

**INDEPENDENT AUDITOR'S REPORT
To The Members of Adani Electricity Mumbai Limited
Report on the Audit of the Standalone Financial Statements**

Qualified Opinion

We have audited the accompanying standalone financial statements of **Adani Electricity Mumbai Limited** ("the Company"), which comprise the Balance Sheet as at 31 March, 2023, 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 except for the possible effects of the matter described in the Basis for Qualified Opinion section below, 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 March, 2023, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Qualified Opinion

The Company had purchase transactions with certain parties including those identified in the allegations made in the Short Seller Report. The Company has represented to us that there is no effect of the allegations made in the Short Seller Report on these financial statements based on their evaluation and after consideration of a memorandum prepared by an external law firm on the responses to the allegations in the Short Seller Report issued by the Adani Group. The Company did not consider it necessary to have an independent external examination of these allegations because of their evaluation and the ongoing investigation by the Securities and Exchange Board of India as directed by the Hon'ble Supreme Court. The evaluation performed by the Company, as stated in Note 37 to the standalone financial statements, does not constitute sufficient appropriate audit evidence for the purposes of our audit. In the absence of an independent external examination by the Company and pending completion of investigation, including matters referred to in the Report of the Expert Committee constituted by the Hon'ble Supreme Court of India as described in Note 37 to the standalone financial statements, by the Securities and Exchange Board of India, we are unable to comment on whether these transactions or any other transactions may result in possible adjustments and/or disclosures in these financial statements in respect of related parties, and whether the Company should have complied with the applicable laws and regulations.

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. 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. Except for the matter described in the Basis for Qualified Opinion section above, we believe that the audit evidence obtained by us, is sufficient

and appropriate to provide a basis for our qualified 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.
- 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. As described in the Basis for Qualified Opinion section above, in the absence of an independent external examination by the Company and pending completion of investigation, including matters referred to in the Report of the Expert Committee constituted by the Hon'ble Supreme Court of India as described in Note 37 to the standalone financial statements, by the Securities and Exchange Board of India, we are unable to comment on whether transaction stated in Basis for Qualified Opinion section above, or any other transactions may result in possible adjustments and/or disclosures in the financial statements in respect of related parties, and whether the Company should have complied with the relevant laws and regulations. Accordingly, we are unable to conclude whether or not the other information is materially misstated with respect to this matter.

Responsibilities of Management and Those Charged with Governance 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 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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The Company's 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.
- 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 with reference to standalone financial statements 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.

Other Matter

We are not statutory auditors of majority of the other Adani group companies and therefore the scope of our audit does not extend to any transactions or balances which may have occurred or been undertaken between these Adani group companies and any supplier, customer or any other party which has had a business relationship with the Company during the year.

Our opinion is not modified in respect of this matter.

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 except for the matter described in the Basis for Qualified Opinion section above, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) Except for the possible effects of the matter described in the Basis for Qualified Opinion section above, 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.
 - d) Except for possible effects of the matter described in the Basis for Qualified Opinion section above, 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 March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) The qualification relating to the maintenance of accounts and other matters connected therewith, are as stated in the Basis for Qualified Opinion section and in paragraph (b) above.
 - g) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness

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of such controls, refer to our separate Report in "Annexure A". Our report expresses qualified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements for the reasons stated therein.

- h) 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.
- i) 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 - Refer Note 33 to the 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 its knowledge and belief, no funds 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 its knowledge and belief, no funds 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 performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that 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 interim dividend declared by the Company subsequent to the year end is in accordance with section 123 of the Companies Act 2013 to the extent it applies to declaration of dividend. However, the said dividend was not

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due for payment on the date of this audit report.

- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company w.e.f. 1 April 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended 31 March, 2023.
2. As required by the Companies (Auditor's Report) Order, 2020 ("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: 23105828BGWPIP5829)

Place: Mumbai
Date: 26 May, 2023

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

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

Report on the Internal Financial Controls with reference to standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of **Adani Electricity Mumbai Limited** ("the Company") as of 31 March, 2023, in conjunction with our audit of the standalone 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 with reference to standalone financial statements based on the internal control with reference to standalone financial statements 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 internal financial controls with reference to standalone financial statements 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 with reference to standalone financial statements. 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 with reference to standalone financial statements 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 with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, 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.

Except for the matter described in the Basis for Qualified Opinion section below, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the Company's internal financial controls with reference to standalone financial statements.

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Meaning of Internal Financial Controls with reference to standalone financial statements

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

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, 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 with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Basis for Qualified Opinion

According to the information and explanations given to us and based on our audit, the following material weakness has been identified as at 31 March, 2023:

The Company did not have an appropriate internal control system in respect of conducting an external examination of allegations made on the Company, including on related party relationships, which could potentially result in possible adjustments/disclosures of related party relationships, balances and transactions in the financial statements and compliance with applicable laws and regulations.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control with reference to standalone financial statements, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

Qualified Opinion

In our opinion, to the best of our information and according to the explanations given to us, except for the possible effects of the material weakness described in Basis for Qualified Opinion paragraph above on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as of 31 March, 2023, based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

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**Deloitte
Haskins & Sells LLP**

We have considered the material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the standalone financial statements of the Company for the year ended 31 March, 2023, and we have issued a qualified opinion on the standalone financial statements of the Company.

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



Mohammed Bengali
(Partner)
(Membership No. 105828)
(UDIN: 23105828BGWPIP5829)

Place: Mumbai
Date: 26 May, 2023

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. 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 (Refer note 5 (ii) of Financial Statement). 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, 2023 (Rs. in Crores)	Carrying value (as at 31 March, 2023 (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	0.62	NA	NA	NA	Title deeds in respect of the same are currently not traceable.

Description of immovable properties taken on lease	Gross carrying value as at 31 March, 2023 (Rs. in Crores)	Carrying value (as at 31 March, 2023 (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	500.68	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, 2023 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. 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. 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.

(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) other receivable (<90 days) and regulatory assets recoverable within 1 year reduced by relevant trade payables (i.e. net of provisions, regulatory payables and other payables) filed by the Company with 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 parties 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)	Intercorporate deposit in nature of loans to AEML Seepz 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. 1,000 Crores	Rs. 43.10 Crores	Rs. 1,409.41 Crores*	Rs. 5.86 Crores
Balance outstanding as at balance sheet date in respect of above	Rs. Nil	Rs. 0.28 crores	Rs. Nil	Rs. 32.51 Crores

* Advances given during the year have been adjusted against power purchased from Adani Enterprises Limited.

(b) The terms and conditions 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 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.

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- (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) There were no loans or intercorporate deposit in nature of loan that fell due and extended by modifying the terms during the year.
- (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 deposits in nature of loan as stated above are for a period of 3 years and are 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 31 March, 2023 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 31 March, 2023 on account of disputes are given below:

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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 31 March, 2023 on account of disputes.

- (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, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our audit report on the standalone financial statements, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

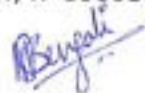
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- (b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) As represented to us by the Management, there are no whistle blower complaints received by the Company during the year and upto the date of this report. We have taken into consideration the Short Seller Report referred to in our Basis of Qualified Opinion section in our report on the standalone financial statements while determining the nature, timing and extent of audit procedures.
- (xii) The Company is not a Nidhi Company. Therefore, reporting under clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our audit report on the standalone financial statements, 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.
(b) We have considered, the internal audit reports issued to the Company during the year and covering the period upto (December 2022) and the draft of the internal audit reports were issued after the balance sheet date covering the period (January 2023 to March 2023) 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: 23105828BGWPIP5829

