statements for the year ended on 31st March, 2022

Hedge accounting is discontinued when the Company revokes the hedge relationship, the hedging instrument or hedged item expires or is sold, terminated, or exercised or no longer meets the criteria for hedge accounting.

**ii) Cash flow hedges**

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss.

Amounts recognised in OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as OCI are transferred to the initial carrying amount of the non-financial asset or liability.

If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

**2.16 Revenue recognition**

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services

**1 Transmission of Power**

Revenue from transmission of power is recognised net of cash discount over time for transmission of electricity. The Company as per the prevalent tariff regulations is required to recover its Annual Revenue Requirement ('ARR') comprising of expenditure on account of operations and maintenance expenses, financing costs, taxes and assured return on regulator approved equity with additional incentive for operational efficiencies.

Input method is used to recognize revenue based on the Company's efforts or inputs to the satisfaction of a performance obligation to deliver power

As per tariff regulations, the Company determines ARR and any surplus/shortfall in recovery of the same is accounted as revenue.

**2 Sale of Power - Distribution**

Revenue from sale of power is recognised net of cash discount over time for each unit of electricity delivered at the pre determined rate. Sales of power under Deviation settlement mechanism is recognised at variable cost.

**3 Rendering of Services**

Revenue from a contract to provide services is recognized over time based on output method where direct measurements of value to the customer based on survey's of performance completed to date. Revenue is recognised net of cash discount at a point in time at the contracted rate.

**4 Interest on Overdue Receivables / Delay Payment Charges**

Consumers are billed on a monthly basis and are given average credit period of 15 to 30 days for payment. No delayed payment charges ('DPC') / Interest on arrears ('IOA') is charged for the initial 15-30 days from the date of invoice to customers. Thereafter, DPC / IOA is charged at the rate prescribed in the tariff order on the outstanding amount.

Revenue in respect of delayed payment charges and interest on delayed payments leviable as per the relevant contracts are recognised on actual realisation or accrued based on an assessment of certainty of realization supported by either an acknowledgement from customers or on receipt of favourable order from regulator / authorities.

**5 Sale of Traded Goods :**

Revenue from sale of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- The Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the amount of revenue can be measured reliably; and
- it is probable that the economic benefits associated with the transaction will flow to The Company.

There is no significant judgement involved while evaluating the timing as to when customers obtain control of promised goods and services.

**6 Amortisation of Service Line Contribution**

Contributions by consumers towards items of property, plant and equipment, which require an obligation to provide electricity connectivity to the consumers, are recognised as a credit to deferred revenue. Such revenue is recognised over the useful life of the property, plant and equipment.

**7 Interest income:**

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

## Notes to Financial Statements for the year ended on 31st March, 2022

**2.17 Regulatory Deferral Account**

The Company determines revenue gaps (i.e. surplus/shortfall in actual returns over returns entitled) in respect of its regulated operations in accordance with the provisions of Ind AS 114 "Regulatory Deferral Accounts" read with the Guidance Note on Rate Regulated Activities issued by ICAI and based on the principles laid down under the relevant Tariff Regulations/Tariff Orders notified by the Electricity Regulator and the actual or expected actions of the regulator under the applicable regulatory framework. Appropriate adjustments in respect of such revenue gaps are made in the regulatory deferral account of the respective year for the amounts which are reasonably determinable and no significant uncertainty exists in such determination. These adjustments/accruals representing revenue gaps are carried forward as Regulatory deferral accounts debit/credit balances (Regulatory Assets/Regulatory Liabilities) as the case may be in the financial statements, which would be recovered/refunded through future billing based on future tariff determination by the regulator in accordance with the electricity regulations

The Company presents separate line items in the balance sheet for:

- i. the total of all regulatory deferral account debit balances; and
- ii. the total of all regulatory deferral account credit balances.

A separate line item is presented in the Statement of Profit and Loss for the net movement in regulatory deferral account. Regulatory assets/ liabilities on deferred tax expense/income is presented separately in the tax expense line item

**2.18 Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Substantial time is defined as time required for commissioning of the assets considering industry benchmarks/MERC tariff regulations.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in statement of profit and loss in the period in which they are incurred. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

**2.19 Employee benefits****1 Defined contribution plan:**

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

**2 Defined benefit plans:**

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method. Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods. Past service costs are recognised in the statement of profit and loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non routine settlements; and

- Net interest expense or income.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds. The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

## Notes to Financial Statements for the year ended on 31st March, 2022

**3 Current and other non-current employee benefits**

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of current employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other non-current employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

**4 Short-term and other long-term employee benefits**

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service. Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service. Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

**2.20 Leases**

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Lease term is a non-cancellable period together with periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments to be paid over the lease term at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate. Subsequently, the lease liability is measured at amortised cost using the effective interest method.

**2.21 Taxation**

Tax on income comprises current tax and deferred tax. These are recognised in Statement of Profit and Loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

**1 Current tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

**2 Deferred tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction other than a business combination that affects neither the taxable profit nor the accounting profit.

## Notes to Financial Statements for the year ended on 31st March, 2022

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised. The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

Deferred tax assets are recognised for unused tax losses (excluding unabsorbed depreciation) to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

**2.22 Earnings per share**

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

**2.23 Provisions, Contingent Liabilities and Contingent Assets.****1 Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Present obligations arising under onerous contracts are recognised and measured as provisions with charge to statement of profit and loss. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

**2 Contingent liability**

A possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise are disclosed as contingent liability and not provided for. Such liability is not disclosed if the possibility of outflow of resources is remote.

**3 Contingent assets**

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent assets are not recognised but disclosed only when an inflow of economic benefits is probable.

## Notes to Financial Statements for the year ended on 31st March, 2022

**2.24 Dividend distribution to equity shareholders of the Company**

The Company recognises a liability to make dividend distributions to its equity holders when the distribution is authorised and the distribution is no longer at its discretion. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

In case of Interim Dividend, the liability is recognised on its declaration by the Board of Directors.

**3.1 Standards issued but not effective**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1, 2022, as below:

**Ind AS 16 – Property, Plant and Equipment - Proceeds before intended use**

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

**Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets – Onerous Contracts - Costs of Fulfilling a Contract**

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any impact in its financial statements. The Company has evaluated the amendment and expect the amendment to have no impact in its financial statements.

**Ind AS 103 – Business Combination - Reference to Conceptual Framework**

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired, and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

**Ind AS 107 – Financial Instruments - Annual Improvements to Ind AS (2021)**

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

**Ind AS 116 – Leases - Annual Improvements to Ind AS (2021)**

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its financial statements.

**4 Critical accounting judgements and key sources of estimation uncertainty**

In the application of the Company's accounting policies, management of the Company is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgements are:

Estimation of current tax and deferred tax expense - Note 29

Estimates used for impairment of transmission license - Note 31

Assessment of lease classification in respect of long term power purchase agreement - Note 32 (I) (c)

Judgement to estimate the amount of provision required or to determine required disclosure related to litigation and claims against the Company - Note 33

Estimation of defined benefit obligation - Note 37

For the purpose of capitalisation of borrowing cost, substantial time is defined as time required for commissioning of the assets considering industry benchmarks/MERC tariff regulations.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

ADANI ELECTRICITY MUMBAI LIMITED

Notes to financial statements

Note 5: Property, plant and equipment (PPE)

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(₹ in Crores)

| Particulars                                           | Freehold Land | Buildings - Residential | Buildings - Others | Plant and Equipment | Distribution Systems | Street Light | Railway Siding | Jetty | Furniture and Fixtures | Vehicles | Office Equipment | Computers | Electrical Installations | Total     |
|-------------------------------------------------------|---------------|-------------------------|--------------------|---------------------|----------------------|--------------|----------------|-------|------------------------|----------|------------------|-----------|--------------------------|-----------|
| Gross carrying amount                                 |               |                         |                    |                     |                      |              |                |       |                        |          |                  |           |                          |           |
| As at 1st April 2020                                  | 2,636.87      | 104.09                  | 764.03             | 4,490.58            | 4,981.69             | 171.47       | 6.87           | 1.25  | 19.55                  | 26.51    | 15.34            | 74.02     | 24.95                    | 15,337.23 |
| Additions                                             | -             | 0.33                    | 38.39              | 487.42              | 610.13               | 23.25        | -              | 0.05  | 1.41                   | 15.15    | 6.70             | 33.06     | 4.93                     | 1,222.82  |
| Disposals                                             | -             | -                       | -                  | 5.59                | -                    | -            | -              | -     | -                      | 1.58     | 0.03             | -         | 0.07                     | 7.27      |
| Closing Gross carrying amount as on 31 March, 2021    | 2,636.87      | 104.42                  | 822.42             | 4,972.41            | 5,591.82             | 194.72       | 6.87           | 1.31  | 20.96                  | 40.08    | 24.01            | 107.08    | 29.81                    | 14,552.78 |
| Accumulated depreciation and impairment               |               |                         |                    |                     |                      |              |                |       |                        |          |                  |           |                          |           |
| As at 1st April 2020                                  | -             | 8.30                    | 53.74              | 449.60              | 365.10               | 21.26        | 0.84           | 0.16  | 7.37                   | 5.18     | 9.89             | 29.39     | 8.14                     | 959.17    |
| Depreciation charge for the year                      | -             | 3.43                    | 28.99              | 335.76              | 212.07               | 10.50        | 0.41           | 0.08  | 2.56                   | 3.60     | 2.43             | 10.46     | 3.09                     | 613.18    |
| Eliminated on disposal of assets                      | -             | -                       | -                  | 4.09                | -                    | -            | -              | -     | -                      | 0.65     | 0.03             | -         | 0.07                     | 4.84      |
| Closing accumulated depreciation as on 31 March, 2021 | -             | 11.73                   | 82.73              | 781.47              | 577.17               | 31.56        | 1.25           | 0.24  | 9.93                   | 8.13     | 12.29            | 39.85     | 11.16                    | 1,567.51  |
| Net carrying amount - 31 March, 2021                  | 2,636.87      | 92.69                   | 739.69             | 4,190.94            | 5,014.65             | 163.16       | 5.62           | 1.07  | 11.03                  | 31.95    | 11.72            | 67.23     | 18.65                    | 12,985.27 |
| Gross carrying amount                                 |               |                         |                    |                     |                      |              |                |       |                        |          |                  |           |                          |           |
| As at 1st April 2021                                  | 2,636.87      | 104.42                  | 822.42             | 4,972.41            | 5,591.82             | 194.72       | 6.87           | 1.31  | 20.96                  | 40.08    | 24.01            | 107.08    | 29.81                    | 14,552.78 |
| Additions                                             | -             | 0.49                    | 48.94              | 332.23              | 597.00               | 37.41        | -              | 0.08  | 0.70                   | 6.86     | 4.74             | 77.10     | 17.75                    | 1,123.30  |
| Disposals                                             | -             | -                       | 0.02               | 20.22               | -                    | -            | -              | -     | 0.13                   | 0.72     | 0.29             | 0.67      | 0.36                     | 22.43     |
| Closing Gross carrying amount as on 31 March, 2022    | 2,636.87      | 104.91                  | 871.34             | 5,284.42            | 6,188.82             | 232.13       | 6.87           | 1.39  | 21.53                  | 46.22    | 28.46            | 183.51    | 47.18                    | 15,653.65 |
| Accumulated depreciation and impairment               |               |                         |                    |                     |                      |              |                |       |                        |          |                  |           |                          |           |
| As at 1st April 2021                                  | -             | 11.73                   | 82.73              | 781.47              | 577.17               | 31.56        | 1.25           | 0.24  | 9.93                   | 8.13     | 12.29            | 39.85     | 11.16                    | 1,567.51  |
| Depreciation charge for the year                      | -             | 3.94                    | 30.53              | 269.62              | 246.78               | 11.51        | 0.41           | 0.08  | 2.20                   | 5.09     | 3.05             | 16.43     | 3.18                     | 612.62    |
| Eliminated on disposal of assets                      | -             | -                       | 0.02               | 12.64               | -                    | -            | -              | -     | 0.13                   | 0.35     | 0.28             | 0.67      | 0.30                     | 14.39     |
| Closing accumulated depreciation as on 31 March, 2022 | -             | 15.67                   | 113.24             | 1,058.45            | 823.95               | 43.07        | 1.66           | 0.32  | 12.00                  | 12.87    | 15.06            | 55.61     | 14.04                    | 2,165.94  |
| Net carrying amount - 31 March, 2022                  | 2,636.87      | 89.24                   | 758.10             | 4,225.97            | 5,364.87             | 189.06       | 5.21           | 1.07  | 9.53                   | 33.35    | 13.40            | 127.90    | 33.14                    | 13,487.71 |

Notes:

(i) Refer footnote to Note 17 for security/charges created on property, plant and equipment.

(ii) The title deeds in respect of land and certain residential properties are either in the erstwhile names of the Company viz. "Bombay Suburban Electric Supply Limited" / "Reliance Energy Limited" / "Reliance Infrastructure Limited". The Company is in process of updating the same from erstwhile Company's name to the name of the Company. Details of immovable Properties for which title deeds are not in the name of Company are given below:

| Relevant Line item in Balancesheet | Description of Property         | Gross carrying value (₹ in Crores) | Title deeds held in the name of                          | Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director | Property held since which date | Reason for not being held in the name of the company                                                                                                                                                                                                                                                                                            |
|------------------------------------|---------------------------------|------------------------------------|----------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------|--------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Property, Plant and Equipment      | Land (Free hold)                | 2,477.47                           | BSES / Reliance Energy / Reliance Infrastructure Limited | No                                                                                                                  | 28/08/2018                     | The title deeds in respect of land and certain residential properties are either in the erstwhile names of the Company viz. "Bombay Suburban Electric Supply Limited" / "Reliance Energy Limited" / "Reliance Infrastructure Limited". The Company is in process of updating the same from erstwhile Company's name to the name of the Company. |
| Property, Plant and Equipment      | Building - Residential / Others | 584.58                             | BSES / Reliance Energy / Reliance Infrastructure Limited | No                                                                                                                  | 28/08/2019                     |                                                                                                                                                                                                                                                                                                                                                 |
| Right-of-Use Assets                | Leasehold Land                  | 7.86                               | BSES / Reliance Energy / Reliance Infrastructure Limited | No                                                                                                                  | 28/08/2019                     |                                                                                                                                                                                                                                                                                                                                                 |

(iii) Consequent to amendment in tariff regulations w.e.f. 01 April 2020, the Company in previous year had changed the useful life in respect of batteries and meters and accordingly depreciation for the year ended 31 March, 2021 is higher by Rs 81.19 crores.

Further in line with the tariff regulations w.e.f. 01 April, 2020, the company in previous year had changed the useful life in respect of certain Plant & Machinery and IT Equipment, accordingly depreciation for the year ended 31 March, 2021 is lower by Rs 13.40 crores.

| Particulars                                                  | Right of Use  |               |              |               |
|--------------------------------------------------------------|---------------|---------------|--------------|---------------|
|                                                              | Land          | Building      | Right of Way | Total         |
| <b>Gross carrying amount</b>                                 |               |               |              |               |
| As at 1st April 2020                                         | 13.75         | 129.30        | 40.16        | 183.21        |
| Additions                                                    | -             | 14.14         | -            | 14.14         |
| Derecognition                                                | -             | 4.78          | -            | 4.78          |
| <b>Closing Gross carrying amount as on 31 March, 2021</b>    | <b>13.75</b>  | <b>138.66</b> | <b>40.16</b> | <b>192.57</b> |
| <b>Accumulated amortisation &amp; impairment</b>             |               |               |              |               |
| As at 1st April 2020                                         | 0.32          | 23.80         | 1.80         | 25.92         |
| Amortisation charge of the year                              | 0.36          | 22.99         | 1.81         | 25.16         |
| Derecognition                                                | -             | -             | -            | -             |
| <b>Closing accumulated amortisation as on 31 March, 2021</b> | <b>0.68</b>   | <b>46.79</b>  | <b>3.61</b>  | <b>51.08</b>  |
| <b>Net carrying amount - 31 March, 2021</b>                  | <b>13.07</b>  | <b>91.87</b>  | <b>36.55</b> | <b>141.49</b> |
| <b>Gross carrying amount</b>                                 |               |               |              |               |
| As at 1st April 2021                                         | 13.75         | 138.66        | 40.16        | 192.57        |
| Additions                                                    | 510.32        | -             | -            | 510.32        |
| Derecognition                                                | -             | 36.57         | -            | 36.57         |
| <b>Closing Gross carrying amount as on 31 March, 2022</b>    | <b>524.07</b> | <b>102.09</b> | <b>40.16</b> | <b>666.32</b> |
| <b>Accumulated amortisation &amp; impairment</b>             |               |               |              |               |
| As at 1st April 2021                                         | 0.68          | 46.79         | 3.61         | 51.08         |
| Amortisation charge of the year                              | 3.63          | 19.74         | 3.02         | 26.39         |
| Derecognition                                                | -             | 3.94          | -            | 3.94          |
| <b>Closing accumulated amortisation as on 31 March, 2022</b> | <b>4.31</b>   | <b>62.59</b>  | <b>6.63</b>  | <b>73.53</b>  |
| <b>Net carrying amount - 31 March, 2022</b>                  | <b>519.76</b> | <b>39.50</b>  | <b>33.53</b> | <b>592.79</b> |

Note 5b: Intangible Assets

(₹ in Crores)

| Particulars                                                  | Computer Software | Transmission License | Total           |
|--------------------------------------------------------------|-------------------|----------------------|-----------------|
|                                                              |                   |                      |                 |
| <b>Gross carrying amount</b>                                 |                   |                      |                 |
| As at 01 April 2020                                          | 24.20             | 981.62               | 1,005.82        |
| Additions                                                    | 18.94             | -                    | 18.94           |
| Disposal                                                     | -                 | -                    | -               |
| <b>Closing Gross carrying amount as on 31 March, 2021</b>    | <b>43.14</b>      | <b>981.62</b>        | <b>1,024.76</b> |
| <b>Accumulated amortisation &amp; impairment</b>             |                   |                      |                 |
| As at 01 April, 2020                                         | 14.24             | -                    | 14.24           |
| Amortisation charge for the year                             | 6.22              | -                    | 6.22            |
| Eliminated on disposal of assets                             | -                 | -                    | -               |
| <b>Closing accumulated amortisation as on 31 March, 2021</b> | <b>20.46</b>      | <b>-</b>             | <b>20.46</b>    |
| <b>Net carrying amount - 31 March, 2021</b>                  | <b>22.68</b>      | <b>981.62</b>        | <b>1,004.30</b> |
| <b>Gross carrying amount</b>                                 |                   |                      |                 |
| As at 01 April 2021                                          | 43.14             | 981.62               | 1,024.76        |
| Additions                                                    | 49.51             | -                    | 49.51           |
| Disposal                                                     | -                 | -                    | -               |
| <b>Closing Gross carrying amount as on 31 March, 2022</b>    | <b>92.65</b>      | <b>981.62</b>        | <b>1,074.27</b> |
| <b>Accumulated amortisation &amp; impairment</b>             |                   |                      |                 |
| As at 01 April 2021                                          | 20.46             | -                    | 20.46           |
| Amortisation charge for the year                             | 15.62             | -                    | 15.62           |
| Eliminated on disposal of assets                             | -                 | -                    | -               |
| <b>Closing accumulated amortisation as on 31 March, 2022</b> | <b>36.08</b>      | <b>-</b>             | <b>36.08</b>    |
| <b>Net carrying amount - 31 March, 2022</b>                  | <b>56.57</b>      | <b>981.62</b>        | <b>1,038.19</b> |

Notes:

(i) The above Intangible Assets are other than internally generated Intangible Assets.

(ii) Transmission License was acquired as part of the business acquisition. The License is valid for 25 years from 16th August 2011 to 15th August 2036. The license can be further extended at minimal cost, considering similar extensions have happened in the past. Based on an analysis of all of the relevant factors, the license is considered by the Company as having an indefinite useful life, as there is no foreseeable limit to the period over which the transmission business related assets are expected to generate net cash inflows for the Company.

(iii) The title deeds in respect of certain lease hold land properties are in the erstwhile names of the Company viz: "Bombay Suburban Electric Supply Limited" / "Reliance Energy Limited" / "Reliance Infrastructure Limited". The Company is in process of updating the same from erstwhile Company's name to the name of the Company.

Further during the year, the Company had entered into memorandum of understanding in name of the Company with M/s. Superheights Infraspace Private Limited (SIPL) (related party) for an amount of Rs. 510.00 crores towards acquiring leasehold rights of land parcel at BKC, Mumbai for construction of Extra High Voltage (EHV) Substation to meet the incremental load requirement. The Company has obtained possession of the said land after giving capital advance of Rs.431.00 crores and commenced substantial pre-construction activities.

The leasehold land amounting to Rs. 510.00 crores is included in the right of use assets. The Company will enter into formal lease agreement on completion of the construction of the substation as per the applicable regulatory requirements.