Place: Mumbai
Date: 26 May, 2023

Particulars	Note	As at 31st March, 2023	As at 31 March, 2022
ASSETS			
Non-current Assets			
Property, Plant and Equipment	5	13,874.13	13,487.71
Capital Work-in-Progress	5c	654.43	315.48
Right-of-Use Assets	5a	570.93	592.79
Intangible Assets	5b	1,041.44	1,038.79
Financial Assets			
(i) Investments	6a	233.63	204.64
(ii) Loans	7	25.92	1,068.40
(iii) Other Financial Assets	8	1,184.34	700.23
Income Tax Assets (net)	9a	2.93	3.91
Other Non-current Assets	10	58.17	71.90
Total Non-current Assets		17,645.92	17,483.25
Current Assets			
Inventories	11	92.75	204.49
Financial Assets			
(i) Investments	6b	767.66	24.84
(ii) Trade Receivables	12	452.27	485.85
(iii) Cash and Cash Equivalents	13	90.60	74.41
(iv) Bank Balances other than (iii) above	14	622.45	624.48
(v) Loans	7	6.87	7.01
(vi) Other Financial Assets	8	623.06	623.59
Other Current Assets	10	138.84	145.95
Total Current Assets		2,794.50	2,190.62
Total Assets before Regulatory Deferral Account		20,440.42	19,673.87
Regulatory Deferral Account - Assets		1,961.73	1,121.92
Total Assets		22,402.15	20,795.79
EQUITY AND LIABILITIES			
Equity			
Share Capital	15	4,020.82	4,020.82
Other Equity	16	695.24	673.99
Total Equity		4,716.06	4,694.81
Liabilities			
Non-current Liabilities			
Financial Liabilities			
(i) Borrowings	17	12,888.62	11,864.65
(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.		32.76	32.22
(iii) Lease Liabilities	19	14.47	26.25
(iv) Other Financial Liabilities	20	3.71	66.02
Provisions	21	502.60	572.28
Deferred Tax Liabilities (Net)	29	260.61	179.35
Other Non Current Liabilities	22	265.64	245.47
Total Non-current Liabilities		13,968.41	12,986.24
Current Liabilities			
Financial Liabilities			
(i) Borrowings	23	500.00	-
(ii) Trade Payables	18		
(A) total outstanding dues of micro enterprises and small enterprises; and		42.87	25.07
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		1,551.87	1,465.88
(iii) Lease Liabilities	19	16.27	18.59
(iv) Other Financial Liabilities	20	1,208.72	976.01
Provisions	21	98.74	63.80
Current Tax Liabilities	30	-	2.13
Other Current Liabilities	22	299.21	291.70
Total Current Liabilities		3,717.68	2,843.18
Total Liabilities before Regulatory Deferral Account		17,686.09	15,829.42
Regulatory Deferral Account - Liabilities		-	271.56
Total Equity and Liabilities		22,402.15	20,795.79

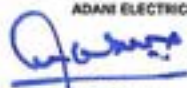
See accompanying notes forms part of the financial statements

As per our attached report of even date
For Deloitte Haskins & Sells LLP
Chartered Accountants
ICAI Firm Registration Number : 117369W/100018


Mohammed Bengali
Partner
Membership No. 105828



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


Anil Sandana
Chairman
DIN: 0006867
Karan Patel
Managing Director & CEO
DIN: 02947643


Kunal Mehta
Chief Financial Officer
Jalochi Shukla
Company Secretary

Place : Ahmedabad
Date : 26th May, 2023



Statement of Profit and Loss

(₹ in Crores)