(iv) Transmission License is pledged as security with the Lenders against borrowings.

| Depreciation / Amortisation                                         | For the year ended 31 March, 2022 | For the year ended 31 March, 2021 |
|---------------------------------------------------------------------|-----------------------------------|-----------------------------------|
|                                                                     | (₹ in Crores)                     | (₹ in Crores)                     |
| Depreciation on Tangible Assets                                     | 612.82                            | 613.18                            |
| Amortisation on Intangible Assets                                   | 15.62                             | 6.22                              |
| Amortisation on Right of Use                                        | 26.39                             | 25.16                             |
| <b>Total</b>                                                        | <b>654.83</b>                     | <b>644.56</b>                     |
| Less : Transferred to Capital work in progress                      | (3.25)                            | -                                 |
| <b>Net depreciation charged to the Statement of Profit and Loss</b> | <b>651.58</b>                     | <b>644.56</b>                     |

## (a) Capital-work-in progress ageing schedule:

| Particulars                      | Amount in CWIP for a period of |              |              |              | Total         |
|----------------------------------|--------------------------------|--------------|--------------|--------------|---------------|
|                                  | <1 year                        | 1-2 years    | 2-3 years    | > 3 years    |               |
| <b>As at 31 March, 2022</b>      |                                |              |              |              |               |
| - Projects in progress           | 236.75                         | 30.94        | 8.62         | 36.98        | <b>313.29</b> |
| - Projects temporarily suspended | 0.22                           | 0.87         | 0.95         | 0.15         | <b>2.19</b>   |
| <b>Total</b>                     | <b>236.97</b>                  | <b>31.81</b> | <b>9.57</b>  | <b>37.13</b> | <b>315.48</b> |
| <b>As at 31 March, 2021</b>      |                                |              |              |              |               |
| - Projects in progress           | 285.97                         | 28.64        | 23.51        | 24.56        | <b>362.68</b> |
| - Projects temporarily suspended | 0.21                           | 0.51         | 0.07         | 0.09         | <b>0.88</b>   |
| <b>Total</b>                     | <b>286.18</b>                  | <b>29.15</b> | <b>23.58</b> | <b>24.65</b> | <b>363.56</b> |

## (b) capital-work-in progress, which has exceeded its cost compared to its original plan:

(` in Crores)

| CWIP                                | To be completed in |           |           |           | Total       |
|-------------------------------------|--------------------|-----------|-----------|-----------|-------------|
|                                     | <1 year            | 1-2 years | 2-3 years | > 3 years |             |
| <b>As at 31 March, 2022</b>         |                    |           |           |           |             |
| - Projects in progress              |                    |           |           |           |             |
| 220kV 120MVAR Reactor at AEML Gorai | 0.19               | -         | -         | -         | <b>0.19</b> |
| - Projects temporarily suspended    |                    |           |           |           |             |
| Low Tension network projects        | 0.17               | -         | -         | -         | <b>0.17</b> |
| <b>Total</b>                        | <b>0.36</b>        | <b>-</b>  | <b>-</b>  | <b>-</b>  | <b>0.36</b> |
| <b>As at 31 March, 2021</b>         |                    |           |           |           |             |
| - Projects in progress              |                    |           |           |           |             |
| Low Tension network projects        | 0.15               | -         | -         | -         | <b>0.15</b> |
| - Projects temporarily suspended    |                    |           |           |           |             |
| Low Tension network projects        | 0.25               | -         | -         | -         | <b>0.25</b> |
| <b>Total</b>                        | <b>0.40</b>        | <b>-</b>  | <b>-</b>  | <b>-</b>  | <b>0.40</b> |

Cost Overruns upto (+) 10 % are envisaged by the management's original plan, and hence not considered in above table.

## (c) capital-work-in progress, whose completion is overdue compared to its original plan:

(` in Crores)

| CWIP                             | To be completed in |           |           |           | Total       |
|----------------------------------|--------------------|-----------|-----------|-----------|-------------|
|                                  | <1 year            | 1-2 years | 2-3 years | > 3 years |             |
| <b>As at 31 March, 2022</b>      |                    |           |           |           |             |
| - Projects in progress           |                    |           |           |           |             |
| Main Plant DPR Jobs              | 0.23               | -         | -         | -         | <b>0.23</b> |
| Main Plant Non DPR Jobs          | 0.01               | -         | -         | -         | <b>0.01</b> |
| 11KV Substation jobs             | 0.06               | -         | -         | -         | <b>0.06</b> |
| Receiving Station Jobs           | 0.82               | -         | -         | -         | <b>0.82</b> |
| Low Tension Network jobs         | 0.02               | -         | -         | -         | <b>0.02</b> |
| Others Non DPR Jobs              | 0.06               | -         | -         | -         | <b>0.06</b> |
| - Projects temporarily suspended |                    |           |           |           |             |
| Receiving Station Jobs           | 0.05               | -         | -         | -         | <b>0.05</b> |
| <b>Total</b>                     | <b>1.25</b>        | <b>-</b>  | <b>-</b>  | <b>-</b>  | <b>1.25</b> |
| <b>As at 31 March, 2021</b>      |                    |           |           |           |             |
| - Projects in progress           |                    |           |           |           |             |
| Main Plant DPR Jobs              | 0.68               | -         | -         | -         | <b>0.68</b> |
| - Projects temporarily suspended | -                  | -         | -         | -         | <b>-</b>    |
| <b>Total</b>                     | <b>0.68</b>        | <b>-</b>  | <b>-</b>  | <b>-</b>  | <b>0.68</b> |

Time Overruns due to delay in statutory approvals and right of way issues, and approved by the management's revised plan are not considered in above table.

## Note 5d: Intangible assets under development aging schedule:

## (a) Intangible Assets Under Development ageing schedule:

(` in Crores)

| Particulars                      | Amount in CWIP for a period of |             |           |           | Total        |
|----------------------------------|--------------------------------|-------------|-----------|-----------|--------------|
|                                  | <1 year                        | 1-2 years   | 2-3 years | > 3 years |              |
| <b>As at 31 March, 2022</b>      |                                |             |           |           |              |
| - Projects in progress           | -                              | -           | -         | -         | <b>-</b>     |
| - Projects temporarily suspended | -                              | -           | -         | -         | <b>-</b>     |
| <b>Total</b>                     | <b>-</b>                       | <b>-</b>    | <b>-</b>  | <b>-</b>  | <b>-</b>     |
| <b>As at 31 March, 2021</b>      |                                |             |           |           |              |
| - Projects in progress           | 12.76                          | 2.65        | -         | -         | <b>15.41</b> |
| - Projects temporarily suspended | -                              | -           | -         | -         | <b>-</b>     |
| <b>Total</b>                     | <b>12.76</b>                   | <b>2.65</b> | <b>-</b>  | <b>-</b>  | <b>15.41</b> |

## (b) Intangible Assets Under Development, whose completion is overdue or has exceeded its cost compared to its original plan:

(` in Crores)

| CWIP                        | To be completed in |           |           |           | Total    |
|-----------------------------|--------------------|-----------|-----------|-----------|----------|
|                             | <1 year            | 1-2 years | 2-3 years | > 3 years |          |
| <b>As at 31 March, 2022</b> | -                  | -         | -         | -         | <b>-</b> |
| <b>As at 31 March, 2021</b> | -                  | -         | -         | -         | <b>-</b> |

|    |                                                                                                                                                        |                                                  |                                                                   |                                                                         |                         |
|----|--------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------|-------------------------------------------------------------------|-------------------------------------------------------------------------|-------------------------|
| 6  | Investments                                                                                                                                            | Face Value of ₹<br>unless otherwise<br>specified | No of Shares                                                      | As at 31 March,<br>2022                                                 | As at 31 March,<br>2021 |
|    |                                                                                                                                                        |                                                  |                                                                   | (₹ in Crores)                                                           | (₹ in Crores)           |
| 6a | Non-current investments                                                                                                                                |                                                  |                                                                   |                                                                         |                         |
|    | Investment in Equity Shares of Subsidiary (Unquoted) (Cost)                                                                                            |                                                  |                                                                   |                                                                         |                         |
|    | Adani Electricity Mumbai Infra Limited                                                                                                                 | 10 (10)                                          | 10,000 (10000)                                                    | 0.01                                                                    | 0.01                    |
|    | AEML SEEPZ Limited                                                                                                                                     | 10 (10)                                          | 10,000 (10000)                                                    | 0.01                                                                    | 0.01                    |
|    | Investment in Government Securities at amortised cost                                                                                                  |                                                  |                                                                   |                                                                         |                         |
|    | Contingency Reserve Investments (Quoted)                                                                                                               |                                                  |                                                                   |                                                                         |                         |
|    | 7.16% Central Government of India - 2050                                                                                                               | 100 (100)                                        | 1,87,50,000<br>(1,87,50,000)                                      | 201.78                                                                  | 202.07                  |
|    | 9.23% Central Government of India - 2043                                                                                                               | 100 (100)                                        | 2,20,000<br>(2,20,000)                                            | 2.84                                                                    | 2.88                    |
|    |                                                                                                                                                        |                                                  | Total                                                             | 204.64                                                                  | 204.97                  |
|    | Aggregate Market Value of Quoted Investments                                                                                                           |                                                  |                                                                   | 188.31                                                                  | 198.81                  |
|    | Aggregate Carrying Value of Quoted Investments                                                                                                         |                                                  |                                                                   | 204.62                                                                  | 204.95                  |
|    | Aggregate Carrying Value of Unquoted Investments                                                                                                       |                                                  |                                                                   | 0.02                                                                    | 0.02                    |
|    | Aggregate amount of impairment in the value of investments                                                                                             |                                                  |                                                                   | -                                                                       | -                       |
| 6b | Current investments                                                                                                                                    | Face Value of ₹<br>unless otherwise<br>specified | No of Units                                                       | As at 31 March,<br>2022                                                 | As at 31 March,<br>2021 |
|    |                                                                                                                                                        |                                                  |                                                                   | (₹ in Crores)                                                           | (₹ in Crores)           |
|    | Contingency Reserve Investments                                                                                                                        |                                                  |                                                                   |                                                                         |                         |
|    | Investment in Treasury Bills at FVTPL (Quoted)                                                                                                         | 100<br>(Nil)                                     | 25,00,000<br>(Nil)                                                | 24.84                                                                   | -                       |
|    |                                                                                                                                                        |                                                  |                                                                   | 24.84                                                                   | -                       |
|    | Aggregate Market Value of Quoted Investments                                                                                                           |                                                  |                                                                   | 24.84                                                                   | -                       |
|    | Aggregate Carrying Value of Quoted Investments                                                                                                         |                                                  |                                                                   | 24.84                                                                   | -                       |
| 7  | Loans - At Amortised Cost                                                                                                                              |                                                  |                                                                   |                                                                         |                         |
|    |                                                                                                                                                        |                                                  | Non-Current                                                       | Current                                                                 |                         |
|    |                                                                                                                                                        |                                                  | As at 31 March,<br>2022                                           | As at 31 March,<br>2021                                                 | As at 31 March,<br>2022 |
|    |                                                                                                                                                        |                                                  | (₹ in Crores)                                                     | (₹ in Crores)                                                           | (₹ in Crores)           |
|    | Housing loans to employee against hypothecation of the property<br>(Secured, considered good)                                                          |                                                  | 19.86                                                             | 25.96                                                                   | 3.47                    |
|    | Inter Corporate Deposit given to related party<br>(Unsecured, considered good)                                                                         |                                                  | 1,040.00                                                          | 1,040.00                                                                | -                       |
|    | Loans to employees<br>(Unsecured, considered good)                                                                                                     |                                                  | 8.54                                                              | 7.15                                                                    | 3.54                    |
|    |                                                                                                                                                        |                                                  | 1,068.40                                                          | 1,073.11                                                                | 7.01                    |
|    |                                                                                                                                                        |                                                  |                                                                   |                                                                         | 6.72                    |
|    | Type of Borrowers                                                                                                                                      |                                                  | Amount of loan or advance<br>in the nature of loan<br>outstanding | Percentage to the total<br>Loans and Advances<br>in the nature of loans |                         |
|    |                                                                                                                                                        |                                                  | As at 31 March,<br>2022                                           | As at 31 March,<br>2021                                                 | As at 31 March,<br>2022 |
|    | Promoter                                                                                                                                               |                                                  | -                                                                 | -                                                                       | -                       |
|    | Director                                                                                                                                               |                                                  | -                                                                 | -                                                                       | -                       |
|    | Key Managerial Personnel                                                                                                                               |                                                  | 0.62                                                              | 0.18                                                                    | 0.06%                   |
|    | Related Party                                                                                                                                          |                                                  | 1,040.00                                                          | 1,040.00                                                                | 96.71%                  |
|    | (i) Loans to Key Managerial Personnels are not repayable on demand and has defined repayments schedule and as per the company's Employees Loan Policy  |                                                  |                                                                   |                                                                         |                         |
|    | (ii) Inter Corporate Deposit given to related party is for a period of 3 years and repayable on demand or on maturity of 3 years whichever is earlier. |                                                  |                                                                   |                                                                         |                         |
| 8  | Other Financial Assets - At Amortised Cost                                                                                                             |                                                  |                                                                   |                                                                         |                         |
|    |                                                                                                                                                        |                                                  | Non-Current                                                       | Current                                                                 |                         |
|    |                                                                                                                                                        |                                                  | As at 31 March,<br>2022                                           | As at 31 March,<br>2021                                                 | As at 31 March,<br>2022 |
|    |                                                                                                                                                        |                                                  | (₹ in Crores)                                                     | (₹ in Crores)                                                           | (₹ in Crores)           |
|    | (Unsecured, considered good unless otherwise stated)                                                                                                   |                                                  |                                                                   |                                                                         |                         |
|    | Security Deposits - Unsecured                                                                                                                          |                                                  |                                                                   |                                                                         |                         |
|    | Considered Good                                                                                                                                        |                                                  | 18.64                                                             | 18.70                                                                   | -                       |
|    | Considered doubtful                                                                                                                                    |                                                  | 1.05                                                              | 1.05                                                                    | -                       |
|    |                                                                                                                                                        |                                                  | 19.69                                                             | 19.75                                                                   | -                       |
|    | Less : Provision For Doubtful Deposits                                                                                                                 |                                                  | (1.05)                                                            | (1.05)                                                                  | -                       |
|    | Total                                                                                                                                                  |                                                  | 18.64                                                             | 18.70                                                                   | -                       |
|    | * Fixed Deposit with Banks                                                                                                                             |                                                  | 516.34                                                            | 477.99                                                                  | -                       |
|    | # Derivative instruments designated in hedge accounting relationship                                                                                   |                                                  | 165.25                                                            | 143.13                                                                  | -                       |
|    | Unbilled Revenue                                                                                                                                       |                                                  | -                                                                 | -                                                                       | 507.56                  |
|    | Other Financial Assets                                                                                                                                 |                                                  | -                                                                 | -                                                                       | 116.03                  |
|    |                                                                                                                                                        |                                                  | 700.23                                                            | 639.82                                                                  | 623.59                  |
|    |                                                                                                                                                        |                                                  |                                                                   |                                                                         | 491.10                  |
|    | Note :                                                                                                                                                 |                                                  |                                                                   |                                                                         |                         |
|    | * Represents deposits towards Debt Service Reserve Account (DSRA), Capex Reserve Account (CRA) and Margin money.                                       |                                                  |                                                                   |                                                                         |                         |
|    | # Refer footnote to Note 17 for security/charges created on hedging instruments.                                                                       |                                                  |                                                                   |                                                                         |                         |
| 9a | Income Tax Assets (net)                                                                                                                                |                                                  |                                                                   | As at 31 March,<br>2022                                                 | As at 31 March,<br>2021 |
|    |                                                                                                                                                        |                                                  |                                                                   | (₹ in Crores)                                                           | (₹ in Crores)           |
|    | Income Tax Assets (net)                                                                                                                                |                                                  |                                                                   | 3.91                                                                    | 3.91                    |
|    |                                                                                                                                                        |                                                  |                                                                   | 3.91                                                                    | 3.91                    |

## Notes to financial statements

## 9b Current Tax Liabilities

|                         | As at 31 March,<br>2022<br>(₹ in Crores) | As at 31 March,<br>2021<br>(₹ in Crores) |
|-------------------------|------------------------------------------|------------------------------------------|
| Current Tax Liabilities | 2.13                                     | -                                        |
|                         | <b>2.13</b>                              | -                                        |

|                                      | Non-Current                              |                                          | Current                                  |                                          |
|--------------------------------------|------------------------------------------|------------------------------------------|------------------------------------------|------------------------------------------|
|                                      | As at 31 March,<br>2022<br>(₹ in Crores) | As at 31 March,<br>2021<br>(₹ in Crores) | As at 31 March,<br>2022<br>(₹ in Crores) | As at 31 March,<br>2021<br>(₹ in Crores) |
| <b>10 Other Assets</b>               |                                          |                                          |                                          |                                          |
| (Unsecured, Considered good)         |                                          |                                          |                                          |                                          |
| Advance to Suppliers                 | -                                        | -                                        | 125.19                                   | 366.43                                   |
| Balances with Government authorities | -                                        | -                                        | 0.05                                     | 4.51                                     |
| Prepaid Expenses                     | 1.32                                     | 2.72                                     | 16.79                                    | 8.81                                     |
| # Capital advances                   | 68.55                                    | 283.50                                   | -                                        | -                                        |
| Advance to Employees                 | 2.03                                     | 2.34                                     | 3.92                                     | 5.47                                     |
|                                      | <b>71.90</b>                             | <b>288.56</b>                            | <b>145.95</b>                            | <b>385.22</b>                            |

# Capital Advance of Rs. 271.00 crores given to Sunbourn Developers Private Limited (SOPL) (related party) towards property in BKC in earlier years is returned on cancellation of relevant agreement during the year.

|                                                    | As at 31 March,<br>2022<br>(₹ in Crores) | As at 31 March,<br>2021<br>(₹ in Crores) |
|----------------------------------------------------|------------------------------------------|------------------------------------------|
| <b>11 Inventories</b>                              |                                          |                                          |
| (Stated at lower of Cost and Net Realisable Value) |                                          |                                          |
| Fuel                                               | 127.40                                   | 128.06                                   |
| Fuel - In Transit                                  | 35.83                                    | 19.06                                    |
| Stores & spares                                    | 41.26                                    | 46.38                                    |
|                                                    | <b>204.49</b>                            | <b>193.50</b>                            |

Above inventories are pledged as security with the Lenders against borrowings (Refer Note No 17).

|                                                                  | As at 31 March,<br>2022<br>(₹ in Crores) | As at 31 March,<br>2021<br>(₹ in Crores) |
|------------------------------------------------------------------|------------------------------------------|------------------------------------------|
| <b>12 Trade Receivables</b>                                      |                                          |                                          |
| (unsecured otherwise stated)                                     |                                          |                                          |
| Unsecured, considered good                                       | 450.49                                   | 536.31                                   |
| Trade Receivables which have significant increase in credit risk | 35.36                                    | 41.75                                    |
| Credit Impaired                                                  | 1.39                                     | 1.39                                     |
|                                                                  | <b>487.24</b>                            | <b>579.45</b>                            |
| Less : Provision for doubtful Trade receivables                  | (1.39)                                   | (1.39)                                   |
|                                                                  | <b>485.85</b>                            | <b>578.06</b>                            |

## Note :

(i) The Company holds security deposit in respect of trade receivables - Refer Note No 20

(ii) Above trade receivables are pledged as security with the Lenders against borrowings (Refer Note No 17).

(iii) As at 31 March, 2022 - ₹ 77.15 crores (31 March 2021 : ₹ 69.55 crores) is due from Maharashtra State Electricity Transmission Company Limited and ₹ 43.70 crores (31 March 2021 : ₹ 49.51 crores) is due from Municipal Corporation of Greater Mumbai which represents Company's large customer who owes more than 5% of the total balance of trade receivables.

(iv) The average credit period for the Company's receivables from its transmission and distribution (including street light maintenance) business is in the range of 15 to 30 days. No interest or delayed payment is charged on trade receivables till the due date. Thereafter, one time delayed payment charges at the rate of 1.25% & interest after 30 / 60 days from bill date is charged in the range of 12% to 15% per annum

(v) In case of transmission business, regulator approved tariff is receivable from long-term transmission customers (LTCs) and Discoms that are highly rated companies or government parties. Counterparty credit risk with respect to these receivables is very minimal.

(vi) The Company considers for impairment its receivables from customers in its Mumbai distribution business. The risk of recovery in these businesses is reduced to the extent of security deposits already collected and held as collateral. Balance amount receivable over and above the deposit is assessed for expected credit loss allowances. The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experienced and adjusted for forward-looking information. The expected credit loss allowance is based on ageing of the days the receivables are due.

## 12.1 Trade Receivables ageing Schedule

| Particulars                                                                        | Outstanding for following periods from due date of receipt |                       |                      |              |           |                   | Total         |
|------------------------------------------------------------------------------------|------------------------------------------------------------|-----------------------|----------------------|--------------|-----------|-------------------|---------------|
|                                                                                    | Not Due                                                    | Less than<br>6 months | 6 months - 1<br>year | 1-2 years    | 2-3 years | More than 3 years |               |
| <b>As at 31 March, 2022</b>                                                        |                                                            |                       |                      |              |           |                   |               |
| (i) Undisputed Trade receivables – considered good                                 | 244.67                                                     | 160.47                | 1.97                 | 40.61        | -         | -                 | <b>447.72</b> |
| (ii) Undisputed Trade Receivables – which have significant increase in credit risk | 6.25                                                       | 18.08                 | 3.87                 | 7.12         | -         | -                 | <b>35.32</b>  |
| (iii) Undisputed Trade Receivables – credit impaired                               | -                                                          | -                     | -                    | 1.39         | -         | -                 | <b>1.39</b>   |
| (iv) Disputed Trade Receivables considered good                                    | 0.60                                                       | 1.66                  | 0.36                 | 0.15         | -         | -                 | <b>2.77</b>   |
| (v) Disputed Trade Receivables - which have significant increase in credit risk    | 0.01                                                       | 0.03                  | -                    | -            | -         | -                 | <b>0.04</b>   |
| (vi) Disputed Trade Receivables – credit impaired                                  | -                                                          | -                     | -                    | -            | -         | -                 | -             |
| (vii) Provision for Doubtful Debts                                                 | -                                                          | -                     | -                    | (1.39)       | -         | -                 | <b>(1.39)</b> |
| <b>Total</b>                                                                       | <b>251.53</b>                                              | <b>180.24</b>         | <b>6.20</b>          | <b>47.88</b> | -         | -                 | <b>485.85</b> |
| <b>As at 31 March, 2021</b>                                                        |                                                            |                       |                      |              |           |                   |               |
| (i) Undisputed Trade receivables – considered good                                 | 187.16                                                     | 262.34                | 83.25                | 0.92         | -         | -                 | <b>533.67</b> |
| (ii) Undisputed Trade Receivables – which have significant increase in credit risk | 2.67                                                       | 19.39                 | 8.70                 | 10.98        | -         | -                 | <b>41.74</b>  |
| (iii) Undisputed Trade Receivables – credit impaired                               | -                                                          | -                     | 1.39                 | -            | -         | -                 | <b>1.39</b>   |
| (iv) Disputed Trade Receivables considered good                                    | 0.87                                                       | 1.15                  | 0.33                 | 0.29         | -         | -                 | <b>2.64</b>   |
| (v) Disputed Trade Receivables - which have significant increase in credit risk    | -                                                          | 0.01                  | -                    | -            | -         | -                 | <b>0.01</b>   |
| (vi) Disputed Trade Receivables – credit impaired                                  | -                                                          | -                     | -                    | -            | -         | -                 | -             |
| (vii) Provision for Doubtful Debts                                                 | -                                                          | -                     | (1.39)               | -            | -         | -                 | <b>(1.39)</b> |
| <b>Total</b>                                                                       | <b>190.70</b>                                              | <b>282.89</b>         | <b>92.28</b>         | <b>12.19</b> | -         | -                 | <b>578.06</b> |

## Notes to financial statements

## 12.2 Movement in the allowance for doubtful trade receivables

## Balance at the beginning of the year

Add/(Less) : Provision made / (Written off) during the year (net of recoveries)

## Balance at the end of the year

The concentration of credit risk is very limited due to the fact that the large customers are mainly government bodies / departments and remaining customer base is large and widely dispersed and secured with security deposit.

| As at 31 March,<br>2022<br>(₹ in Crores) | As at 31 March,<br>2021<br>(₹ in Crores) |
|------------------------------------------|------------------------------------------|
| 1.39                                     | 64.70                                    |
| -                                        | (63.31)                                  |
| <b>1.39</b>                              | <b>1.39</b>                              |

## 13 Cash and Cash Equivalents - At Amortised Cost

## Balances with banks

- In current accounts

- Fixed Deposits

Cash On Hand

Cheques / Drafts On Hand

## Total Cash &amp; Cash Equivalents as per Statement of Cash Flows

| As at 31 March,<br>2022<br>(₹ in Crores) | As at 31 March,<br>2021<br>(₹ in Crores) |
|------------------------------------------|------------------------------------------|
| 64.51                                    | 104.52                                   |
| -                                        | 20.00                                    |
| 0.80                                     | 2.40                                     |
| 9.10                                     | 24.97                                    |
| <b>74.41</b>                             | <b>151.89</b>                            |

## Reconciliation of liabilities from Financing Activities

| Particulars                                                                        | As at 1st April,<br>2021 | Cash flows      |                   | Non-cash<br>Transaction | As at 31st March,<br>2022<br>(₹ in Crores) |
|------------------------------------------------------------------------------------|--------------------------|-----------------|-------------------|-------------------------|--------------------------------------------|
|                                                                                    |                          | Proceeds        | Repayment         |                         |                                            |
| Non-current Borrowings<br>(including Current Maturities of Non-current Borrowings) | 10,578.03                | 2,231.98        | (1,369.40)        | 424.04                  | 11,864.65                                  |
| Current Borrowings<br>(Excluding Bank Overdraft)                                   | 883.35                   | 1,535.53        | (2,418.88)        | -                       | -                                          |
| <b>Total</b>                                                                       | <b>11,461.38</b>         | <b>3,767.51</b> | <b>(3,788.28)</b> | <b>424.04</b>           | <b>11,864.65</b>                           |

## Reconciliation of liabilities from Financing Activities

| Particulars                                                                        | As at 1st April,<br>2020 | Cash flows      |                   | Non-cash<br>Transaction | As at 31st March,<br>2021<br>(₹ in Crores) |
|------------------------------------------------------------------------------------|--------------------------|-----------------|-------------------|-------------------------|--------------------------------------------|
|                                                                                    |                          | Proceeds        | Repayment         |                         |                                            |
| Non-current Borrowings<br>(including Current Maturities of Non-current Borrowings) | 10,184.03                | 767.54          | (33.33)           | (340.21)                | 10,578.03                                  |
| Current Borrowings<br>(Excluding Bank Overdraft)                                   | 984.31                   | 3,673.70        | (3,774.66)        | -                       | 883.35                                     |
| <b>Total</b>                                                                       | <b>11,168.34</b>         | <b>4,441.24</b> | <b>(3,807.99)</b> | <b>(340.21)</b>         | <b>11,461.38</b>                           |

Note : Non-cash transactions represents movement in revaluation of foreign currency borrowings.

## 14 Bank Balance Other than Cash and Cash Equivalents - At Amortised Cost

\*\*\* Bank Deposits with Original Maturity of more than 3 months but less than 12 months

\*\*\* Includes deposits placed towards Margin Money and Debt Service Reserve Account (DSRA) amounting to Rs Nil (31 March 2021: Rs. 3.70 crores).

| As at 31 March,<br>2022<br>(₹ in Crores) | As at 31 March,<br>2021<br>(₹ in Crores) |
|------------------------------------------|------------------------------------------|
| 624.48                                   | 886.56                                   |
| <b>624.48</b>                            | <b>886.56</b>                            |

## 15 Share Capital

## Authorised Share Capital

5,000,000,000 (5,000,000,000) equity shares of ₹ 10 each.

## Issued, Subscribed and Paid-up Share Capital

4,020,823,535 (4,020,823,535) fully paid up equity shares of ₹ 10 each.

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

## Equity Shares

At the beginning of the Year

Issued during the year

Outstanding at the end of the year

## Details of shares allotted for consideration other than cash

During the year ended 31 March, 2020 62,07,73,535 numbers Equity Shares of Rs 10 each at a premium of Rs 1.94 per share, have been issued through Preferential allotment to Parent Company on conversion of intercorporate deposit (including interest accrued) Rs 460.25 Crores and unsecured perpetual Instrument.

## b. Terms/rights attached to equity shares

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

| As at 31 March,<br>2022<br>(₹ in Crores) | As at 31 March,<br>2021<br>(₹ in Crores) |
|------------------------------------------|------------------------------------------|
| 5,000.00                                 | 5,000.00                                 |
| <b>5,000.00</b>                          | <b>5,000.00</b>                          |
| 4,020.82                                 | 4,020.82                                 |
| <b>4,020.82</b>                          | <b>4,020.82</b>                          |

| As at 31 March,<br>2022<br>No. Shares | As at 31 March,<br>2021<br>No. Shares |
|---------------------------------------|---------------------------------------|
| 4,020,823,535                         | 4,020,823,535                         |
| <b>4,020,823,535</b>                  | <b>4,020,823,535</b>                  |

## Notes to financial statements

## c. Details of shareholding of the promoters and shareholders holding more than 5% shares in the Company

|                                                           | As at 31 March, 2022 |               | As at 31 March, 2021 |               |
|-----------------------------------------------------------|----------------------|---------------|----------------------|---------------|
|                                                           | No. Shares           | % held        | No. Shares           | % held        |
| Equity shares of ₹ 10 each fully paid                     |                      |               |                      |               |
| Adani Transmission Limited and its nominees (Promoters)## | 3,011,596,827        | 74.90%        | 3,011,596,827        | 74.90%        |
| Qatar Holding LLC ##                                      | 1,009,226,708        | 25.10%        | 1,009,226,708        | 25.10%        |
| ## Shares Pledged                                         | 4,020,823,535        | 100.00%       | 4,020,823,535        | 100.00%       |
| No. of equity shares pledged to Lenders - 100% (PY 100%)  |                      | 4,020,823,529 |                      | 4,020,823,529 |

## 16 Other Equity

## a. Capital Reserve

Capital Reserve represents the gain arising on accounting of business combination, wherein on the acquisition-date the net amounts of the identifiable assets acquired and the liabilities assumed exceeded the consideration amount paid.

## b. Effective portion of cashflow Hedge

|                                                         | As at 31 March, 2022<br>(₹ in Crores) | As at 31 March, 2021<br>(₹ in Crores) |
|---------------------------------------------------------|---------------------------------------|---------------------------------------|
| Opening Balance                                         | (113.90)                              | (13.24)                               |
| Add : Effective portion of cash flow hedge for the year | (151.87)                              | (100.66)                              |
| Closing Balance                                         | (265.77)                              | (113.90)                              |

The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on changes in fair value of the designated portion of the hedging instruments that are recognised and accumulated under the heading of cash flow hedging reserve will be reclassified to profit or loss only when the hedged transaction affects the profit or loss, or included as a basis adjustment to the non-financial hedged item.

## c. Contingency Reserve Fund

|                                 |        |        |
|---------------------------------|--------|--------|
| Opening Balance                 | 219.69 | 196.95 |
| Transfer from Retained Earnings | 25.74  | 22.74  |
| Closing Balance                 | 245.43 | 219.69 |

As per the provisions of MERC MYT Regulations read with Tariff orders passed by MERC, the Company being a Distribution and Transmission Licensee, makes an appropriation to the Contingency Reserve Fund to meet with certain exigencies. Investments have been made in Securities issued by Government of India.

## d. Share Premium Account

|  |        |        |
|--|--------|--------|
|  | 120.43 | 120.43 |
|--|--------|--------|

Securities Premium Reserve is used to record the premium on issue of shares and is utilised in accordance with the provisions of the Companies Act, 2013.

## e. Retained Earnings

(Retained Earnings are the profits of the Company earned till date net of appropriations)

|                                                                                            |               |               |
|--------------------------------------------------------------------------------------------|---------------|---------------|
| Opening Balance                                                                            | 232.53        | (31.41)       |
| Add : Profit for the year                                                                  | 122.16        | 259.17        |
| Other Comprehensive Income arising from remeasurement of Defined Benefit Plans(net of tax) | 14.17         | 27.51         |
| Transfer to Contingency Reserve Fund                                                       | (25.74)       | (22.74)       |
| Closing Balance                                                                            | 343.12        | 232.53        |
| <b>Total</b>                                                                               | <b>673.99</b> | <b>689.53</b> |

17 Borrowings  
(At Amortised Cost)

## Secured

Rupee Term Loans from Banks - 8.50%  
External Commercial Borrowings in Foreign Currency  
Senior Secured Note - 3.949%  
Term Loans from Banks - 2.99938% (3.9466%)  
Sustainability Linked Notes - 3.867%

## Unsecured

External Commercial Borrowings in Foreign Currency  
Shareholders Affiliated Debts - 6.365%

|                                                    | Non-current \$\$\$                    |                                       | Current*                              |                                       |
|----------------------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
|                                                    | As at 31 March, 2022<br>(₹ in Crores) | As at 31 March, 2021<br>(₹ in Crores) | As at 31 March, 2022<br>(₹ in Crores) | As at 31 March, 2021<br>(₹ in Crores) |
| Secured                                            |                                       |                                       |                                       |                                       |
| Rupee Term Loans from Banks - 8.50%                | -                                     | 33.33                                 | -                                     | 33.33                                 |
| External Commercial Borrowings in Foreign Currency |                                       |                                       |                                       |                                       |
| Senior Secured Note - 3.949%                       | 7,512.41                              | 7,235.63                              | -                                     | -                                     |
| Term Loans from Banks - 2.99938% (3.9466%)         | -                                     | 1,248.77                              | -                                     | -                                     |
| Sustainability Linked Notes - 3.867%               | 2,246.10                              | -                                     | -                                     | -                                     |
| Unsecured                                          |                                       |                                       |                                       |                                       |
| External Commercial Borrowings in Foreign Currency |                                       |                                       |                                       |                                       |
| Shareholders Affiliated Debts - 6.365%             | 2,106.14                              | 2,026.97                              | -                                     | -                                     |
| <b>Total</b>                                       | <b>11,864.65</b>                      | <b>10,544.70</b>                      | <b>-</b>                              | <b>33.33</b>                          |

\* Amount disclosed under the head "current borrowings" (Refer note 23)  
\$\$\$ Includes processing fees netted of ₹ 125.72 Crores (31 March 2021 - ₹ 140.76 Crores)

## Notes to financial statements

| Notes                                                                        |                                                                | Security                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Terms of Repayment of Borrowings                                                                                                                                                                                                                                                                                    |
|------------------------------------------------------------------------------|----------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Borrowings                                                                   | Rupee Term Loans from Banks - 8.50%                            | a) a first pari passu mortgage over certain Identified Immovable Properties;<br>b) a first pari passu charge on the movable assets of the Project (both present and future);<br>c) a first pari passu charge on all book debts, operating cash flows, receivables (excluding Past Period Regulatory Assets, monies in the Debenture Liquidity Account and the post distribution cash flows), commissions or revenues whatsoever arising out of the Project (both present and future);                                                                                                                                                                                                             | During the year, the Company prepaid Rupee term loans from Banks in full. As at 31 March 2021, the terms of repayment were : two equal annual instalments of Rs. 33.33 Crores starting from March 2021.                                                                                                             |
|                                                                              | Senior Secured Note - 3.949% (and related hedging instruments) | d) a first pari passu charge on the Accounts under the Project Accounts Deed (except the Excluded Accounts (which means the AEML PPRA Account, the Debenture Liquidity Account, each of the AEML Post Distribution Cash Flow Accounts; any accounts opened for the purpose of managing any Excluded Cash Flows; and the AEML Distributions Account)) and amounts lying to the credit of such Accounts (both present and future);                                                                                                                                                                                                                                                                  | By way of bullet payment in February 2030 with an obligation to prepay the debt on occurrence of certain events. The Company can voluntarily prepay the Bond on payment of premium.                                                                                                                                 |
| Term Loans from Banks - 2.99938% (3.9466%) (and related hedging instruments) |                                                                | e) a first pari passu assignment in relation to Transmission License and Distribution License, subject to approval from the MERC;<br>f) a pledge over 100% of the entire paid up equity and preference share capital of the Company;<br>g) a non-disposal undertaking over immovable properties other than certain identified immovable properties;<br>h) a non-disposal undertaking over the immovable and moveable assets (including all book debts, operating cash flows, receivables, commissions or revenues whatsoever) of the Service Company (both present and future); and<br>i) a non-disposal undertaking over 100% of the equity and preference share capital of the Service Company. | During the year, the Company prepaid term loans from Banks. As at 31 March 2021, the terms of repayment were as given below:<br>By way of bullet payment with an obligation to prepay the debt on occurrence of certain events. The Company can voluntarily prepay the Term Loan either in full or part.            |
|                                                                              |                                                                | In addition to the aforesaid, the Collateral shall also include such security interest as may be required to be created by other group entities of the Issuer in the future, and such collateral may be shared in the same manner as aforementioned with other lenders of the Company, and such future obligors.                                                                                                                                                                                                                                                                                                                                                                                  | The Future annual repayment obligations on principal amount are as under:-<br>a) 1 Installment amounting to Rs 511.77 crores in FY23.<br>b) 2 Installment of amounting to Rs 767.65 crores in FY23.<br>Impact of recognition of borrowings at amortised cost using effective interest method was Rs (30.65) crores. |
| Sustainability Linked Notes - 3.87% (and related hedging instruments)        |                                                                | <b>Ranking of Security</b><br>The Collateral will be a first charge ranking pari passu among the debt security holders, without any preference or priority and shall rank pari passu with all the senior secured debt of the Company in accordance with the Senior Secured Note Documents and the Intercreditor agreement.                                                                                                                                                                                                                                                                                                                                                                        | By way of bullet payment in July 2031 with an obligation to prepay the debt on occurrence of certain events. The Company can voluntarily prepay the Bond on payment of premium.                                                                                                                                     |
| Buyers credit                                                                |                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | As at 31 March, 2022 there are no working capital and buyers credit outstanding. For working capital or buyers credit outstanding on 31 March, 2021, the rate of interest for Secured loans from banks ranged from 1.55 % to 5.7%.                                                                                  |
| Working capital short term loan                                              |                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                     |
| Shareholders Affiliated Debts 6.365%                                         |                                                                | (i) First-ranking fixed charge over all its present and future right, title, benefit and interest in the Excluded Loan Accounts<br>(ii) First-ranking floating charge over all of its present and future right, title, benefit and interest in the equity distribution account                                                                                                                                                                                                                                                                                                                                                                                                                    | Shareholders Affiliated Debts are repayable commencing from February 2027 through February 2040 with an obligation to prepay the debt on occurrence of certain events. The Company can voluntarily prepay the debt on payment of premium.                                                                           |
| Working capital short term loan                                              |                                                                | Unsecured loans from banks                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | As at 31 March, 2022 there are no working capital outstanding. For working capital outstanding on 31 March, 2021, the rate of interest for Unsecured loans from banks was 4.25 %                                                                                                                                    |

## 18 Trade Payables

|                                                                                             | Non-Current                           |                                       | Current                               |                                       |
|---------------------------------------------------------------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
|                                                                                             | As at 31 March, 2022<br>(₹ in Crores) | As at 31 March, 2021<br>(₹ in Crores) | As at 31 March, 2022<br>(₹ in Crores) | As at 31 March, 2021<br>(₹ in Crores) |
| (A) total outstanding dues of micro enterprises and small enterprises; and                  | -                                     | -                                     | 25.07                                 | 28.99                                 |
| (B) total outstanding dues of creditors other than micro enterprises and small enterprises. | 32.22                                 | 31.93                                 | 1,465.88                              | 1,158.69                              |
|                                                                                             | <b>32.22</b>                          | <b>31.93</b>                          | <b>1,490.95</b>                       | <b>1,187.68</b>                       |

This information as required to be disclosed under Micro and Small Enterprises, to whom the Company owes dues (including interest on outstanding dues), which are outstanding as at the Balance Sheet date. The above information has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

|                                                                                                                                                                                                                                                                                                                                   | As at 31 March, 2022<br>(₹ in Crores) | As at 31 March, 2021<br>(₹ in Crores) |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------|---------------------------------------|
| (a) the principal amount remaining unpaid to any supplier at the end of each accounting year (including payable for Property, Plant & equipment)                                                                                                                                                                                  | 104.41                                | 28.41                                 |
| (b) Interest due on principal amount remaining unpaid to any supplier at the end of each accounting year                                                                                                                                                                                                                          | 0.62                                  | 0.58                                  |
| (c) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.                                                                | -                                     | -                                     |
| (d) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;                                                            | 0.62                                  | 0.58                                  |
| (e) the amount of interest accrued and remaining unpaid at the end of each accounting year; and                                                                                                                                                                                                                                   | 0.62                                  | 0.58                                  |
| (f) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006. | 0.62                                  | 0.58                                  |