Particulars	Note	For the year ended 31 March,2023	For the year ended 31 March,2022
Income :			
Revenue from Operations	24	8,360.96	6,908.94
Other Income	25	331.07	409.65
Total Income		8,692.03	7,318.59
Expenses :			
Cost Of Power Purchased		3,658.69	2,736.41
Cost of Fuel		1,384.18	1,065.99
Transmission Charges		482.31	477.84
Purchases of traded goods		3.59	0.76
Employee Benefits Expense	26	878.00	798.68
Finance Costs	27	1,434.26	1,160.38
Depreciation and Amortisation Expenses	5,5a&5b	742.62	651.58
Other Expenses	28	940.32	838.30
Total Expenses		9,523.97	7,729.94
Profit/(Loss) Before Movement in Regulatory Deferral Balance, Exceptional Items and Tax		(831.94)	(411.35)
Add/(Less): Net Movement in Regulatory Deferral Balance		1,035.58	682.47
Profit Before Exceptional Items and Tax		203.64	271.12
Exceptional items		-	-
Profit Before Tax		203.64	271.12
Tax Expense:	29		
Current Tax		27.20	47.78
Deferred Tax		81.26	101.18
		108.46	148.96
Profit after tax	Total A	95.18	122.16
Other Comprehensive Income / (Expense)			
(a) Items that will not be reclassified to profit or loss			
-Remeasurement of Defined Benefit Plans		47.94	17.17
Movement in Regulatory Deferral Balance		(47.94)	-
(b) Tax related to items that will not be reclassified to profit or loss			
-Current Tax		(8.38)	(3.00)
(c) Items that will be reclassified to profit or loss			
-Effective portion of gains and losses on designated portion of hedging instruments in a cash		(65.55)	(151.87)
Other Comprehensive Expense	Total B	(73.93)	(137.70)
Total Comprehensive Income	Total (A+B)	21.25	(15.54)
Earnings Per Share (EPS) (in ₹)	30		
(Face Value ₹ 10 Per Share)			
Basic / Diluted earnings per Equity Share before net Movement in Regulatory Deferral Balance		(1.89)	(1.10)
Basic / Diluted earnings per Equity Share after net Movement in Regulatory Deferral Balance		0.24	0.30

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 Bengali
Partner
Membership No. 105828

Place : Mumbai
Date : 26th May, 2023

For and on behalf of the Board of Directors

ADANI ELECTRICITY MUMBAI LIMITED

Anil Sardana
Chairman
DIN: 00006867

Kunjer Mehta
Chief Financial Officer

Place : Ahmedabad
Date : 26th May, 2023

Kandarp Patel
Managing Director & CEO
DIN: 02947643

Jaladhi Shukla
Company Secretary



A. Equity Share Capital (₹ in Crores)

Particulars	No. Shares	Amount
Balance as at 01 April, 2021	4,02,08,23,535	4,020.82
Changes in Equity Share Capital during the year	-	-
Balance as at 31 March, 2022	4,02,08,23,535	4,020.82
Changes in Equity Share Capital during the current year	-	-
Balance as at 31 March, 2023	4,02,08,23,535	4,020.82

B. Other Equity

For the year ended 31 March, 2023

(₹ 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, 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)
Total comprehensive Income / (Expense) for the year	-	-	-	136.33	(151.87)	(15.54)
Transfer to Contingency Reserve	-	25.74	-	(25.74)	-	-
Balance as at 31 March, 2022	230.78	245.43	120.43	343.12	(265.77)	673.99
Balance as at 01 April, 2022	230.78	245.43	120.43	343.12	(265.77)	673.99
Profit for the year	-	-	-	95.18	-	95.18
Other comprehensive Income / (Expense) for the year	-	-	-	(8.38)	(65.55)	(73.93)
Total comprehensive Income / (Expense) for the year	-	-	-	86.80	(65.55)	21.25
Transfer to Contingency Reserve	-	7.36	-	(7.36)	-	-
Balance as at 31 March, 2023	230.78	252.79	120.43	422.56	(331.32)	695.24

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

Mohammed Bengali

Partner

Membership No. 105828



Place : Mumbai

Date : 26th May, 2023

For and on behalf of the Board of Directors

ADANI ELECTRICITY MUMBAI LIMITED

Anil Sardana

Anil Sardana

Chairman

DIN: 00006867

Kandarp Patel

Kandarp Patel

Managing Director & CEO

DIN: 02947643

Kunjali Mehta

Kunjali Mehta

Chief Financial Officer

Jaladhi Shukla

Jaladhi Shukla

Company Secretary

Place : Ahmedabad

Date : 26th May, 2023



Statement of Cash flow

(₹ in Crores)