## Notes to financial statements

| Trade Payables ageing schedule |               | Outstanding for following periods from due date of payment* |               |              |                   |                 |
|--------------------------------|---------------|-------------------------------------------------------------|---------------|--------------|-------------------|-----------------|
| Particulars                    | Not Due       | <1 year                                                     | 1-2 years     | 2-3 years    | More than 3 years | Total           |
| <b>As at 31 March, 2022</b>    |               |                                                             |               |              |                   |                 |
| (a) MSME                       | 9.77          | 9.49                                                        | 2.10          | 2.46         | 1.25              | 25.07           |
| (b) Others                     | 160.59        | 1,058.51                                                    | 127.80        | 49.58        | 9.55              | 1,406.03        |
| (c) Disputed dues – MSME       | -             | -                                                           | -             | -            | -                 | -               |
| (d) Disputed dues - Others     | -             | 92.07                                                       | -             | -            | -                 | 92.07           |
| <b>Total</b>                   | <b>170.36</b> | <b>1,160.07</b>                                             | <b>129.90</b> | <b>52.04</b> | <b>10.80</b>      | <b>1,523.17</b> |
| <b>As at 31 March, 2021</b>    |               |                                                             |               |              |                   |                 |
| (a) MSME                       | 18.15         | 8.53                                                        | 1.56          | 0.43         | 0.32              | 28.99           |
| (b) Others                     | 54.76         | 807.06                                                      | 263.92        | 23.56        | 41.32             | 1,190.62        |
| (c) Disputed dues – MSME       | -             | -                                                           | -             | -            | -                 | -               |
| (d) Disputed dues - Others     | -             | -                                                           | -             | -            | -                 | -               |
| <b>Total</b>                   | <b>72.91</b>  | <b>815.59</b>                                               | <b>265.48</b> | <b>23.99</b> | <b>41.64</b>      | <b>1,219.61</b> |

\* Ageing for provisions have been considered based on transaction date.

| <b>19</b> | <b>Lease Liabilities</b> | Non-Current          |                      | Current              |                      |
|-----------|--------------------------|----------------------|----------------------|----------------------|----------------------|
|           |                          | As at 31 March, 2022 | As at 31 March, 2021 | As at 31 March, 2022 | As at 31 March, 2021 |
|           |                          | (₹ in Crores)        | (₹ in Crores)        | (₹ in Crores)        | (₹ in Crores)        |
|           | Lease Obligation         | 26.25                | 50.70                | 18.59                | 42.89                |
|           |                          | <b>26.25</b>         | <b>50.70</b>         | <b>18.59</b>         | <b>42.89</b>         |

| <b>20</b> | <b>Other Financial Liabilities (At Amortised Cost)</b>               | Non-Current          |                      | Current              |                      |
|-----------|----------------------------------------------------------------------|----------------------|----------------------|----------------------|----------------------|
|           |                                                                      | As at 31 March, 2022 | As at 31 March, 2021 | As at 31 March, 2022 | As at 31 March, 2021 |
|           |                                                                      | (₹ in Crores)        | (₹ in Crores)        | (₹ in Crores)        | (₹ in Crores)        |
|           | Interest accrued but not due on borrowings                           | -                    | -                    | 113.91               | 99.24                |
|           | Payable towards purchase of PPE                                      | -                    | -                    | 315.14               | 191.58               |
|           | Security Deposit from Consumers                                      | -                    | -                    | 471.70               | 474.80               |
|           | Regulatory Liabilities other than Distribution                       | -                    | -                    | 2.94                 | 6.53                 |
|           | Security Deposit from Customers / Vendors                            | -                    | -                    | 15.25                | 7.99                 |
|           | Other Financial Liabilities                                          | -                    | -                    | -                    | 6.61                 |
|           | # Derivative Instruments designated in hedge accounting relationship | 66.02                | 63.12                | 57.07                | 31.07                |
|           |                                                                      | <b>66.02</b>         | <b>63.12</b>         | <b>976.01</b>        | <b>817.82</b>        |

# Refer footnote to Note 17 for security/charges created on hedging instruments.

| <b>21</b> | <b>Provisions</b>                       | Non-Current          |                      | Current              |                      |
|-----------|-----------------------------------------|----------------------|----------------------|----------------------|----------------------|
|           |                                         | As at 31 March, 2022 | As at 31 March, 2021 | As at 31 March, 2022 | As at 31 March, 2021 |
|           |                                         | (₹ in Crores)        | (₹ in Crores)        | (₹ in Crores)        | (₹ in Crores)        |
|           | Provision for Gratuity                  | 160.10               | 132.02               | 32.57                | 31.96                |
|           | Provision for Compensated absences      | 393.31               | 390.17               | 28.07                | 23.61                |
|           | Provision for Other Employment Benefits | 18.87                | 20.01                | 3.16                 | 2.98                 |
|           | <b>Total</b>                            | <b>572.28</b>        | <b>542.20</b>        | <b>63.80</b>         | <b>58.55</b>         |

| <b>22</b> | <b>Other Liabilities</b>                                     | Non-Current          |                      | Current              |                      |
|-----------|--------------------------------------------------------------|----------------------|----------------------|----------------------|----------------------|
|           |                                                              | As at 31 March, 2022 | As at 31 March, 2021 | As at 31 March, 2022 | As at 31 March, 2021 |
|           |                                                              | (₹ in Crores)        | (₹ in Crores)        | (₹ in Crores)        | (₹ in Crores)        |
|           | Deferred Revenue - Service Line Contributions from Consumers | 245.47               | 231.77               | 11.12                | 9.78                 |
|           | Statutory dues payable                                       | -                    | -                    | 210.66               | 182.92               |
|           | Advances From Customer                                       | -                    | 51.12                | 66.74                | 58.39                |
|           | Other Payables                                               | -                    | -                    | 3.18                 | 2.57                 |
|           |                                                              | <b>245.47</b>        | <b>282.89</b>        | <b>291.70</b>        | <b>253.66</b>        |

| <b>23</b> | <b>Borrowings (At Amortised Cost)</b>      | As at 31 March, 2022 | As at 31 March, 2021 |
|-----------|--------------------------------------------|----------------------|----------------------|
|           |                                            | (₹ in Crores)        | (₹ in Crores)        |
|           | <b>Secured loans from banks</b>            |                      |                      |
|           | Current maturities of long-term borrowings | -                    | 33.33                |
|           | Buyers credit                              | -                    | 92.35                |
|           | Working capital short term loan            | -                    | 486.00               |
|           | <b>Unsecured loans</b>                     |                      |                      |
|           | Working capital short term loan            | -                    | 305.00               |
|           |                                            | <b>-</b>             | <b>916.68</b>        |

## Security and Rate of Interest

(i) For Security of Current maturities of long-term borrowings, Short Term Loans, Buyers Credit and Working Capital Loans - (Refer Note No 17)

(ii) As at 31 March, 2022 there are no working capital or short term loans or buyers credit outstanding. For working capital and buyers credit outstanding on 31 March, 2021, the rate of interest for Secured / unsecured loans from banks ranged from 1.55 % to 5.70%.

(iii) There are no charges or satisfaction which are to be registered with Registrar of Companies beyond the statutory period.

(iv) The Company has been sanctioned working capital from banks on the basis of security of current assets. The Company in this regard has been duly submitting with all such banks from whom such facilities are taken, the quarterly statements comprising details of said current assets viz. raw material, stores and spares, finished goods, advances for power purchases and coal, book debts (including unbilled revenue) and other receivable (&lt;90 days) reduced by relevant trade payables (i.e. net of provisions, regulatory payables and other payables). The said quarterly statements are in agreement with the unaudited books of account of the Company of the respective quarters based on draft figures at the point of time of reporting and there are no material discrepancies.

| 24 Revenue from Operations                                             | For the year ended<br>31 March, 2022<br>(₹ in Crores) | For the year ended<br>31 March, 2021<br>(₹ in Crores) |
|------------------------------------------------------------------------|-------------------------------------------------------|-------------------------------------------------------|
| a) <b>Income from Sale of Power and Transmission Charges</b>           |                                                       |                                                       |
| Income from Sale of Power and Transmission Charges (Net)               | 6,673.94                                              | 5,881.61                                              |
| (Less)/Add: Income to be adjusted in future tariff determination (Net) | 3.59                                                  | 21.97                                                 |
|                                                                        | <u>6,677.53</u>                                       | <u>5,903.58</u>                                       |
| b) <b>Other Operating Income</b>                                       |                                                       |                                                       |
| Insurance Claim Received                                               | 2.55                                                  | 0.01                                                  |
| Income in respect of Services rendered                                 | 42.04                                                 | 6.55                                                  |
| Sale of Coal Rejects / Fly Ash                                         | 16.59                                                 | 8.94                                                  |
| Street Light Maintenance Charges                                       | 141.77                                                | 101.83                                                |
| Amortisation of Service Line Contribution                              | 10.30                                                 | 9.22                                                  |
| Miscellaneous Revenue                                                  | 17.40                                                 | 17.51                                                 |
|                                                                        | <u>230.65</u>                                         | <u>144.06</u>                                         |
| c) <b>Sale of Traded Goods</b>                                         |                                                       |                                                       |
| Sale of Traded Goods                                                   | 0.76                                                  | 1.63                                                  |
|                                                                        | <u>0.76</u>                                           | <u>1.63</u>                                           |
| <b>Total</b>                                                           | <b><u>6,908.94</u></b>                                | <b><u>6,049.27</u></b>                                |

**Details of Revenue from Contracts with Customers (disaggregated by type and nature of product or services)**

**Particulars**

|                                              | For the year ended<br>31 March, 2022<br>(₹ in Crores) | For the year ended<br>31 March, 2021<br>(₹ in Crores) |
|----------------------------------------------|-------------------------------------------------------|-------------------------------------------------------|
| Income from Sale of Power                    | 6,334.58                                              | 5,566.00                                              |
| Income from Transmission Charges (Net)       | 342.95                                                | 337.58                                                |
| Income in respect of Services rendered       | 42.04                                                 | 6.55                                                  |
| Sale of Coal Rejects / Fly Ash               | 16.59                                                 | 8.94                                                  |
| Street Light Maintenance Charges             | 141.77                                                | 101.83                                                |
| Sale of Traded Goods                         | 0.76                                                  | 1.63                                                  |
| Add: Cash Discount/Rebates etc               | 31.29                                                 | 26.54                                                 |
| <b>Total Revenue as per Contracted Price</b> | <b><u>6,909.98</u></b>                                | <b><u>6,049.07</u></b>                                |

**Transaction Price - Remaining Performance Obligation**

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognised as at the end of the reporting period and an explanation as to when the Company expects to recognise these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures for contracts as the revenue recognised corresponds directly with the value to the customer of the entity's performance completed to date.

There are no aggregate value of performance obligations that are completely or partially unsatisfied as of 31 March, 2022, other than those meeting the exclusion criteria mentioned above.

**Contract Balances**

**Contract Assets**

Recoverable from Consumers

Non-current

Current

Total Contract Assets

**Contract Liabilities**

Liabilities towards Consumers

Non-current

Current

Total Contract Liabilities

**Receivables**

Trade Receivables (Gross)

Unbilled Revenue for passage of time

(Less): Allowance for Doubtful Debts

**Net Receivables**

|                                      | For the year ended<br>31 March, 2022<br>(₹ in Crores) | For the year ended<br>31 March, 2021<br>(₹ in Crores) |
|--------------------------------------|-------------------------------------------------------|-------------------------------------------------------|
| Recoverable from Consumers           | -                                                     | -                                                     |
| Non-current                          | -                                                     | -                                                     |
| Current                              | -                                                     | -                                                     |
| Total Contract Assets                | <u>-</u>                                              | <u>-</u>                                              |
| Liabilities towards Consumers        | -                                                     | -                                                     |
| Non-current                          | -                                                     | -                                                     |
| Current                              | 2.94                                                  | 6.53                                                  |
| Total Contract Liabilities           | <u>2.94</u>                                           | <u>6.53</u>                                           |
| Trade Receivables (Gross)            | 487.24                                                | 579.45                                                |
| Unbilled Revenue for passage of time | 507.56                                                | 491.10                                                |
| (Less): Allowance for Doubtful Debts | (1.39)                                                | (1.39)                                                |
| <b>Net Receivables</b>               | <b><u>993.41</u></b>                                  | <b><u>1,069.16</u></b>                                |

Contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract liability is the entity's obligation to transfer goods or services to a customer for which the entity has received consideration from the customer in advance. Contract assets are transferred to receivables when the rights become unconditional and contract liabilities are recognised as revenue as and when the performance obligation is satisfied.

## Notes to financial statements

Significant changes in the contract assets and the contract liabilities balances during the year are as follows :

|                                                                                                          | For the year ended<br>31 March,2022<br>(₹ in Crores) | For the year ended<br>31 March,2021<br>(₹ in Crores) |
|----------------------------------------------------------------------------------------------------------|------------------------------------------------------|------------------------------------------------------|
| <b>Opening Balance</b>                                                                                   |                                                      |                                                      |
| Recoverable from consumers                                                                               | -                                                    | -                                                    |
| Liabilities towards consumers                                                                            | 116.04                                               | 155.47                                               |
|                                                                                                          | <b>A</b>                                             | <b>155.47</b>                                        |
| Income to be adjusted in future tariff determination in respect of earlier year                          | -                                                    | (9.55)                                               |
| Income to be adjusted in future tariff determination (Net)                                               | (3.59)                                               | (12.42)                                              |
| Adjusted on completion of performance obligation/Others                                                  | (42.77)                                              | (17.46)                                              |
|                                                                                                          | <b>B</b>                                             | <b>(39.43)</b>                                       |
| <b>Closing Balance</b>                                                                                   |                                                      |                                                      |
| Recoverable from consumers                                                                               | -                                                    | -                                                    |
| Liabilities towards consumers                                                                            | 69.68                                                | 116.04                                               |
|                                                                                                          | <b>(A+B)</b>                                         | <b>116.04</b>                                        |
| <b>25 Other Income</b>                                                                                   |                                                      |                                                      |
|                                                                                                          | For the year ended<br>31 March,2022<br>(₹ in Crores) | For the year ended<br>31 March,2021<br>(₹ in Crores) |
| <b>a) Interest Income</b>                                                                                |                                                      |                                                      |
| On Financial Assets carried at Amortised Cost                                                            |                                                      |                                                      |
| Bank Deposits                                                                                            | 106.31                                               | 98.59                                                |
| Overdue Trade Receivables                                                                                | 22.45                                                | 30.00                                                |
| Contingency Reserve Fund Investment - Non Current                                                        | 13.30                                                | 3.84                                                 |
| Contingency Reserve Fund Investment - Current                                                            | 0.53                                                 | 13.06                                                |
| Other Investments                                                                                        | -                                                    | 23.74                                                |
| On Intercompany Deposits                                                                                 | 114.40                                               | 116.87                                               |
| Other interest                                                                                           | 51.50                                                | 47.24                                                |
| Interest on Security Deposits - Lease                                                                    | 0.85                                                 | 0.98                                                 |
| <b>b) Gain/(Loss) on Investments</b>                                                                     |                                                      |                                                      |
| Gain On Sale /Fair Value Of Current Investments Measured at FVTPL                                        | 1.13                                                 | 39.73                                                |
| Gain On Sale / Fair Value Of Current Investments Measured at FVTPL - Contingency Reserve Fund            | -                                                    | 1.33                                                 |
| <b>c) Other Non-operating Income</b>                                                                     |                                                      |                                                      |
| Bad Debts Recovery                                                                                       | 4.95                                                 | 3.00                                                 |
| Sale of Scrap                                                                                            | 11.79                                                | 8.63                                                 |
| Rental Income                                                                                            | 0.27                                                 | 0.21                                                 |
| Delayed Payment Charges                                                                                  | 22.90                                                | 27.00                                                |
| Foreign Exchange Gain (net)                                                                              | -                                                    | 4.96                                                 |
| Profit / (Loss) on Sale of Assets                                                                        | 0.42                                                 | 1.87                                                 |
| Incentive Received                                                                                       | 1.44                                                 | -                                                    |
| Sundry credit balances written back                                                                      | 57.41                                                | -                                                    |
| Miscellaneous Income                                                                                     | -                                                    | 0.62                                                 |
| <b>Total</b>                                                                                             | <b>409.65</b>                                        | <b>421.67</b>                                        |
| <b>26 Employee Benefits Expenses</b>                                                                     |                                                      |                                                      |
|                                                                                                          | For the year ended<br>31 March,2022<br>(₹ in Crores) | For the year ended<br>31 March,2021<br>(₹ in Crores) |
| <b># Salaries, Wages &amp; Bonus</b>                                                                     |                                                      |                                                      |
| Contribution To Gratuity                                                                                 | 680.35                                               | 744.53                                               |
| Contribution to Provident and Other Funds                                                                | 48.07                                                | 46.08                                                |
| Contribution to Superannuation Fund                                                                      | 57.52                                                | 51.91                                                |
| Compensated absences                                                                                     | 7.76                                                 | 7.91                                                 |
| Staff Welfare Expenses                                                                                   | 42.00                                                | 56.71                                                |
|                                                                                                          | 99.02                                                | 89.76                                                |
| Less : Staff Cost Capitalised                                                                            | 934.72                                               | 996.90                                               |
|                                                                                                          | (136.04)                                             | (140.73)                                             |
| <b>Total</b>                                                                                             | <b>798.68</b>                                        | <b>856.17</b>                                        |
| <b># Net of wage provisions no longer required written back of Rs 38.74 Crores (31 March 2021 : Nil)</b> |                                                      |                                                      |
| <b>27 Finance costs</b>                                                                                  |                                                      |                                                      |
|                                                                                                          | For the year ended<br>31 March,2022<br>(₹ in Crores) | For the year ended<br>31 March,2021<br>(₹ in Crores) |
| <b>a) Interest Expense</b>                                                                               |                                                      |                                                      |
| <b>Borrowings - Amortised Cost</b>                                                                       |                                                      |                                                      |
| Rupee Term Loans                                                                                         | 1.71                                                 | 8.40                                                 |
| Senior Secured Note                                                                                      | 322.04                                               | 315.66                                               |
| Shareholders Affiliated Debts                                                                            | 138.00                                               | 135.66                                               |
| External Commercial Borrowings (Note 1 below)                                                            | 47.99                                                | 42.02                                                |
| Sustainability Linked Notes                                                                              | 66.12                                                | -                                                    |
| Working Capital Loans                                                                                    | 44.44                                                | 78.32                                                |
| Foreign Exchange Fluctuation Gain(net)-Borrowings (Note 3 below)                                         | 155.64                                               | 166.80                                               |
| Interest - Hedging Cost                                                                                  | 400.24                                               | 348.42                                               |
| <b>Others</b>                                                                                            |                                                      |                                                      |
| Security Deposits From Consumers at amortised cost                                                       | 18.71                                                | 21.06                                                |
| Interest on lease obligation                                                                             | 6.25                                                 | 6.92                                                 |
| Interest - Others                                                                                        | 0.24                                                 | 1.48                                                 |
|                                                                                                          | <b>1,201.38</b>                                      | <b>1,124.74</b>                                      |
| Less : Interest Cost Capitalised                                                                         | (42.45)                                              | (30.10)                                              |
|                                                                                                          | 1,158.93                                             | 1,094.64                                             |
| <b>b) Other Borrowing Costs</b>                                                                          |                                                      |                                                      |
| Other Finance Cost                                                                                       | 1.45                                                 | 2.34                                                 |
| <b>Total</b>                                                                                             | <b>1,160.38</b>                                      | <b>1,096.98</b>                                      |

## Notes to financial statements

S - In Foreign Currency.

## Note :

- Includes Rs 28.45 Crores (31 March 2021: Rs Nil) (unamortised upfront fees) charged off on settlement of External Commercial Borrowings.
- The weighted average capitalisation rate on the Company's general borrowings is 8.76% (31 March 2021: 7.98%) per annum.
- Including Mark to Market gain of Rs. 252.56 Crores (31 March 2021: loss of Rs. 512.11 Crores) on Derivative Instruments designated in hedge accounting relationship.