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
A. Cash flow from operating activities		
Profit before tax	203.64	271.12
Adjustments for:		
Interest Income	(263.14)	(309.34)
Delayed Payment Charges	(35.49)	(22.90)
Unrealised Foreign Exchange Gain from Borrowings net of Hedging	352.23	155.64
Amortisation of Service Line Contribution	(11.86)	(10.30)
Gain On Sale / Fair Value Of Current Investments Measured at FVTPL	(4.73)	(1.13)
Finance Costs	1,082.03	1,004.74
Depreciation and Amortisation Expense	742.62	651.58
(Profit)/Loss on sale of Fixed Assets (Net)	(2.78)	(0.42)
Sundry credit balances written back	(2.44)	(57.41)
Provisions no longer required written back	-	(38.74)
Bad Debts Written Off	15.21	18.31
Provision for Doubtful Debts / Advances / Deposits	5.58	-
Operating Profit before working capital changes	2,080.87	1,661.15
Changes in Working Capital:		
Adjustments for (Increase) / Decrease in Assets :		
Trade Receivables	18.37	103.77
Inventories	111.74	(10.99)
Financial Assets - Current / Non Current	(8.64)	(132.43)
Other Assets - Current / Non Current	6.04	240.98
Regulatory Deferral Account - Assets	(839.81)	(682.47)
Adjustment for Increase / (Decrease) in Liabilities :		
Trade Payables - Current / Non Current	106.77	369.84
Financial Liabilities - Current / Non Current	39.14	(6.04)
Provisions - Current / Non Current	(34.74)	52.50
Other Liabilities - Current / Non Current	5.73	(14.42)
Regulatory Deferral Account - Liability	(271.56)	-
Cash generated from operations	1,213.91	1,581.89
Tax paid (Net)	(36.73)	(48.65)
Net cash from operating activities (A)	1,177.18	1,533.24
B. Cash flow from investing activities		
Capital expenditure on Property, Plant and Equipment & Intangible Assets	(1,154.70)	(1,235.43)
Proceeds from Sale of Property, Plant and Equipment	13.28	8.46
(Purchase) / Sale of Mutual Funds / Other Investments-Net	(767.08)	(27.41)
Bank balances not considered as Cash & Cash Equivalents	(90.37)	237.28
Advances - Given	-	(607.22)
Advances - received back	-	607.22
Loans given	(1,043.28)	-
Loans repaid	2,083.00	-
Loans to employees repaid (net)	2.90	4.42
Delayed payment charges received	35.49	22.90
Interest Received	263.14	299.82
Net cash used in investing activities (B)	(657.62)	(689.96)
C. Cash flow from financing activities		
Increase in Service Line Contribution	33.81	25.34
Proceeds from Long-term borrowings	-	2,231.98
Repayment of Long-term borrowings	-	(1,369.40)
Proceeds from Short-term borrowings	4,506.78	1,535.53
Repayment of Short-term borrowings	(4,006.78)	(2,418.88)
Payment of Lease Liability Obligation	(14.10)	(16.12)
Interest on Lease Liability Obligation	(4.48)	(6.25)
Interest & Other Borrowing Cost	(1,018.60)	(902.96)
Net cash used in financing activities (C)	(503.37)	(920.76)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	16.19	(77.48)
Cash and cash equivalents as at 01 April (Opening Balance)	74.41	151.89
Cash and cash equivalents as at 31 March (Closing Balance)	90.60	74.41



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 31st March, 2023 As at 31 March, 2022

	56.13	64.51
	20.00	-
	0.43	0.80
	14.04	9.10
	90.60	74.41

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



Place : Mumbai
Date : 26th May, 2023

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

Anil Sardana
Chairman
DIN: 00006867

Kandarpat Patel
Managing Director & CEO
DIN: 02947643

Kunjal Mehta
Chief Financial Officer

Jaladhi Shukla
Company Secretary

Place : Ahmedabad
Date : 26th May, 2023



Notes to Financial Statements for the year ended on 31st March, 2023

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, 2023 were authorised for issue by the board of directors on 26 May, 2023.