## 28 Other Expenses

|                                                                  | For the year ended<br>31 March,2022<br>(₹ in Crores) | For the year ended<br>31 March,2021<br>(₹ in Crores) |
|------------------------------------------------------------------|------------------------------------------------------|------------------------------------------------------|
| Consumption Of Stores & Spares                                   | 56.59                                                | 37.82                                                |
| Repairs & Maintenance                                            |                                                      |                                                      |
| - Plant & Machinery                                              | 367.77                                               | 355.36                                               |
| - Buildings                                                      | 20.22                                                | 17.83                                                |
| - Others                                                         | 26.18                                                | 13.36                                                |
| @ Short Term Lease Rental of Land,Building,Plant & Machinery Etc | 12.62                                                | 11.35                                                |
| Vehicle Hire Charges                                             | 16.97                                                | 19.57                                                |
| Rates and Taxes                                                  | 19.44                                                | 20.38                                                |
| Legal & Professional Expenses                                    | 149.40                                               | 120.93                                               |
| Directors' Sitting Fees                                          | 0.08                                                 | 0.06                                                 |
| Bank Charges                                                     | 6.04                                                 | 9.62                                                 |
| @@ Payment to Auditors                                           | 1.74                                                 | 1.60                                                 |
| Communication Expenses                                           | 7.96                                                 | 9.68                                                 |
| Travelling & Conveyance Expenses                                 | 8.45                                                 | 10.57                                                |
| Insurance Expenses                                               | 9.76                                                 | 23.73                                                |
| License fees                                                     | 1.74                                                 | 1.65                                                 |
| Security Charges                                                 | 31.17                                                | 32.25                                                |
| Seminar & Training Expenses                                      | 3.17                                                 | 2.10                                                 |
| Software Expenses                                                | 18.15                                                | 13.05                                                |
| Bad debt Write off (Refer Note 12.2)                             | 18.31                                                | 22.52                                                |
| Bill Print/Collection/ Distribution                              | 11.88                                                | 9.95                                                 |
| Foreign Exchange Fluctuation Loss(net)                           | 1.20                                                 | -                                                    |
| Call Center Expenses                                             | 8.37                                                 | 3.64                                                 |
| Donations                                                        | 0.30                                                 | -                                                    |
| @@@ Corporate Social Responsibility Expenses                     | 5.69                                                 | 3.56                                                 |
| Electricity Expenses                                             | 0.51                                                 | 0.41                                                 |
| Printing & Stationery                                            | 1.38                                                 | 1.60                                                 |
| Advertisement & Publicity                                        | 9.26                                                 | 3.50                                                 |
| Water charges                                                    | 3.68                                                 | 4.17                                                 |
| Other Miscellaneous Expenses                                     | 20.27                                                | 12.41                                                |
| <b>Total</b>                                                     | <b>838.30</b>                                        | <b>762.67</b>                                        |

@ Lease Rentals in respect of low value assets is immaterial.

## @@ Payment to auditors

|                        | For the year ended<br>31 March,2022<br>(₹ in Crores) | For the year ended<br>31 March,2021<br>(₹ in Crores) |
|------------------------|------------------------------------------------------|------------------------------------------------------|
| As auditor:            |                                                      |                                                      |
| Statutory Audit Fees   | 1.32                                                 | 1.25                                                 |
| # Other Services       | 0.14                                                 | 0.10                                                 |
| Out of Pocket Expenses | 0.01                                                 | -                                                    |
| Applicable taxes       | 0.27                                                 | 0.24                                                 |
|                        | <b>1.74</b>                                          | <b>1.60</b>                                          |

# Excluding fees of Rs. 1.25 crores (plus taxes 0.22 crores) for services towards Sustainability linked bond issue which is netted off in borrowings for purposes of calculating Effective Interest Rate.

## @@@ Details of Corporate Social Responsibilities under Section 135 of Companies Act

| Particulars                                                                                                                                                                                            | For the year ended<br>31 March,2022 | For the year ended<br>31 March,2021 |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| (i) Amount required to be spent by the company during the year                                                                                                                                         | 5.65                                | 3.56                                |
| (ii) Total of previous years shortfall amounts                                                                                                                                                         | 0.72                                | -                                   |
| (iii) Amount of expenditure incurred:                                                                                                                                                                  |                                     |                                     |
| (a) Construction or acquisition of any assets                                                                                                                                                          | -                                   | -                                   |
| (b) on purpose other than (a) above                                                                                                                                                                    | 0.28                                | 0.59                                |
| - Donation to related party trust (not controlled by the Company)                                                                                                                                      | 6.13                                | 2.25                                |
| <b>Total amount of expenditure incurred</b>                                                                                                                                                            | <b>6.41</b>                         | <b>2.84</b>                         |
| (iv) (Excess) / Shortfall at the end of the year                                                                                                                                                       | (0.04)                              | 0.72                                |
| (v) Provision made towards CSR expenditure                                                                                                                                                             | -                                   | 0.72                                |
| (vi) Reason for shortfall : Nil (31 March 2021 : Company intended to spend the unutilised amount in subsequent year and had deposited the amount with Unspent Corporate Social Responsibility Account) |                                     |                                     |
| (vii) Nature of CSR activities : Primary Education, Community Health and Sanitation, Sustainable Livelihood Development and Urban / Rural Infrastructure Development.                                  |                                     |                                     |

## 29 Tax Expenses

## 1 Income Taxes recognised in the statement of profit &amp; loss

|                          | For the year ended<br>31 March,2022<br>(₹ in Crores) | For the year ended<br>31 March,2021<br>(₹ in Crores) |
|--------------------------|------------------------------------------------------|------------------------------------------------------|
| Current Income Tax (MAT) | 47.78                                                | 49.40                                                |
| Deferred Tax             | 101.18                                               | 27.75                                                |
|                          | <b>148.96</b>                                        | <b>77.15</b>                                         |

## Notes to financial statements

## 2 Income Tax recognised in other comprehensive income

|                                                                              | For the year ended<br>31 March, 2022<br>(₹ in Crores) | For the year ended<br>31 March, 2021<br>(₹ in Crores) |
|------------------------------------------------------------------------------|-------------------------------------------------------|-------------------------------------------------------|
| Current Income Tax                                                           |                                                       |                                                       |
| - Remeasurement of Defined Benefit Plans                                     | 3.00                                                  | 5.83                                                  |
| Total income tax recognised in other comprehensive income                    | 3.00                                                  | 5.83                                                  |
| Bifurcation of the income tax recognised in other comprehensive income into: |                                                       |                                                       |
| Items that will be reclassified to statement of profit and loss              | -                                                     | -                                                     |
| Items that will not be reclassified to statement of profit and loss          | 3.00                                                  | 5.83                                                  |
|                                                                              | 3.00                                                  | 5.83                                                  |

The income tax expenses for the year can be reconciled to the accounting profit as follows:

|                                                                             |        |         |
|-----------------------------------------------------------------------------|--------|---------|
| Profit Before Tax                                                           | 271.12 | 336.32  |
| Income tax using the company's domestic tax rate                            | 94.74  | 117.52  |
| Tax Effect of:                                                              |        |         |
| - Non deductible Expenses                                                   | 2.09   | 1.24    |
| - MAT credit not recognised                                                 | 47.78  | 49.40   |
| - Tax on other Items                                                        | 4.35   | (0.85)  |
| - Deferred Tax Asset on unabsorbed Depreciation in respect of earlier years | -      | (90.16) |
| Income tax expense recognised in statement of profit and loss               | 148.96 | 77.15   |

## Notes

- a The tax rate used for the years 31 March, 2022 and 31 March, 2021 reconciliations above is the corporate tax rate of 34.944% payable by corporate entities in India on taxable profits under the Indian tax law.
- b The rate used for calculation of Deferred tax is 34.944%, being statutory enacted rate at respective Balance Sheet date.
- c The Union Cabinet on 20 November 2019 approved the proposal for introducing the Taxation Laws (Amendment) Bill, 2019 in order to replace the Ordinance, 2019. Accordingly, on 25 November 2019, the Taxation Laws (Amendment) Bill, 2019 (Bill) was introduced which received the assent of the President of India on 12 December 2019. The Taxation Laws Amendment Bill inserted Section 115BAA in the Income Tax Act, 1961 which provides domestic companies a non-reversible option to pay corporate tax at reduced rates effective 01 April, 2019 subject to certain conditions. The Company has decided not to avail the benefit provided under the above Bill, however the Company would evaluate its option in the future based on business developments.

## Unrecognised unused tax credits

|                          | For the year ended<br>31 March, 2022<br>(₹ in Crores) | For the year ended<br>31 March, 2021<br>(₹ in Crores) |
|--------------------------|-------------------------------------------------------|-------------------------------------------------------|
| Unrecognised Tax Credits | 50.78                                                 | 55.23                                                 |

The expiry of unrecognised unused MAT credits is as described below:

|                                             | (₹ in Crores)        |                      |
|---------------------------------------------|----------------------|----------------------|
|                                             | As at 31 March, 2022 | As at 31 March, 2021 |
| Within One Year                             | -                    | -                    |
| Greater than one year, less than five years | -                    | -                    |
| Greater than five years                     | 194.01               | 143.23               |
| No expiry date                              | -                    | -                    |
| Total                                       | 194.01               | 143.23               |

## 3 Deferred Tax

|                                         | For the year ended<br>31 March, 2022<br>(₹ in Crores) | For the year ended<br>31 March, 2021<br>(₹ in Crores) |
|-----------------------------------------|-------------------------------------------------------|-------------------------------------------------------|
| Deferred tax Assets                     | 1,335.37                                              | 1,088.71                                              |
| Deferred tax Liabilities                | 1,514.72                                              | 1,166.88                                              |
| Net Deferred Tax Assets / (Liabilities) | (179.35)                                              | (78.17)                                               |

## 2021-22

|                                                                           | Opening Balance | Recognised in Profit & Loss | Closing Balance |
|---------------------------------------------------------------------------|-----------------|-----------------------------|-----------------|
| <b>Deferred Tax Assets in relation to</b>                                 |                 |                             |                 |
| Allowance for Doubtful Debts, Deposits, Advances and property tax payable | 5.67            | 2.03                        | 7.70            |
| Provisions for employee benefits and others                               | 201.89          | 12.69                       | 214.58          |
| Unabsorbed Depreciation                                                   | 881.16          | 231.94                      | 1,113.10        |
|                                                                           | 1,088.71        | 246.66                      | 1,335.37        |
| <b>Deferred Tax liabilities in relation to</b>                            |                 |                             |                 |
| Property, Plant & Equipment                                               | 1,166.88        | 347.84                      | 1,514.72        |
|                                                                           | 1,166.88        | 347.84                      | 1,514.72        |
| Deferred Tax Asset/(Liability) (Net)                                      | (78.17)         | (101.18)                    | (179.35)        |

## Notes to financial statements

2020-21

|                                                     | Opening Balance | Recognised in Profit & Loss | Closing Balance |
|-----------------------------------------------------|-----------------|-----------------------------|-----------------|
| <b>Deferred Tax Assets in relation to</b>           |                 |                             |                 |
| Allowance for Doubtful Debts, Deposits and Advances | -               | 5.67                        | 5.67            |
| Provisions for employee benefits and others         | -               | 201.89                      | 201.89          |
| Unabsorbed Depreciation                             | 764.89          | 116.27                      | 881.16          |
|                                                     | 764.89          | 323.82                      | 1,088.71        |
| <b>Deferred Tax liabilities in relation to</b>      |                 |                             |                 |
| Property, Plant & Equipment                         | 815.31          | 351.57                      | 1,166.88        |
|                                                     | 815.31          | 351.57                      | 1,166.88        |
| <b>Deferred Tax Asset/(Liability) (Net)</b>         | <b>(50.42)</b>  | <b>(27.75)</b>              | <b>(78.17)</b>  |

## 30 Earnings Per Share (EPS)

|                                                                                               |     | For the year ended<br>31 March, 2022<br>(₹ in Crores) | For the year ended<br>31 March, 2021<br>(₹ in Crores) |
|-----------------------------------------------------------------------------------------------|-----|-------------------------------------------------------|-------------------------------------------------------|
| <b>(A) Before net Movement in Regulatory Deferral Balance</b>                                 |     |                                                       |                                                       |
| Profit / (Loss) attributable to Equity Shareholders                                           |     | 122.16                                                | 259.17                                                |
| Add/(Less): Net Movement in Regulatory Deferral Balance                                       |     | 682.47                                                | 582.81                                                |
| Income tax on Regulatory Income / (expense)                                                   |     | (119.24)                                              | (101.83)                                              |
| Regulatory Income / (expense) (net of tax)                                                    |     | 563.23                                                | 480.98                                                |
| Net Profit / (Net Loss) excluding regulatory Income                                           |     | <b>(441.07)</b>                                       | <b>(221.81)</b>                                       |
| Number of Weighted Average Equity Shares, outstanding during the year for basic / diluted EPS | No. | 4,020,823,535                                         | 4,020,823,535                                         |
| Nominal Value of Equity Shares                                                                | ₹   | 10.00                                                 | 10.00                                                 |
| <b>Basic / Diluted Earnings per Share before net Movement in Regulatory Deferral Balance</b>  | ₹   | <b>(1.10)</b>                                         | <b>(0.55)</b>                                         |
| <b>(B) After net Movement in Regulatory Deferral Balance</b>                                  |     |                                                       |                                                       |
| Profit / (Loss) attributable to Equity Shareholders                                           |     | 122.16                                                | 259.17                                                |
| Number of Weighted Average Equity Shares, outstanding during the year for basic EPS           | No. | 4,020,823,535                                         | 4,020,823,535                                         |
| Nominal Value of Equity Shares                                                                | ₹   | 10.00                                                 | 10.00                                                 |
| <b>Basic / Diluted Earnings per Share after net Movement in Regulatory Deferral Balance</b>   | ₹   | <b>0.30</b>                                           | <b>0.64</b>                                           |

- 31 In accordance with the requirements of Ind AS 36 "Impairment of Assets", Transmission Cash Generating Unit ("TCGU") which includes carrying value of Transmission License having indefinite useful life being Transmission License (Rs 981.62 crores), has been tested for impairment as at 31 March, 2022 wherein, recoverable amount of the TCGU has been determined applying value in use approach. The value in use of the TCGU has been determined using Discounted Cash Flow Method (DCF).

In deriving the recoverable amount of the TCGU a discount rate (post tax) of 9.10% (31 March 2021: 8.75%) per annum has been used. In arriving at the recoverable amount of the TCGU, financial projections have been developed for 6 years (31 March 2021: 6 years) and thereafter in perpetuity considering a terminal growth rate of 1.5% (31 March 2021: 2%) per annum.

Based on the results of the TCGU impairment test, the estimated value in use of the TCGU was higher than its carrying amount, hence impairment provision recorded during the current year is ₹ Nil (31 March 2021 - ₹ Nil) Crore. Management believes that any reasonably possible change in the key assumptions on which recoverable amount is based would not cause the aggregate carrying amount to exceed the fair value of the Transmission License.

The key assumptions used in determining the recoverable amount of TCGU are as follows :

- Discount Rate: 9.10% (31 March 2021: 8.75%) Post-Tax Discount rate has been derived based on current cost of borrowing and equity rate of return in line with the current market expectations
- Capital expenditure / Capitalisation: Capital expenditure and capitalisation for 6 years (31 March 2021: 6 years) is estimated based on management projections subject to regulatory approval and thereafter Rs 500 crores per annum (31 March 2021: Rs 325 crores per annum)

## 32 Leases

## (i) Disclosure under Ind AS 116 Leases:

- a) The following is the movement in Lease liabilities during the year ended 31st March, 2022

| Particulars                                                                 | As at 31 March, 2022<br>(₹ in Crores) | As at 31 March, 2021<br>(₹ in Crores) |
|-----------------------------------------------------------------------------|---------------------------------------|---------------------------------------|
| <b>Opening Balance</b>                                                      | 93.59                                 | 104.02                                |
| Interest on Lease Liabilities                                               | 6.25                                  | 6.92                                  |
| Lease Liabilities on account of Leases entered / terminated during the year | (32.63)                               | 9.36                                  |
| Payments of Lease Liabilities / Other Adjustments                           | (22.37)                               | (26.71)                               |
| <b>Closing Balance (refer note 19)</b>                                      | <b>44.84</b>                          | <b>93.59</b>                          |

## Notes to financial statements

- b) **Where the Company is a lessee :**  
The Company has taken office premises on lease. Generally leases are renewed on mutual consent and at a prevalent market price and sub lease is restricted.
- i Interest Expenses on lease liabilities amounts to Rs 6.25 crores (31 March, 2021 Rs 6.92 crores)
- ii The expense relating to payments not included in the measurement of the lease liability and recognised as expenses in the statement of profit and loss during the year is as follows :  
Low Value leases - Immaterial  
Short-term leases - Rs 12.62 crores (31 March, 2021 Rs 11.35 crores)
- iii Total Cash outflow for leases amounts to Rs 34.99 Crores (31 March, 2021 Rs 38.06 crores) during the year including cash outflow short term and low value leases.
- c) The Company had a 25 year long term Power Purchase Agreement (PPA) with Vidharbha Industries Power Limited (VIPL), wherein the Company has committed to purchase the entire output generated from VIPL's generating station located at Butibori. In terms of the PPA, the Company subject to a minimum guaranteed plant availability (determined on a yearly basis) is liable to pay subject to MERC approval a fixed monthly capacity charge and a variable charge towards the cost of fuel. VIPL was obligated to make the plant available for generation for a minimum period of time (determined on a yearly basis) and the option as regards the timing of availability was at the discretion of VIPL.

The Company on assessment of the above arrangement has concluded, that considering the Company does not have the right to direct the use of the asset, the above arrangement does not qualify to be lease under IND AS 116.

During FY 2019-20, the Company had terminated the above PPA due to non-performance of obligations under the PPA by VIPL. Such termination has been upheld by MERC / Appellate Tribunal of Electricity ("ATE"). VIPL has filed an appeal before the Hon'ble Supreme Court against the said order issued by the ATE. The proceedings are ongoing with the Hon'ble Supreme Court.

## 33 Contingent liabilities and Commitments

|                                                                                                                                                                | As at 31 March, 2022<br>(₹ in Crores) | As at 31 March, 2021<br>(₹ in Crores) |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------|---------------------------------------|
| <b>(A) Contingent liabilities :</b>                                                                                                                            |                                       |                                       |
| Claims against the Company not probable and hence not acknowledged as debts consists of :-                                                                     |                                       |                                       |
| (i) Demand disputed by the Company relating to Service tax on street light maintenance, wheeling charges and cross subsidy surcharges - Refer note 3           | 353.55                                | 353.55                                |
| (ii) Claims raised by the Government authorities towards unearned income arising on alleged transfer of certain land parcels - Refer note 3                    | 127.65                                | 127.65                                |
| (iii) Way Leave fees claims disputed by the Company relating to rates charged - Refer note 3                                                                   | 28.43                                 | 28.43                                 |
| (iv) Property related disputes - Refer note 3                                                                                                                  | 2.59                                  | 2.59                                  |
| (v) Other claims against the Company not acknowledged as debts.                                                                                                | 2.12                                  | 2.12                                  |
| (vi) Claims raised by Vidharbha Industries Power Limited (VIPL) in respect of increase in fuel cost for the financial year ended 31 March, 2019 - Refer Note 3 | 1,381.28                              | 1,381.28                              |
| (vii) Claims pertaining to interest in respect of certain regulatory Liabilities -Refer Note 3                                                                 | @@                                    | @@                                    |
| (viii) Liability in respect of disposal of bottom Ash                                                                                                          | @@                                    | @@                                    |
| (ix) Liability in respect of termination of power purchase lease agreement                                                                                     | @@                                    | @@                                    |
|                                                                                                                                                                | <b>1,895.62</b>                       | <b>1,895.62</b>                       |

@@ Amount not determinable

**Notes:**

- Amounts in respect of employee related claims/disputes, consumer related litigation, regulatory matters is not ascertainable.
- Future cash flows in respect of above matters are determinable only on receipt of judgements/decisions pending at various forums/authorities.
- In terms of the Share Purchase Agreement entered into by the Company, ATL with RINFRA, in the event the above matters are decided against the Company and are not recoverable from the consumers, the same would be recovered from RINFRA.
- The above Contingent Liabilities to the extent pertaining to Regulated Business, which on unfavourable outcome are recoverable from consumers subject to MERC approval.

The Company, in respect of the above mentioned Contingent Liabilities has assessed that it is only possible but not probable that outflow of economic resources will be required.

**(B) Capital Commitments :**

|                                                                                                    | As at 31 March, 2022<br>(₹ in Crores) | As at 31 March, 2021<br>(₹ in Crores) |
|----------------------------------------------------------------------------------------------------|---------------------------------------|---------------------------------------|
| (i) Estimated amount of contracts remaining to be executed on capital account and not provided for | 699.48                                | 364.49                                |
|                                                                                                    | <b>699.48</b>                         | <b>364.49</b>                         |

**(C) Other Commitments :**

- (i) In terms of the MERC RPO obligation regulations, the Company is required to procure on an annual basis a certain quantum of power generated from renewable sources, as at 31 March, 2022 the Company has an cumulative outstanding commitment to procure renewable power of 5038 Mu's (31 March, 2021 - 4256 Mu's)

The Company to meet its past and future RPO commitment, has entered into through a competitive bid, a long term 25 years PPA of 700 MW with a group entity (Adani Hybrid Energy Jaisalmer Four Limited) to purchase 700 MW of Wind Solar Hybrid Renewable Power at Rs 3.24 per unit. The Company has purchased 292.95 Mus of Solar Hybrid from Adani Hybrid Energy Jaisalmer Four Limited during the year ended 31 March, 2022.

The Company in its MYT petition had requested MERC to allow it to carry forward its unmet RPO obligation to the next control period, so as to allow it to fulfil its past obligation from the above arrangement entered into. MERC has directed the Company to file a separate petition in respect of the same wherein appropriate view would be taken. The management is of the view that MERC would approve the above request and there would be no adverse financial implications of the non-compliance by the Company of its past RPO obligations.