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.



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*	10 Years
Distribution Line / Transmission Cable	35 Years
Street Light	25 Years
Furniture and Fixtures	15 Years
Office Equipment	5 Years
Computers, Servers & Related Network	3 Years
Vehicles	15 Years

- * Consequent to amendment in tariff regulations, w.e.f. 12 July 2022 the Company has changed the useful life (years) in respect of Batteries (from 5 to 10), Computers (from 6 to 6/3), Furniture and Fixtures (from 10 to 15), Vehicles (from 8-10 to 15) and Roads Bridges (from 15 to 30).

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.



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, 2023

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, 2023

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, 2023

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.



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.



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.



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, 2023

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, 2023

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 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below

Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty.

The Company does not expect this 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

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 39

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.



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 2021	2,636.87	104.42	822.42	4,972.41	5,991.82	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	0.38	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	50.53	289.62	246.78	11.51	0.41	0.08	2.20	5.09	3.05	16.43	3.18	612.82
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	12.09	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
Gross carrying amount														
As at 1st April 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
Additions	-	1.55	29.47	422.83	516.39	45.95	-	-	0.49	31.99	3.56	35.04	8.11	1,095.38
Disposals	-	-	0.01	22.06	-	2.68	-	-	-	2.23	0.02	3.26	0.41	30.67
Closing Gross carrying amount as on 31 March, 2023	2,636.87	106.46	900.80	5,685.19	6,705.21	275.40	6.87	1.39	22.02	75.98	32.00	215.29	54.88	16,718.36
Accumulated depreciation and impairment														
As at 1st April 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
Depreciation charge for the year	-	5.00	31.10	315.94	277.06	13.05	0.41	0.09	1.16	3.72	3.72	43.25	4.38	698.46
Eliminated on disposal of assets	-	-	0.01	14.20	-	1.00	-	-	-	1.30	0.02	3.26	0.38	20.17
Closing accumulated depreciation as on 31 March, 2023	-	20.67	144.33	1,360.19	1,101.01	55.12	2.07	0.41	13.16	14.87	18.76	95.60	18.04	2,844.23
Net carrying amount - 31 March, 2023	2,636.87	85.79	756.47	4,325.00	5,604.20	220.28	4.80	0.98	8.86	61.11	13.24	119.69	36.84	13,874.13

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 Balance sheet	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	August 28, 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	596.85	BSES / Reliance Energy / Reliance Infrastructure Limited	No	August 28, 2018	
Right-of-Use Assets	Leasehold Land	7.86	BSES / Reliance Energy / Reliance Infrastructure Limited	No	August 28, 2019	

(iii) Consequent to amendment in tariff regulations w.e.f. 12th July 2022, the Company changed the useful life in respect of Batteries, Computers, Furniture & fixtures, vehicles and Roads Bridges accordingly depreciation for the year ended 31 March, 2023 is higher by Rs. 5.70 crores.



Particulars	Right of Use			
	Land	Building	Right of Way	Total
Gross carrying amount				
As at 1st April 2021	13.75	138.66	40.16	192.57
Additions	510.32	-	-	510.32
Derecognition	-	36.57	-	36.57
Closing Gross carrying amount as on 31 March, 2022	524.07	102.09	40.16	666.32
Accumulated amortisation & impairment				
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
Closing accumulated amortisation as on 31 March, 2022	4.31	62.59	6.63	73.53
Net carrying amount - 31 March, 2022	519.76	39.50	33.53	592.79
Gross carrying amount				
As at 1st April 2022	524.07	102.09	40.16	666.32
Additions	0.23	-	1.32	1.55
Derecognition	-	-	-	-
Closing Gross carrying amount as on 31 March, 2023	524.30	102.09	41.48	667.87
Accumulated amortisation & impairment				
As at 1st April 2022	4.31	62.59	6.63	73.53
Amortisation charge of the year	6.42	13.81	3.18	23.41
Derecognition	-	-	-	-
Closing accumulated amortisation as on 31 March, 2023	10.73	76.40	9.81	96.94
Net carrying amount - 31 March, 2023	513.57	25.69	31.67	570.93

Note 5b: Intangible Assets

(₹ in Crores)

Particulars	Computer Software	Transmission License	Total
Gross carrying amount			
As at 01 April 2021	43.14	981.62	1,024.76
Additions	49.51	-	49.51
Disposal	-	-	-
Closing Gross carrying amount as on 31 March, 2022	92.65	981.62	1,074.27
Accumulated amortisation & impairment			
As at 01 April, 2021	20.46	-	20.46
Amortisation charge for the year	15.62	-	15.62
Eliminated on disposal of assets	-	-	-
Closing accumulated amortisation as on 31 March, 2022	36.08	-	36.08
Net carrying amount - 31 March, 2022	56.57	981.62	1,038.19
Gross carrying amount			
As at 01 April 2022	92.65	981.62	1,074.27
Additions	30.07	-	30.07
Disposal	-	-	-
Closing Gross carrying amount as on 31 March, 2023	122.72	981.62	1,104.34
Accumulated amortisation & impairment			
As at 01 April 2022	36.08	-	36.08
Amortisation charge for the year	26.82	-	26.82
Eliminated on disposal of assets	-	-	-
Closing accumulated amortisation as on 31 March, 2023	62.90	-	62.90
Net carrying amount - 31 March, 2023	59.82	981.62	1,041.44

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.

During the previous 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, 2023	For the year ended 31 March, 2022
	(₹ in Crores)	(₹ in Crores)
Depreciation on Tangible Assets	698.46	612.82
Amortisation on Intangible Assets	26.82	15.62
Amortisation on Right of Use	23.41	26.39
Total	748.69	654.83
Less: Transferred to Capital work in progress	(6.07)	(3.25)
Net depreciation charged to the Statement of Profit and Loss	742.62	651.58



(a) Capital-work-in progress aging schedule:

Particulars	Amount in CWIP for a period of				Total
	<1 year	1-2 years	2-3 years	> 3 years	
As at 31st March, 2023					
- Projects in progress	521.86	85.25	13.51	32.11	652.73
- Projects temporarily suspended	0.97	0.67	-	0.06	1.70
Total	522.83	85.92	13.51	32.17	654.43
As at 31 March, 2022					
- Projects in progress	236.75	30.94	8.62	36.98	313.29
- Projects temporarily suspended	0.22	0.87	0.95	0.15	2.19
Total	236.97	31.81	9.57	37.13	315.48

(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	
As at 31st March, 2023					
- Projects in progress					
11kV Network, New Supply, FY 2019-20	0.24	-	-	-	0.24
- Projects temporarily suspended	-	-	-	-	-
Total	0.24	-	-	-	0.24
As at 31 March, 2022					
- Projects in progress					
Low Tension network projects	0.19	-	-	-	0.19
- Projects temporarily suspended	0.17	-	-	-	0.17
Low Tension network projects	0.17	-	-	-	0.17
Total	0.36	-	-	-	0.36