## Notes to financial statements

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## Transaction with Struck Off Companies

| Name of the struck off company                  | Nature of transactions with struck off company | Balance outstanding | Relation with the struck off company, if any, to be disclosed |
|-------------------------------------------------|------------------------------------------------|---------------------|---------------------------------------------------------------|
| <b>As at 31 March, 2022</b>                     |                                                |                     |                                                               |
| <b>Payables</b>                                 |                                                |                     |                                                               |
| Silent Sentinels Electrical Consultant Pvt Ltd  | Purchase of Service                            | 0.01                | Vendor                                                        |
| <b>Receivables</b>                              |                                                |                     |                                                               |
| M S Gem Printers Pvt Ltd                        | Sale of Power                                  | 0.13                | Consumer                                                      |
| B B Consulting N Eng Pvt Ltd                    | Sale of Power                                  | 0.01                | Consumer                                                      |
| Uday Real Tdrs Pvt. Ltd.                        | Sale of Power                                  | 0.01                | Consumer                                                      |
| Unilink Tel Services (I) Pvt. Ltd.              | Sale of Power                                  | 0.02                | Consumer                                                      |
| Flex Foot Wear India Pvt. Ltd.                  | Sale of Power                                  | 0.01                | Consumer                                                      |
| Kool Dring & Pack Private Limited               | Sale of Power                                  | 0.02                | Consumer                                                      |
| SSV Developeres & Indian Holiday Resort Private | Sale of Power                                  | 0.10                | Consumer                                                      |
| Others - 361 Parties < 50K                      | Sale of Power                                  | 0.09                | Consumer                                                      |
| <b>As at 31 March, 2021</b>                     |                                                |                     |                                                               |
| <b>Payables</b>                                 |                                                |                     |                                                               |
| Silent Sentinels Electrical Consultant Pvt Ltd  | Purchase of Service                            | 0.01                | Vendor                                                        |
| <b>Receivables</b>                              |                                                |                     |                                                               |
| Bharti Infratel Services Limited                | Sale of Power                                  | 0.04                | Consumer                                                      |
| Interjewel Private Limited                      | Sale of Power                                  | 0.02                | Consumer                                                      |
| Kunjan Silks Private Limited                    | Sale of Power                                  | 0.01                | Consumer                                                      |
| Gem Printers Private Limited                    | Sale of Power                                  | 0.13                | Consumer                                                      |
| B.B.Consulting 'N' Engineering Private Limited  | Sale of Power                                  | 0.01                | Consumer                                                      |
| Uday Realtors Private Limited                   | Sale of Power                                  | 0.01                | Consumer                                                      |
| Unilink Tele Services (India) Private Limited   | Sale of Power                                  | 0.02                | Consumer                                                      |
| Navdurga Developments Private Limited           | Sale of Power                                  | 0.01                | Consumer                                                      |
| Flex Foot Wear India P.Ltd.                     | Sale of Power                                  | 0.01                | Consumer                                                      |
| SSV Developeres & Indian Holiday Resort Private | Sale of Power                                  | 0.11                | Consumer                                                      |
| Others - 354 Parties < 50K                      | Sale of Power                                  | 0.09                | Consumer                                                      |

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ATL has acquired the control of the Company w.e.f. 29 August, 2018, through its purchase from Reliance Infrastructure Limited ("RINFRA"), of the equity shares of the Company. In accordance with Share Purchase Agreement, any incremental adjustment, arising as a result of the MERC MYT order for the period 1 April, 2017 to 28 August, 2018 is to the account of R-infra. MERC in its MYT order has provided for recovery of certain regulatory assets in subsequent years subject to final truing up adjustments.

Such recoverable amounts are mainly on account of various components such as annual surplus, capex disallowances, MAT credit etc. Pending final truing up by MERC, the amount recoverable from RINFRA have not been accounted for as at 31 March, 2022 and would be accounted for as and when such amount is finally determined.

**36 Related Party Disclosure**

As per the Ind AS 24, disclosure of transactions with related parties, are given below:

**Name of related parties & description of relationship**

|                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|-------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (A) Ultimate Holding Entity   | S. B. Adani Family Trust (SBAFT)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| (B) Holding Company           | Adani Transmission Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| (C) Subsidiary Company        | Adani Electricity Mumbai Infra Limited<br>AEML SEEPZ Limited (w.e.f. 08.12.2020)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| (D) Key Management Personnel: | Mr. Kandarp Patel, Managing Director & CEO<br>Mr. Kunjal Mehta, Chief Financial Officer (w.e.f. 02.05.2022)<br>Mr. Rakesh Tiwary, Chief Financial Officer (upto 31.03.2022)<br>Mr. Jaldhi Shukla, Company Secretary<br>Mr. Anil Sardana, Director<br>Mr. Sagar Adani, Director<br>Mr. K. Jairaj, Independent Director<br>Ms. Chitra Bhatnagar, Independent Director (upto 27.10.2021)<br>Ms. Chandra Iyengar (w.e.f. 27.10.2021)<br>Mr. Quinton Choi, Non Executive Director - (w.e.f. 01.07.2020)<br>Mr. Kenneth McLaren, Non Executive Director - (w.e.f. 22.10.2020) |

|                                         |                   |
|-----------------------------------------|-------------------|
| (E) Entity having significant influence | Qatar Holding LLC |
|-----------------------------------------|-------------------|

**(F) Enterprises over which (A) or (B) or (D) or (E) above have significant influence :**

(where transactions have taken place during the year and previous year / balance outstanding)

Adani Power Limited  
Adani Enterprises Limited  
Adani Properties Private Limited  
Karnavati Aviation Private Limited  
Adani Power (Mundra) Limited  
Adani Green Energy Limited  
Mundra Solar Pv Limited  
Sunbourne Developers Private Limited  
Adani Institute For Education & Research  
Adani Township & Real Estate Company Limited  
AEML Infrastructure Limited  
Maharashtra Eastern Grid Power Transmission Co. Limited  
Power Distribution Services Limited  
Adani Power Maharashtra Limited  
Adani Total Gas Limited  
Adani Hybrid Energy Jaisalmer Four Limited  
Adani Foundation  
Adani Hospitals Mundra Private Limited  
Mumbai International Airport Limited (w.e.f 13.07.2021)  
Adani Transmission (India) Limited  
Superheights Infraspace Private Limited  
Adani Power Rajasthan Limited  
Ahmedabad International Airport Limited  
Mangaluru International Airport Limited  
Adani Ports And Special Economic Zone Limited  
Valuable Properties Private Limited  
Adani Krishnapatnam Port Limited

|                               |                                                |
|-------------------------------|------------------------------------------------|
| (G) Employee Benefits Funds : | AEML Gratuity Fund<br>AEML Superannuation Fund |
|-------------------------------|------------------------------------------------|

| Nature of Transaction                              | Name of Related Party                                                                                                                                                                                                       | (₹ In Crores)                               |                                          |
|----------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------|------------------------------------------|
|                                                    |                                                                                                                                                                                                                             | For the year ended 31 March, 2022           | For the year ended 31 March, 2021        |
| Reimbursement of Expenses                          | Adani Transmission Limited                                                                                                                                                                                                  | -                                           | 0.35                                     |
| Inter Corporate Deposit (ICD) Received Back        | Adani Properties Private Limited                                                                                                                                                                                            | -                                           | 580.00                                   |
| Interest expenses on Shareholders Affiliated Debts | Qatar Holding LLC                                                                                                                                                                                                           | 134.47                                      | 131.87                                   |
| Interest Income on ICD (Loans)                     | Adani Properties Private Limited                                                                                                                                                                                            | 114.40                                      | 116.87                                   |
| Investment in Equity share capital                 | AEML SEEPZ Limited                                                                                                                                                                                                          | -                                           | 0.01                                     |
| Earnest Money Deposit (EMD) received               | Adani Enterprises Limited                                                                                                                                                                                                   | -                                           | 6.84                                     |
| Earnest Money Deposit (EMD) Given Back             | Adani Enterprises Limited                                                                                                                                                                                                   | -                                           | 6.64                                     |
| Contribution to Employee Benefits                  | AEML Gratuity Fund<br>AEML Superannuation Fund                                                                                                                                                                              | 1.08<br>7.76                                | 0.96<br>7.91                             |
| Reimbursement of Expenses-Given                    | Adani Electricity Mumbai Infra Limited                                                                                                                                                                                      | -                                           | 15.50                                    |
| Purchase of Services                               | Karnavati Aviation Private Limited<br>Adani Township & Real Estate Company Limited<br>Adani Enterprises Limited<br>Power Distribution Services Limited<br>Mundra Solar Pv Limited<br>Adani Hospitals Mundra Private Limited | 9.00<br>-<br>86.02<br>15.00<br>0.00<br>0.90 | 9.00<br>0.20<br>71.30<br>14.90<br>-<br>- |
| Services Given                                     | Adani Institute For Education & Research                                                                                                                                                                                    | 0.07                                        | 0.01                                     |
| Sale of Goods                                      | Adani Power (Mundra) Limited<br>Adani Transmission (India) Limited                                                                                                                                                          | -<br>0.01                                   | 0.02                                     |
| Purchase of PPE                                    | Mundra Solar Pv Limited                                                                                                                                                                                                     | -                                           | 0.47                                     |
| Employee advance transferred In                    | Maharashtra Eastern Grid Power Transmission Co. Limited                                                                                                                                                                     | -                                           | 0.04                                     |
| Employee advance transferred Out                   | Adani Electricity Mumbai Infra Limited                                                                                                                                                                                      | -                                           | 0.94                                     |

| (₹ in Crores)                                             |                                                            |                                   |                                   |
|-----------------------------------------------------------|------------------------------------------------------------|-----------------------------------|-----------------------------------|
| Nature of Transaction                                     | Name of Related Party                                      | For the year ended 31 March, 2022 | For the year ended 31 March, 2021 |
| Employees benefits Received                               | Adani Enterprises Limited                                  | -                                 | 8.26                              |
|                                                           | Adani Power Maharashtra Limited                            | -                                 | 0.05                              |
|                                                           | Adani Total Gas Limited                                    | 0.02                              | 0.59                              |
| Employees benefits Transferred                            | Adani Electricity Mumbai Infra Limited                     | -                                 | 14.92                             |
|                                                           | Adani Enterprises Limited                                  | 0.02                              | -                                 |
|                                                           | Adani Power Rajasthan Limited                              | 0.01                              | -                                 |
|                                                           | Ahmedabad International Airport Limited                    | 0.10                              | -                                 |
|                                                           | Mangaluru International Airport Limited                    | 0.03                              | -                                 |
|                                                           |                                                            | 0.01                              | -                                 |
|                                                           | Adani Ports And Special Economic Zone Limited              | -                                 | -                                 |
|                                                           | Valuable Properties Private Limited                        | 0.03                              | -                                 |
|                                                           | Adani Green Energy Limited                                 | 0.01                              | -                                 |
|                                                           | Adani Power (Mundra) Limited                               | 0.01                              | -                                 |
|                                                           | Mumbai International Airport Limited                       | 0.34                              | -                                 |
|                                                           | Adani Krishnapatnam Port Limited                           | 0.22                              | -                                 |
|                                                           | Maharashtra Eastern Grid Power Transmission Co. Limited    | 0.04                              | -                                 |
|                                                           | Adani Power Limited                                        | 0.27                              | -                                 |
| Advance - Received Back                                   | AEML Infrastructure Limited                                | 0.05                              | 3.36                              |
| Payment made on behalf of Group Companies                 | AEML Infrastructure Limited                                | 0.07                              | 0.05                              |
|                                                           | Adani Electricity Mumbai Infra Limited                     | 0.91                              | 0.46                              |
|                                                           | Power Distribution Services Limited                        | 0.54                              | 0.68                              |
|                                                           | AEML Seepz Limited                                         | 0.05                              | -                                 |
| Payment made on behalf of Group Companies-Received Back   | AEML Infrastructure Limited                                | 0.08                              | -                                 |
|                                                           | Adani Electricity Mumbai Infra Limited                     | 1.32                              | -                                 |
|                                                           | Power Distribution Services Limited                        | 1.21                              | -                                 |
| Advance paid towards Purchase of property - Received back | Sunbourn Developers Private Limited                        | 271.00                            | -                                 |
| Towards acquisition of leasehold land                     | Superheights Infraspace Private Limited                    | 510.00                            | -                                 |
| Advance paid towards Purchase of Power                    | Adani Enterprises Limited                                  | 1,313.31                          | 700.00                            |
| Advance paid towards Purchase of Power-Received back      | Adani Enterprises Limited                                  | 607.22                            | 250.00                            |
| Corporate Social Responsibility Contribution              | Adani Foundation                                           | 6.13                              | 2.25                              |
| Interest Income                                           | Adani Enterprises Limited                                  | 50.12                             | 34.90                             |
| Purchase of Power (net of discount)                       | Adani Enterprises Limited (excluding banking transactions) | 1,264.73                          | 360.70                            |
|                                                           | Adani Hybrid Energy Jaisalmer Four Limited                 | 93.87                             | -                                 |
| Rent Paid                                                 | Mumbai International Airport Limited                       | 1.09                              | -                                 |
| Remuneration paid                                         | Mr. Kanderp Patel                                          | 4.61                              | 3.55                              |
|                                                           | Mr. Rakesh Tiwary                                          | 1.88                              | 1.49                              |
| Employee Loan given                                       | Mr. Rakesh Tiwary                                          | 0.50                              | 0.20                              |
| Sitting Fees                                              | Mr. K Jaira                                                | 0.06                              | 0.05                              |
|                                                           | Ms. Chitra Bhatnagar                                       | 0.01                              | 0.01                              |
|                                                           | Ms. Chandra Iyengar                                        | 0.02                              | -                                 |

| (₹ in Crores)                                                |                                                         |                      |                      |
|--------------------------------------------------------------|---------------------------------------------------------|----------------------|----------------------|
| Closing Balance                                              | Name of Related Party                                   | As at 31 March, 2022 | As at 31 March, 2021 |
| Balance Payable                                              | Mundra Solar Pv Limited                                 | 0.10                 | 0.01                 |
|                                                              | Adani Transmission Limited                              | -                    | 2.72                 |
|                                                              | Karnavati Aviation Private Limited                      | 3.00                 | 0.75                 |
|                                                              | Power Distribution Services Limited                     | 13.73                | 6.56                 |
|                                                              | Adani Hybrid Energy Jaisalmer Four Limited              | 42.66                | -                    |
|                                                              | Adani Enterprises Limited                               | 303.97               | -                    |
|                                                              | Superheights Infraspace Private Limited                 | 79.00                | -                    |
|                                                              | Mumbai International Airport Limited                    | 0.34                 | -                    |
|                                                              | Adani Power Rajasthan Limited                           | 0.01                 | -                    |
|                                                              | Ahmedabad International Airport Limited                 | 0.10                 | -                    |
|                                                              | Mangaluru International Airport Limited                 | 0.03                 | -                    |
|                                                              | Adani Ports And Special Economic Zone Limited           | 0.01                 | -                    |
|                                                              | Valuable Properties Private Limited                     | 0.03                 | -                    |
|                                                              | Adani Power (Mundra) Limited                            | 0.01                 | -                    |
|                                                              | Adani Krishnapatnam Port Limited                        | 0.22                 | -                    |
|                                                              | Adani Power Limited                                     | 0.27                 | -                    |
|                                                              | Maharashtra Eastern Grid Power Transmission Co. Limited | 0.04                 | -                    |
| Balance Receivable                                           | Adani Enterprises Limited                               | -                    | 278.43               |
|                                                              | Adani Green Energy Limited                              | 0.15                 | 0.16                 |
|                                                              | Adani Properties Private Limited*                       | 1,040.00             | 1,040.00             |
|                                                              | Sunbourn Developers Private Limited                     | -                    | 271.00               |
|                                                              | AEML Infrastructure Limited                             | 0.04                 | 0.10                 |
|                                                              | Adani Electricity Mumbai Infra Limited                  | 0.05                 | 1.77                 |
|                                                              | AEML SEEPZ Limited                                      | 0.05                 | -                    |
|                                                              | Adani Power Maharashtra Limited                         | -                    | 0.05                 |
| Investment in Equity Shares of Subsidiary                    | Adani Electricity Mumbai Infra Limited                  | 0.01                 | 0.01                 |
|                                                              | AEML SEEPZ Limited                                      | 0.01                 | 0.01                 |
| Employee Loan Balance Receivable                             | Mr. Rakesh Tiwary                                       | 0.62                 | 0.18                 |
| Shareholders Affiliated Debt payable                         | Qatar Holding LLC                                       | 2,137.35             | 2,061.70             |
| Interest accrued but not due on Shareholders Affiliated Debt | Qatar Holding LLC                                       | 53.28                | 51.40                |

\* The Company has provided long-term intercorporate deposit at rates comparable to the average commercial rate of interest.

**Note:**

All the above transactions are executed at arm's length basis.

The above disclosure does not include transaction with / as public utility services viz, electricity, telecommunications etc. in the normal course of business.

Key Managerial Personnel are entitled to post-employment benefits and other long term employee benefits recognised as per Ind AS 19 - 'Employee Benefits' in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above.

## 37 Disclosure under Ind AS 19 "Employee Benefits" :

## 1 Defined Contribution Plan

- (i) Provident fund
- (ii) Superannuation fund
- (iii) State defined contribution plans
  - Employer's contribution to Employees' state insurance
  - Employers' Contribution to Employees' Pension Scheme 1995

The provident fund and the state defined contribution plan are operated by the Regional Provident Fund Commissioner and the superannuation fund is administered by the trustees of the AEML Superannuation Scheme. Under the schemes, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit schemes to fund the benefits. The Company has no obligation other than the contribution to the fund.

The Company has recognised the following amounts as expense in the financial statements for the year:

| (₹ in Crores)                                 |                 |                 |
|-----------------------------------------------|-----------------|-----------------|
| Particulars                                   | 31st March 2022 | 31st March 2021 |
| Contribution to Provident Fund                | 43.46           | 38.13           |
| Contribution to Employees Superannuation Fund | 7.76            | 7.91            |
| Contribution to Employees Pension Scheme      | 6.83            | 6.90            |

## 2 Defined Benefit Plan

## Gratuity

The Company operates a funded gratuity plan in the form of a Trust, governed by Trustees appointed by the Company and administered by Life Insurance corporation. Every employee is entitled to a benefit equivalent to fifteen days salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972 or Company scheme whichever is beneficial. The same is payable at the time of separation from the Company or retirement, whichever is earlier. The benefits vest after five years of continuous service.

| Particulars                                                                       | Gratuity for the year ended<br>31st March 2022       | Gratuity for the year ended<br>31st March 2021 |
|-----------------------------------------------------------------------------------|------------------------------------------------------|------------------------------------------------|
| Starting Period                                                                   | April 01, 2021                                       | April 01, 2020                                 |
| Date of Reporting                                                                 | March 31, 2022                                       | March 31, 2021                                 |
| <b>Principal Assumptions in actuarial valuation</b>                               |                                                      |                                                |
| Rate of Discounting                                                               | 6.98%                                                | 6.86%                                          |
| Rate of Salary Increase                                                           | 10.25%                                               | 9.75%                                          |
| Rate of Employee Turnover                                                         | 1.00%                                                | 0.40%                                          |
| Mortality Rate During Employment                                                  | Indian Assured Lives<br>Mortality 2012-14<br>(Urban) | Indian Assured Lives<br>Mortality (2006-08)    |
| <b>Change in the Present Value of Defined Benefit Obligation</b>                  |                                                      |                                                |
|                                                                                   | <b>March 31, 2022</b>                                | <b>March 31, 2021</b>                          |
| Present value of Benefit Obligation at the beginning of the year                  | 649.75                                               | 645.00                                         |
| Liability Transferred in                                                          | -                                                    | 5.15                                           |
| Liability Transferred Out                                                         | (1.12)                                               | (9.07)                                         |
| Interest Cost                                                                     | 44.57                                                | 44.11                                          |
| Current Service Cost                                                              | 36.82                                                | 35.40                                          |
| Benefit Paid From the Fund                                                        | (29.57)                                              | (36.60)                                        |
| Actuarial (Gain) / Losses on Obligation- Due to Change in Financial Assumptions   | 20.06                                                | (1.18)                                         |
| Actuarial (Gain) / Losses on Obligation- Due to Change in Demographic Assumptions | 12.79                                                | 6.91                                           |
| Actuarial (Gain) / Losses on Obligation-Due to Experience                         | (51.17)                                              | (39.97)                                        |
| <b>Present Value of Benefit Obligation at the end of the year</b>                 | <b>682.13</b>                                        | <b>649.75</b>                                  |
| <b>Change in the Fair Value of Plan Assets</b>                                    |                                                      |                                                |
| Fair Value of Plan Asset at the beginning of the year                             | 485.77                                               | 488.88                                         |
| Interest Income                                                                   | 33.32                                                | 33.43                                          |
| Benefit Paid From the Fund                                                        | (29.57)                                              | (36.60)                                        |
| Contribution by the Employer                                                      | 1.09                                                 | 0.96                                           |
| Return on Plan Assets Excluding Interest Income                                   | (1.15)                                               | (0.90)                                         |
| <b>Fair Value of Plan Asset at the end of the year</b>                            | <b>489.46</b>                                        | <b>485.77</b>                                  |

|                                                                                            |                 |                 |
|--------------------------------------------------------------------------------------------|-----------------|-----------------|
| <b>Amount Recognised in the Balance Sheet</b>                                              |                 |                 |
| Present Value of Benefit Obligation at the end of the year                                 | 682.13          | 649.75          |
| Fair Value of Plan Assets at the end of the year                                           | 489.46          | 485.77          |
| <b>Funded Status (Deficit)</b>                                                             | <b>(192.67)</b> | <b>(163.98)</b> |
| <b>Net (Liability) Recognized in the Balance Sheet</b>                                     | <b>(192.67)</b> | <b>(163.98)</b> |
| <b>Provisions</b>                                                                          |                 |                 |
| <b>Current</b>                                                                             | <b>32.57</b>    | <b>31.96</b>    |
| <b>Non-Current</b>                                                                         | <b>160.10</b>   | <b>132.02</b>   |
| <b>Expenses Recognized in the Statement of Profit and Loss</b>                             |                 |                 |
| Current Service Cost                                                                       | 36.82           | 35.40           |
| Net Interest Cost                                                                          | 11.25           | 10.68           |
| <b>Expenses Recognised</b>                                                                 | <b>48.07</b>    | <b>46.08</b>    |
| <b>Expenses Recognised in Other Comprehensive Income (OCI)</b>                             |                 |                 |
| Actuarial (Gains) / Losses on Obligation for the year                                      | (18.32)         | (34.24)         |
| Return on Plan Assets Excluding Interest Income                                            | 1.15            | 0.90            |
| <b>Net Expenses for the year recognised in OCI</b>                                         | <b>(17.17)</b>  | <b>(33.34)</b>  |
| <b>Major Categories of plan assets</b>                                                     |                 |                 |
| Government Securities                                                                      | 81.02%          | 70.07%          |
| Debt and other Instruments                                                                 | 10.71%          | 23.85%          |
| Equity Instruments                                                                         | 8.27%           | 6.08%           |
| Total                                                                                      | 100%            | 100%            |
| <b>Expected Contribution for next financial year</b>                                       | <b>32.57</b>    | <b>31.96</b>    |
| <b>Expected Maturity Analysis of undiscounted defined Benefit Obligation is as follows</b> |                 |                 |
| Within one year                                                                            | 35.07           | 27.46           |
| Between 2 to 5 years                                                                       | 174.27          | 144.68          |
| Between 5 to 10 years                                                                      | 366.92          | 347.73          |
| Beyond 10 years                                                                            | 803.48          | 839.47          |
| The weighted average duration of the defined benefit obligation                            | 10.00           | 11.00           |
| <b>Sensitivity Analysis</b>                                                                |                 |                 |
| Projected Benefit Obligation on Current Assumptions                                        | <b>682.13</b>   | <b>649.75</b>   |
| <b>Assumptions – Discount Rate</b>                                                         |                 |                 |
| <b>Sensitivity Level</b>                                                                   | <b>1.00%</b>    | <b>1.00%</b>    |
| Impact on defined benefit obligation –in % increase                                        | -7.91%          | -8.46%          |
| Impact on defined benefit obligation –in ₹ Crores                                          | (53.93)         | (54.94)         |
| Impact on defined benefit obligation –in % decrease                                        | 9.03%           | 9.71%           |
| Impact on defined benefit obligation –in ₹ Crores                                          | 61.62           | 63.10           |
| <b>Assumptions – Future Salary Increase</b>                                                |                 |                 |
| <b>Sensitivity Level</b>                                                                   | <b>1.00%</b>    | <b>1.00%</b>    |
| Impact on defined benefit obligation –in % increase                                        | 8.49%           | 9.22%           |
| Impact on defined benefit obligation –in ₹ Crores                                          | 57.90           | 59.92           |
| Impact on defined benefit obligation –in % decrease                                        | -7.60%          | -8.20%          |
| Impact on defined benefit obligation –in ₹ Crores                                          | (51.83)         | (53.30)         |
| <b>Assumptions – Employee Turnover</b>                                                     |                 |                 |
| <b>Sensitivity Level</b>                                                                   | <b>1.00%</b>    | <b>1.00%</b>    |
| Impact on defined benefit obligation –in % increase                                        | -1.72%          | -1.72%          |
| Impact on defined benefit obligation –in ₹ Crores                                          | (11.72)         | (11.19)         |
| Impact on defined benefit obligation –in % decrease                                        | 1.90%           | 0.74%           |
| Impact on defined benefit obligation –in ₹ Crores                                          | 12.96           | 4.81            |

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting year) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

**3 Risk exposure:**

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

**Asset volatility:**

The plan liabilities are calculated using a discount rate set with reference to government bond yield. If plan assets underperform this yield, it will result in deficit. These are subject to interest rate risk. To offset the risk, the plan assets have been deployed in high grade insurer managed funds.

**Inflation rate risk:**

Higher than expected increase in salary and medical cost will increase the defined benefit obligation.

**Demographic risk:**

This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligations is not straight forward and depends upon the combination of salary increase, discount rate and vesting criterion.

**38 Regulatory Deferral Account**

|                                                | As at 31 March,<br>2022<br>(₹ in Crores) | As at 31 March,<br>2021<br>(₹ in Crores) |
|------------------------------------------------|------------------------------------------|------------------------------------------|
| <b>Regulatory Deferral Account - Liability</b> |                                          |                                          |
| Regulatory Liabilities                         | 271.56                                   | 271.56                                   |
| <b>Regulatory Deferral Account - Assets</b>    |                                          |                                          |
| Regulatory Assets                              | 1,121.92                                 | 439.45                                   |
| <b>Net Regulatory Assets/(Liabilities)</b>     | <b>850.36</b>                            | <b>167.89</b>                            |

**Rate Regulated Activities**

1 As per the Ind AS-114 'Regulatory Deferral Accounts', the business of electricity distribution is a Rate Regulated activity wherein Maharashtra Electricity Regulatory Commission (MERC), the regulator determines Tariff to be charged from consumers based on prevailing regulations in place.

2 MERC Multi Year Tariff Regulations, 2015 (MYT Regulations), is applicable for the period beginning from 1 April, 2016 to 31 March, 2020.

MERC Multi Year Tariff Regulations, 2019 (MYT Regulations), is applicable for the period beginning from 1 April, 2020 to 31 March, 2024. These regulations require MERC to determine tariff in a manner wherein the Company can recover its fixed and variable costs including assured rate of return on approved equity base, from its consumers. The Company determines the Revenue, Regulatory Assets and Liabilities as per the terms and conditions specified in MYT Regulations.

3 Reconciliation of Regulatory Assets/Liabilities of distribution business as per Rate Regulated Activities is as follows:

| Particulars                                                                     | As at 31 March,<br>2022<br>(₹ in Crores) | As at 31 March,<br>2021<br>(₹ in Crores) |
|---------------------------------------------------------------------------------|------------------------------------------|------------------------------------------|
| A Opening Regulatory Assets (Net)                                               | 167.89                                   | (256.60)                                 |
| <b>Add:</b>                                                                     |                                          |                                          |
| B Income recoverable/(reversible) from future tariff / Revenue Gap for the year |                                          |                                          |
| 1 For Current Year                                                              | 682.47                                   | 582.81                                   |
| 2 For Earlier Year                                                              | -                                        | -                                        |
| <b>Total a (1 + 2)</b>                                                          | <b>682.47</b>                            | <b>582.81</b>                            |
| <b>Less:</b>                                                                    |                                          |                                          |
| C Recovered / (refunded) during the year ^                                      | -                                        | 158.32                                   |
| D Net Movement during the year (C - D)                                          | 682.47                                   | 424.49                                   |
| <b>E Closing Balance (A - E)</b>                                                | <b>850.36</b>                            | <b>167.89</b>                            |

^ Includes Rs 143.98 Crores recovered during 31 March 2021 on account of final truing up for FY 2017-18 and FY 2018-19

## 39 Financial Instruments.

## 1 Fair Value Measurement

(₹ in Crores)

| Particulars                                                                  | 31 March, 2022   |                  | 31 March, 2021   |                  |
|------------------------------------------------------------------------------|------------------|------------------|------------------|------------------|
|                                                                              | Book Value       | Fair Value       | Book Value       | Fair Value       |
| <b>Financial Assets</b>                                                      |                  |                  |                  |                  |
| Investment                                                                   |                  |                  |                  |                  |
| - Investment in Treasury Bills at FVTPL                                      | 24.84            | 24.84            | -                | -                |
| - Government Securities                                                      | 204.62           | 188.31           | 204.95           | 198.81           |
| Trade Receivables                                                            | 485.85           | 485.85           | 578.06           | 578.06           |
| Loans Given                                                                  | 1,075.41         | 1,075.41         | 1,079.83         | 1,079.83         |
| Cash and Cash Equivalents                                                    | 74.41            | 74.41            | 151.89           | 151.89           |
| Other Balances with Bank                                                     | 624.48           | 624.48           | 886.56           | 886.56           |
| Derivative instruments designated in hedge accounting relationship           | 165.25           | 165.25           | 143.13           | 143.13           |
| Other Financial Assets                                                       | 1,158.57         | 1,158.57         | 987.79           | 987.79           |
| <b>Total Financial Assets</b>                                                | <b>3,813.43</b>  | <b>3,797.12</b>  | <b>4,032.21</b>  | <b>4,026.07</b>  |
| <b>Financial Liabilities</b>                                                 |                  |                  |                  |                  |
| Borrowings (Including Interest accrued & Current Maturities) - Fixed Rate    | 11,978.56        | 11,117.56        | 9,572.93         | 9,670.04         |
| Borrowings (Including Interest accrued & Current Maturities) - Floating Rate | -                | -                | 1,987.69         | 1,987.69         |
| Lease Liability obligation                                                   | 44.84            | 44.84            | 93.59            | 93.59            |
| Trade Payables                                                               | 1,523.17         | 1,523.17         | 1,219.61         | 1,219.61         |
| Derivative instruments designated in hedge accounting relationship           | 123.09           | 123.09           | 94.19            | 94.19            |
| Other Financial Liabilities                                                  | 805.03           | 805.03           | 687.51           | 687.51           |
| <b>Total Financial Liabilities</b>                                           | <b>14,474.69</b> | <b>13,613.69</b> | <b>13,655.52</b> | <b>13,752.63</b> |

Above excludes carrying value of investment in subsidiary accounted at cost in accordance with Ind AS 27.

The management assessed that the fair value of cash and cash equivalents, other balances with bank, trade receivables, loans, trade payables, other financial assets and liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties. The following methods and assumptions were used to estimate the fair values.

Fair value of the Govt. securities, mutual funds are based on the price quotations near the reporting date.

The fair value of loans from banks and other financial liabilities, as well as other non-current financial liabilities is estimated by discounting future cash flow using rates currently available for debt on similar terms, credit risk and remaining maturities.

The Company enters into derivative financial instruments with various counterparties, principally banks and financial institutions with investment grade credit ratings. Foreign exchange forward contracts are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves and forward rate curves of the underlying currency. All derivative contracts are fully collateralized, thereby, eliminating both counterparty and the company's own non-performance risk.

2 The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels

## Level 1 :

Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

## Level 2 :

Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

## Level 3 :

Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

(₹ in Crores)

| Particulars                                                                  | Fair Value Hierarchy as at 31st March, 2022 |                                           |                                         |                                           |                  |
|------------------------------------------------------------------------------|---------------------------------------------|-------------------------------------------|-----------------------------------------|-------------------------------------------|------------------|
|                                                                              | Date of Valuation                           | Quoted prices in active markets (Level 1) | Significant observable inputs (Level 2) | Significant unobservable inputs (Level 3) | Total            |
| <b>Asset measured at Fair Value</b>                                          |                                             |                                           |                                         |                                           |                  |
| FVTPL financial investments - In Treasury bills                              | 31 March, 2022                              | 24.84                                     | -                                       | -                                         | 24.84            |
| <b>Asset for which Fair Value are disclosed</b>                              |                                             |                                           |                                         |                                           |                  |
| Amortised Cost financial investments:                                        |                                             |                                           |                                         |                                           |                  |
| - Government Securities                                                      | 31 March, 2022                              | 188.31                                    | -                                       | -                                         | 188.31           |
| <b>Derivative instruments designated in hedge accounting relationship</b>    |                                             |                                           |                                         |                                           |                  |
| Derivative financial assets                                                  | 31 March, 2022                              | -                                         | 165.25                                  | -                                         | 165.25           |
| <b>Total</b>                                                                 |                                             | <b>213.15</b>                             | <b>165.25</b>                           | <b>-</b>                                  | <b>378.40</b>    |
| <b>Liabilities measured at fair values</b>                                   |                                             |                                           |                                         |                                           |                  |
| <b>Derivative instruments designated in hedge accounting relationship</b>    |                                             |                                           |                                         |                                           |                  |
| Derivative financial Liabilities                                             | 31 March, 2022                              | -                                         | 123.09                                  | -                                         | 123.09           |
| <b>Liabilities for which fair values are disclosed</b>                       |                                             |                                           |                                         |                                           |                  |
| Borrowings (Including Interest accrued & Current Maturities) - Fixed Rate    | 31 March, 2022                              | 8,897.51                                  | 2,220.05                                | -                                         | 11,117.56        |
| Borrowings (Including Interest accrued & Current Maturities) - Floating Rate | 31 March, 2022                              | -                                         | -                                       | -                                         | -                |
| <b>Total</b>                                                                 |                                             | <b>8,897.51</b>                           | <b>2,220.05</b>                         | <b>-</b>                                  | <b>11,117.56</b> |

(₹ in Crores)

| Particulars                                                                  | Fair Value Hierarchy as at 31st March, 2021 |                                           |                                         |                                           |                  |
|------------------------------------------------------------------------------|---------------------------------------------|-------------------------------------------|-----------------------------------------|-------------------------------------------|------------------|
|                                                                              | Date of Valuation                           | Quoted prices in active markets (Level 1) | Significant observable inputs (Level 2) | Significant unobservable inputs (Level 3) | Total            |
| <b>Asset measured at Fair Value</b>                                          |                                             |                                           |                                         |                                           |                  |
| FVTPL financial investments - Mutual Funds                                   | 31 March, 2021                              | -                                         | -                                       | -                                         | -                |
| <b>Asset for which Fair Value are disclosed</b>                              |                                             |                                           |                                         |                                           |                  |
| Amortised Cost financial investments:                                        |                                             |                                           |                                         |                                           |                  |
| - Government Securities                                                      | 31 March, 2021                              | 198.81                                    | -                                       | -                                         | 198.81           |
| <b>Derivative instruments designated in hedge accounting relationship</b>    |                                             |                                           |                                         |                                           |                  |
| Derivative financial assets                                                  | 31 March, 2021                              | -                                         | 143.13                                  | -                                         | 143.13           |
| <b>Total</b>                                                                 |                                             | <b>198.81</b>                             | <b>143.13</b>                           | <b>-</b>                                  | <b>341.94</b>    |
| <b>Liabilities measured at fair values</b>                                   |                                             |                                           |                                         |                                           |                  |
| <b>Derivative instruments designated in hedge accounting relationship</b>    |                                             |                                           |                                         |                                           |                  |
| Derivative financial liabilities                                             | 31 March, 2021                              | -                                         | 94.19                                   | -                                         | 94.19            |
| <b>Liabilities for which fair values are disclosed</b>                       |                                             |                                           |                                         |                                           |                  |
| Borrowings (Including Interest accrued & Current Maturities) - Fixed Rate    | 31 March, 2021                              | 7,372.03                                  | 2,298.00                                | -                                         | 9,670.04         |
| Borrowings (Including Interest accrued & Current Maturities) - Floating Rate | 31 March, 2021                              | -                                         | 1,987.69                                | -                                         | 1,987.69         |
| <b>Total</b>                                                                 |                                             | <b>7,372.03</b>                           | <b>4,285.70</b>                         | <b>-</b>                                  | <b>11,657.73</b> |

There has been no transfer between level 1 and level 2 during the period

### 3 Capital Management & Gearing Ratio

The Company manages its capital structure in a manner to ensure that it will be able to continue as a going concern while optimising the return to stakeholders through the appropriate debt and equity balance. The Company's capital structure is represented by equity (comprising issued capital, retained earnings and other reserves) and debt. The Company's management reviews the capital structure of the Company on an annual basis. As part of this review, the management considers the cost of capital and the risks associated with each class of capital. The Company's objective is to ensure that the gearing ratio (debt equity ratio) is around 70 : 30

#### Gearing ratio

The gearing ratio at the end of the reporting period was as follows :

|                                                   | (₹ in Crores)        |                      |
|---------------------------------------------------|----------------------|----------------------|
|                                                   | As at 31 March, 2022 | As at 31 March, 2021 |
| Debt                                              | 11,978.56            | 11,560.62            |
| Less : Cash & Bank Balance                        | 1,215.23             | 1,516.44             |
| <b>Net debt</b>                                   | <b>10,763.33</b>     | <b>10,044.18</b>     |
| Total Capital                                     | 4,694.81             | 4,710.35             |
| <b>Capital &amp; net debt</b>                     | <b>15,458.14</b>     | <b>14,754.53</b>     |
| Net debt to Total Capital plus net debt ratio (%) | 70%                  | 68%                  |

(i) Debt is defined as Non-current borrowings (including current maturities) and Current borrowings.

(ii) Equity is defined as Equity share capital and other equity including reserves and surplus.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no significant breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.

### 4 Financial risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations/projects. The Company's principal financial assets include loans, investment including mutual funds, trade and other receivables, and cash and cash equivalents which is derived from its operations.

In the ordinary course of business, the Company is mainly exposed to risks resulting from exchange rate fluctuation (currency risk), interest rate movements (interest rate risk) collectively referred as Market Risk, Credit Risk and Liquidity Risk. The Company's senior management oversees the management of these risks. It manages its exposure to these risks through the use of derivative financial instruments for hedging transactions. It uses derivative instruments such as Cross Currency Swaps, Full Currency swaps, Interest rate swaps and foreign currency Future Option contracts to manage these risks. These derivative instruments reduce the impact of both favorable and unfavorable fluctuations.

The Company's risk management activities are subject to the management, direction and control of Central Treasury team of the 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 Central Treasury team ensures appropriate financial risk governance framework for the Company through appropriate policies & procedures and 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 is 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. All derivative contracts are executed with counterparties that are creditworthy. The outstanding derivatives are reviewed periodically to ensure that there is no inappropriate concentration of outstanding to any particular counterparty.

#### A. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk, and currency risk. Financial instruments affected by market risk include loans and borrowings. The sensitivity analysis in interest rate and foreign currency risk sections relate to the position as at March 31, 2021 and March 31, 2022.

The sensitivity analysis have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant as at March 31, 2021 and March 31, 2022.

**I. Foreign currency risk**

The Company is exposed to foreign currency risks arising from its exposure to the USD. Foreign currency risks arise from future commercial transactions and recognized assets and liabilities, when they are denominated in a currency other than Indian Rupee. Exposures on foreign currency loans are managed through the Company wide hedging policy, which is reviewed periodically to ensure that the results from fluctuating currency exchange rates are appropriately managed. The Company's exposure with regards to foreign currency risk is given below.

The following table shows foreign currency exposures in US Dollar on financial instruments at the end of the reporting period (Refer Note 39 (5))

| Foreign Currency Exposures             |                                |               |                                |              |
|----------------------------------------|--------------------------------|---------------|--------------------------------|--------------|
| Particulars                            | As at 31 March, 2022           |               | As at 31 March, 2021           |              |
|                                        | Foreign Currency (In Millions) | ₹ crore       | Foreign Currency (In Millions) | ₹ crore      |
| <b>In USD</b>                          |                                |               |                                |              |
| (i) Interest accrued but not due       | 14.66                          | 111.12        | 12.96                          | 94.75        |
| (ii) Buyers Credit                     | -                              | -             | 12.63                          | 92.35        |
| (iii) Import Creditors and Acceptances | 14.38                          | 108.99        | 0.69                           | 5.04         |
| (iv) Bond                              | 1,000.00                       | 7,579.25      | 1,000.00                       | 7,311.00     |
| (iv) Bond - Sustainability Linked      | 300.00                         | 2,273.78      | -                              | -            |
| (v) Shareholders Affiliated Debts      | 282.00                         | 2,137.35      | 282.00                         | 2,061.70     |
| (vi) Term Loans from Banks             | -                              | -             | 175.00                         | 1,279.43     |
| <b>Derivatives</b>                     |                                |               |                                |              |
| -Call Options                          | (582.00)                       | (4,411.12)    | (582.00)                       | (4,255.00)   |
| -Cross Currency Swaps                  | (400.00)                       | (3,031.70)    | (575.00)                       | (4,203.83)   |
| -Forward coupon                        | (2.26)                         | (17.13)       | (12.63)                        | (92.34)      |
| -Forward principal                     | (300.00)                       | (2,273.78)    | -                              | -            |
| -Coupon Only Swaps                     | (5.38)                         | (40.78)       | (5.98)                         | (43.72)      |
| -Principal Only Swaps                  | (300.00)                       | (2,273.78)    | (300.00)                       | (2,193.30)   |
| <b>Total</b>                           | <b>21.40</b>                   | <b>162.20</b> | <b>7.67</b>                    | <b>56.08</b> |
| <b>In Euro</b>                         |                                |               |                                |              |
| (i) Import Creditors and Acceptances   | 0.01                           | 0.09          | 0.02                           | 0.18         |
| <b>Total</b>                           | <b>0.01</b>                    | <b>0.09</b>   | <b>0.02</b>                    | <b>0.18</b>  |

Note : The Company has executed 4 year cross currency swaps derivative contract of USD 300 mn which will be effective from 22 July 2022 to hedge outstanding Sustainability linked bond of USD 300 mn which is not included in above figures.

**(i) Foreign currency sensitivity analysis**

The following tables demonstrate the sensitivity to a reasonably possible change in USD exchange rates, with all other variables held constant on the Company's profit before tax and pre-tax equity is as under:

|                                                                 | ₹ in crores                                                    |            |                      |            |
|-----------------------------------------------------------------|----------------------------------------------------------------|------------|----------------------|------------|
|                                                                 | Effect on profit before tax and consequential impact on Equity |            |                      |            |
|                                                                 | As at 31 March, 2022                                           |            | As at 31 March, 2021 |            |
|                                                                 | Appreciate                                                     | Depreciate | Appreciate           | Depreciate |
| Rupee appreciate / (depreciate) by ₹ 1 against USD / EURO / GBP | 2.14                                                           | (2.14)     | 0.77                 | (0.77)     |
| Rupee appreciate / (depreciate) by ₹ 2 against USD / EURO / GBP | 4.28                                                           | (4.28)     | 1.53                 | (1.53)     |
| Rupee appreciate / (depreciate) by ₹ 3 against USD / EURO / GBP | 6.42                                                           | (6.42)     | 2.31                 | (2.31)     |

Notes: 1) +/- Gain/Loss

**II. Interest rate risk management**

The Company is exposed to interest rate risk on short-term and medium-term floating rate borrowings and on the refinancing of fixed rate debt. The Company's policy is to borrow long term debt with fixed interest rate. The short term borrowings of the Company are mainly floating rate rupee denominated working capital borrowings.

The long-term borrowings of the Company are by way of Senior Secured Notes (SSN) and Shareholder's Affiliated Debts which carry fixed rate of interest till maturity. Further during the year the Company issued the Sustainability Linked Bond (SLB) of USD 300 million through 10-year notes on July 15, 2021 under USD 2 billion Global Medium-Term Notes program (GMTN) which carry fixed rate of interest till maturity with certain Sustainability Performance Targets (SPTs), non-attainment of which will result in increase in fixed rate of interest by 0.15 per cent p.a. for SPT 1 in March 2027 and further 0.15 per cent p.a. for SPT 2 for March 2029.

**(i) Interest rate sensitivity:**

The sensitivity analysis below has been determined based on average outstanding exposure of borrowings during the year that have floating interest rates.

If the interest rates had been 50 basis points higher or lower and all the other variables were held constant, the effect on Interest expense for the respective financial years and consequent effect on Company's profit in that financial year would have been as below:

|                                      | As at 31 March, 2022 |          | As at 31 March, 2021* |          |
|--------------------------------------|----------------------|----------|-----------------------|----------|
|                                      | increase             | decrease | 50 bps increase       | decrease |
| Interest expense on loan             | 4.60                 | (4.60)   | 6.75                  | (6.75)   |
| Effect on profit / (loss) before tax | (4.60)               | 4.60     | (6.75)                | 6.75     |

\*In Previous Year reporting, sensitivity of interest rate change of Rs 3.95 Crs was determined on the basis of working capital outstanding as on March 31 2021.

**B. Credit risk management**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables and other financial assets) and from its financing activities, including loans to others, deposits with banks, financial institutions & others, foreign exchange transactions and other financial assets.

Customer credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk defined in accordance with this assessment.

Credit risk on cash and bank balances is limited as the Company generally invests in deposits with banks with high credit ratings assigned by international and domestic credit rating agencies. Investments primarily include investment in liquid mutual fund units and quoted bonds issued by government. Counterparty credit limits are reviewed by the Company's management on a regular basis. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

|                        | As at 31 March, 2022 | As at 31 March, 2021 |
|------------------------|----------------------|----------------------|
|                        | (₹ in Crores)        | (₹ in Crores)        |
| Trade receivables      | 485.85               | 578.06               |
| Loans                  | 1,075.41             | 1,079.83             |
| Other financial assets | 1,323.82             | 1,130.92             |
| <b>Total</b>           | <b>2,885.08</b>      | <b>2,788.81</b>      |

Refer Note 12 for credit risk and other information in respect of trade receivables. Moreover, given the diverse nature of the consumer profile of the Company, trade receivables are spread over a number of customers with no significant concentration of credit risk. No single customer accounted for 10.0% or more of revenue basis in any of the years presented. The history of trade receivables shows a negligible provision for bad and doubtful debts compared to the volume/value of sales recorded. Other receivables as stated above are due from the parties / banks under normal course of the business having sound credit worthiness, and as such the Company believes exposure to credit risk to be minimal.

The Company has not acquired any credit impaired asset.

**C. Liquidity risk management**

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value. The Company has an established liquidity risk management framework for managing its short term, medium term and long term funding and liquidity management requirements. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Company manages the liquidity risk by maintaining adequate funds in cash and cash equivalents. The Company also has adequate credit facilities agreed with banks to ensure that there is sufficient cash to meet all its normal operating commitments in a timely and cost-effective manner.

|                                                 | (₹ in Crores)   |                 |                  |                  |
|-------------------------------------------------|-----------------|-----------------|------------------|------------------|
| Contractual Maturities of Financial liabilities | Less than 1     | 1 to 5 years    | More than 5      | Total            |
| <b>As at 31 March, 2022</b>                     |                 |                 |                  |                  |
| Borrowings**                                    | 637.18          | 2,093.10        | 13,625.30        | 16,355.58        |
| Trade Payables                                  | 1,490.95        | -               | 32.22            | 1,523.17         |
| Lease Liabilities                               | 18.59           | 22.75           | 3.50             | 44.84            |
| Other Financial Liabilities                     | 862.10          | 66.02           | -                | 928.12           |
| <b>Total</b>                                    | <b>3,008.82</b> | <b>2,181.87</b> | <b>13,661.02</b> | <b>18,851.71</b> |
| <b>As at 31 March, 2021</b>                     |                 |                 |                  |                  |
| Borrowings**                                    | 1,493.62        | 3,015.70        | 11,015.70        | 15,525.02        |
| Trade Payables                                  | 1,187.68        | -               | 31.93            | 1,219.61         |
| Lease Liabilities                               | 42.89           | 46.64           | 4.06             | 93.59            |
| Other Financial Liabilities                     | 718.58          | 63.12           | -                | 781.70           |
| <b>Total</b>                                    | <b>3,442.77</b> | <b>3,125.46</b> | <b>11,051.69</b> | <b>17,619.92</b> |

\*\* The table has been drawn up based on the undiscounted contractual maturities of the financial liabilities including interest that will be paid on those liabilities upto the maturity of the instruments, ignoring the call and refinancing options available with the Company. The amounts included above for variable interest rate instruments for non-derivative liabilities is subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

**5 Derivative Financial Instrument**

The Company uses derivatives instruments as part of its management of risks relating to exposure to fluctuation in foreign currency exchange rates and interest rates. The Company does not acquire derivative financial instruments for trading or speculative purposes neither does it enter into complex derivative transactions to manage the above risks. The derivative transactions are normally in the form of forward currency contracts, cross currency swaps, options and interest rate swaps to hedge its foreign currency risks and interest rate risks, respectively and are subject to the Company's guidelines and policies.

The fair values of all derivatives are separately recorded in the balance sheet within current and non current assets and liabilities. Derivative that are designated as hedges are classified as current or non current depending on the maturity of the derivative.

The use of derivative can give rise to credit and market risk. The Company tries to control credit risk as far as possible by only entering into contracts with stipulated / reputed banks and financial institutions. The use of derivative instrument is subject to limits, authorities and regular monitoring by appropriate levels of management. The limits, authorities and monitoring systems are periodically reviewed by management and the Board. The market risk on derivative is mitigated by changes in the valuation of underlying assets, liabilities or transactions, as derivatives are used only for risk management purpose.

The Company enters into derivative financial instruments, such as forward currency contracts, cross currency swaps, options, interest rate futures and interest rate swaps for hedging the liabilities incurred/recorded and accounts for them as cash flow hedges and states them at fair value. The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss. Amounts recognised in OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs. These hedges have been effective for the year ended March 31, 2022 and March 31, 2021.

The fair value of the Company's derivative positions recorded under derivative financial assets and derivative financial liabilities are as follows :-

| Derivative Financials Instruments | As at 31 March, 2022 |               | As at 31 March, 2021 |              |
|-----------------------------------|----------------------|---------------|----------------------|--------------|
|                                   | Assets               | Liabilities   | Assets               | Liabilities  |
| <b>Current</b>                    |                      |               |                      |              |
| <b>Cashflow hedge*</b>            |                      |               |                      |              |
| -Call Options                     | 58.10                | 68.76         | 137.21               | 87.50        |
| -Cross Currency Swaps             | 47.39                | 21.74         | 30.36                | 5.91         |
| -Forward                          | -                    | 32.59         | -                    | 0.78         |
| -Coupon Only Swaps                | (5.79)               | -             | (3.81)               | -            |
| -Principal Only Swaps             | 65.55                | -             | (20.63)              | -            |
| <b>Total</b>                      | <b>165.25</b>        | <b>123.09</b> | <b>143.13</b>        | <b>94.19</b> |

\* Refer statement of profit and loss and statement of changes in equity for the changes in the fair value of cashflow hedges

Derivative Contracts entered into by the company and outstanding as at Balance Sheet date :

To hedge Currency risks and interest related risks, the company has entered into various derivative Contracts. The category wise break-up of the amount outstanding as at Balance Sheet date is given below :-

| Particulars            | As at 31 March, 2022           |                  |                                                                      | As at 31 March, 2021           |                  |                                                                      |
|------------------------|--------------------------------|------------------|----------------------------------------------------------------------|--------------------------------|------------------|----------------------------------------------------------------------|
|                        | Foreign Currency (In Millions) | ₹ crore          | Purpose                                                              | Foreign Currency (In Millions) | ₹ crore          | Purpose                                                              |
| <b>In USD</b>          |                                |                  |                                                                      |                                |                  |                                                                      |
| -Call Options          | 582.00                         | 4,411.12         | Hedging of foreign currency borrowing principal                      | 582.00                         | 4,255.00         | Hedging of foreign currency borrowing principal & interest liability |
| -Cross Currency Swaps* | 700.00                         | 5,305.48         | Hedging of foreign currency borrowing principal & interest liability | 575.00                         | 4,203.83         | Hedging of foreign currency borrowing principal & interest liability |
| -Forward               | 305.80                         | 2,317.73         | Hedging of foreign currency borrowing principal & interest liability | 12.63                          | 92.34            | Hedging of foreign currency borrowing principal liability -          |
| -Coupon Only Swaps     | 600.00                         | 4,547.55         | Hedging of foreign currency borrowing interest liability             | 600.00                         | 4,386.60         | Hedging of foreign currency borrowing interest liability             |
| -Principal Only Swaps  | 300.00                         | 2,273.78         | Hedging of foreign currency borrowing principal liability            | 300.00                         | 2,193.30         | Hedging of foreign currency borrowing principal liability            |
| <b>Total</b>           | <b>2,487.80</b>                | <b>18,855.66</b> |                                                                      | <b>2,069.63</b>                | <b>15,131.07</b> |                                                                      |

\* The Company has executed 4 year cross currency Swaps derivative contract of USD 300 mn which will be effective from 22 July 2022 to hedge outstanding Sustainability linked bond of USD 300 mn which are included in above table.

#### 40 Ratios:

| Name of Ratio      | Particulars | Numerator / Denominator considered                                                                                                                                                                                                           | As at 31 March, 2022 | As at 31 March, 2021 | % change in Ratio | Remarks |
|--------------------|-------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|----------------------|-------------------|---------|
| Current Ratio      | Ratio       |                                                                                                                                                                                                                                              | 0.77                 | 0.82                 | -6%               |         |
|                    | Numerator   | a. Inventories<br>b. Current Investments<br>c. Trade Receivables & Unbilled Revenue<br>d. Cash and Bank balances<br>e. Current Loans<br>f. Security Deposit<br>g. Other Financial Assets<br>h. Other Current Assets                          | 2,190.62             | 2,693.05             |                   |         |
|                    | Denominator | a. Current Borrowings (Including Current Maturities of Long term borrowing)<br>b. Trade Payables<br>c. Other Financial Liabilities<br>d. Current Provision<br>e. Other Current Liabilities<br>f. Lease Liability<br>g. Current tax liability | 2,843.18             | 3,277.28             |                   |         |
| Debt- Equity Ratio | Ratio       |                                                                                                                                                                                                                                              | 2.53                 | 2.43                 | 4%                |         |
|                    | Numerator   | Borrowings (Current & Non Current) (Including Current Maturities of Long term borrowing)                                                                                                                                                     | 11,864.65            | 11,461.38            |                   |         |
|                    | Denominator | a. Equity Share Capital<br>b. Other Equity                                                                                                                                                                                                   | 4,694.81             | 4,710.35             |                   |         |

| Name of Ratio                    | Particulars | Numerator / Denominator considered                                                                                                                                                                                            | As at 31 March, 2022 | As at 31 March, 2021 | % change in Ratio | Remarks                                                                                                                              |
|----------------------------------|-------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|----------------------|-------------------|--------------------------------------------------------------------------------------------------------------------------------------|
| Debt Service Coverage Ratio      | Ratio       |                                                                                                                                                                                                                               | 1.70                 | 1.85                 | -8%               |                                                                                                                                      |
|                                  | Numerator   | Profit after Tax before exceptional items, taxes, Depreciation and Amortisation Expenses and Finance Costs (EBIDTA)                                                                                                           | 1,934.12             | 2,000.71             |                   |                                                                                                                                      |
|                                  | Denominator | a. Interest on Loan and Lease Payments<br>b. Current Maturities of Long term loan (Installments)                                                                                                                              | 1,138.31             | 1,078.70             |                   |                                                                                                                                      |
| Return on Equity Ratio           | Ratio       |                                                                                                                                                                                                                               | 0.03                 | 0.06                 | -54%              | Due to increase in finance cost as a result of increase in debt in Current year and Increase in deferred tax assets in previous year |
|                                  | Numerator   | Profit for the year after tax before Other Comprehensive Income / Expenses                                                                                                                                                    | 122.2                | 259.2                |                   |                                                                                                                                      |
|                                  | Denominator | a. Equity Share Capital<br>b. Other Equity                                                                                                                                                                                    | 4,702.58             | 4,617.34             |                   |                                                                                                                                      |
| Inventory Turnover Ratio         | Ratio       |                                                                                                                                                                                                                               | 6.87                 | 3.43                 | 100%              | Due to increase in fuel consumption for increased generation and decrease in average inventory of fuel.                              |
|                                  | Numerator   | a. Cost of fuel<br>b. Purchase of Traded Goods                                                                                                                                                                                | 1,066.75             | 974.02               |                   |                                                                                                                                      |
|                                  | Denominator | Average Traded Inventories excluding stores inventories                                                                                                                                                                       | 155.18               | 283.57               |                   |                                                                                                                                      |
| Trade Receivables turnover ratio | Ratio       |                                                                                                                                                                                                                               | 6.68                 | 5.62                 | 19%               |                                                                                                                                      |
|                                  | Numerator   | a. Income from Sale of Power and Transmission Charges<br>b. Sale of Coal Rejects / Fly Ash<br>c. Street Light Maintenance Charges<br>d. Income in respect of Services rendered<br>e. Sale of Traded Goods<br>f. Misc. Revenue | 6,892.50             | 6,018.07             |                   |                                                                                                                                      |
|                                  | Denominator | Average Trade receivables (including Unbilled revenue)                                                                                                                                                                        | 1,031.29             | 1,070.28             |                   |                                                                                                                                      |
| Trade payables turnover ratio    | Ratio       |                                                                                                                                                                                                                               | 4.51                 | 3.57                 | 26%               | Due to increase in fuel consumption for increased generation and decrease in average trade payables.                                 |
|                                  | Numerator   | a. Cost Of Power Purchased<br>b. Cost of Fuel<br>c. Transmission Charges<br>d. Purchases of traded goods<br>e. Other Expenses                                                                                                 | 5,119.30             | 4,119.72             |                   |                                                                                                                                      |
|                                  | Denominator | Average Trade payables (excluding provision for salary, wages and bonus provision)                                                                                                                                            | 1,134.29             | 1,154.07             |                   |                                                                                                                                      |
| Net capital turnover ratio       | Ratio       |                                                                                                                                                                                                                               | -10.59               | -10.35               | 2%                |                                                                                                                                      |
|                                  | Numerator   | Total Revenue from Operation                                                                                                                                                                                                  | 6,908.94             | 6,049.27             |                   |                                                                                                                                      |
|                                  | Denominator | Working Capital (current assets minus current liabilities)                                                                                                                                                                    | (652.56)             | (584.23)             |                   |                                                                                                                                      |
| Net profit ratio                 | Ratio       |                                                                                                                                                                                                                               | 0.02                 | 0.04                 | -59%              | Due to Increase in finance cost as a result of increase in debt in Current year, Increase in deferred tax assets in previous year    |
|                                  | Numerator   | Profit for the year after tax before Other Comprehensive Income / Expenses                                                                                                                                                    | 122.16               | 259.17               |                   |                                                                                                                                      |
|                                  | Denominator | Total Revenue from Operation                                                                                                                                                                                                  | 6,908.94             | 6,049.27             |                   |                                                                                                                                      |

| Name of Ratio              | Particulars | Numerator / Denominator considered                                     | As at 31 March, 2022 | As at 31 March, 2021 | % change in Ratio | Remarks |
|----------------------------|-------------|------------------------------------------------------------------------|----------------------|----------------------|-------------------|---------|
| Return on Capital employed | Ratio       |                                                                        | 0.09                 | 0.09                 | -3%               |         |
|                            | Numerator   | Profit before tax and Interest expenses                                | 1,431.50             | 1,433.30             |                   |         |
|                            | Denominator | a. Networth<br>b. Total Debt<br>c. Deferred tax Liability              | 16,738.81            | 16,249.90            |                   |         |
| Return on investment       | Ratio       |                                                                        | 0.09                 | 0.10                 | -13%              |         |
|                            | Numerator   | Income From Investments, Intercorporate deposits, Bank Deposits        | 235.67               | 273.42               |                   |         |
|                            | Denominator | Average Investments (including Intercorporate deposits, Bank Deposits) | 2,632.58             | 2,671.87             |                   |         |

41 The chief operating decision maker evaluates the Company's performance and applies the resources to whole of the Company business viz. "Generation, Transmission and Distribution of Power" as an integrated utility. Hence the Company does not have any reportable segment as per Ind AS- 108 "Operating Segments"

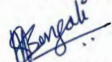
42 Significant Events after the Reporting Period

There were no significant adjusting events that occurred subsequent to the reporting period other than the events disclosed in the relevant notes.

As per our attached report of even date

For Deloitte Haskins & Sells LLP  
Chartered Accountants

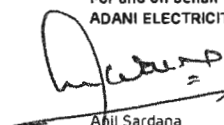
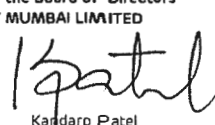
Firm Registration Number : 117366W/W-100018

  
Mohammed Bengali

Partner

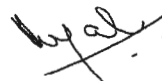
Membership No. 105828

For and on behalf of the Board of Directors  
ADANI ELECTRICITY MUMBAI LIMITED

Anil Sardana  
Chairman  
DIN: 00006867

Kandar Patel  
Managing Director & CEO  
DIN: 02947643



Kunjal Mehta  
Chief Financial Officer



Jaladhi Shukla  
Company Secretary

Place : Mumbai  
Date : 02 May, 2022

Place : Ahmedabad  
Date : 02 May, 2022