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	
As at 31st March, 2023					
- Projects in progress					
Main Plant DPR Jobs	0.12	0.01	-	-	0.13
Other DPR Jobs	0.06	-	-	-	0.06
11kV Network Strengthening 2017-18, New Supply	1.63	-	-	-	1.63
33-22/11 kV Receiving Station Schemes (11-12)	1.38	-	-	-	1.38
11kV Network strengthening 2013-14	0.08	-	-	-	0.08
11kV Network, New Supply, FY 2019-20	0.24	-	-	-	0.24
Services New Supply (2019-20)	0.26	-	-	-	0.26
IT Network Revamping, FY 2020-21	2.44	-	-	-	2.44
LT Mains Improvement, FY 2020-21 & FY 2021-22	0.44	-	-	-	0.44
Receiving Station, R M Prabodhani, FY 2020-21	1.51	-	-	-	1.51
DPR - Security Automation Augmentation, FY 2021-22	0.21	-	-	-	0.21
- Projects temporarily suspended					
33-22/11 kV Receiving Station Schemes (11-12)	0.00	-	-	-	0.00
Additional Rec-Strn DPR (14-15)	0.07	-	-	-	0.07
Additional Rec-Strn DPR (15-16)	0.01	-	-	-	0.01
Total	8.44	0.01	-	-	8.45
As at 31 March, 2022					
- Projects in progress					
Main Plant DPR Jobs	0.23	-	-	-	0.23
Main Plant Non DPR Jobs	0.01	-	-	-	0.01
11KV Substation jobs	0.06	-	-	-	0.06
Receiving Station Jobs	0.82	-	-	-	0.82
Low Tension Network jobs	0.02	-	-	-	0.02
Others Non DPR Jobs	0.06	-	-	-	0.06
- Projects temporarily suspended					
Receiving Station Jobs	0.05	-	-	-	0.05
Total	1.25	-	-	-	1.25

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 aging schedule:

(₹ in Crores)

Particulars	Amount in CWIP for a period of				Total
	<1 year	1-2 years	2-3 years	> 3 years	
As at 31st March, 2023					
- Projects in progress	-	-	-	-	-
- Projects temporarily suspended	-	-	-	-	-
Total	-	-	-	-	-
As at 31 March, 2022					
- Projects in progress	-	-	-	-	-
- Projects temporarily suspended	-	-	-	-	-
Total	-	-	-	-	-

(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	
As at 31st March, 2023	-	-	-	-	-
As at 31 March, 2022	-	-	-	-	-



Notes to financial statements

6	Investments	Face Value of ₹ unless otherwise specified	No of Shares	As at 31st March, 2023 (₹ in Crores)	As at 31 March, 2022 (₹ 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 (1,87,50,000)	201.22	201.74
	9.23% Central Government of India - 2043	100 (100)	2,20,000 (2,20,000)	2.82	2.88
	5.63% Central Government of India - 2026	100 (Nil)	30,00,000 (Nil)	29.57	-
			Total	233.63	204.64
	Aggregate Market Value of Quoted Investments			214.32	188.31
	Aggregate Carrying Value of Quoted Investments			233.61	204.62
	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 ₹ unless otherwise specified	No of Units	As at 31st March, 2023 (₹ in Crores)	As at 31 March, 2022 (₹ in Crores)
	Contingency Reserve Investments				
	Investment in Treasury Bills at FVTPL (Quoted)	100 (100)	25,00,000 (25,00,000)	24.75	24.84
	Investment in mutual funds at FVTPL (Quoted)				
	SBI Overnight Direct Growth (NAV Rs 3,649.25 (NA))		7,37,653.15 (Nil)	269.19	-
	ABSL Overnight Direct Growth (NAV Rs 1,212.45 (NA))		8,99,491.49 (Nil)	109.06	-
	ABSL Liquid Direct Growth (NAV Rs 363.08 (NA))		100,43,309.82 (Nil)	364.66	-
				767.66	24.84
	Aggregate Market Value of Quoted Investments			767.66	24.84
	Aggregate Carrying Value of Quoted Investments			767.66	24.84
7	Loans - At Amortised Cost				
	Housing loans to employee against hypothecation of the property (Secured, considered good)				
	Inter Corporate Deposit given to related party (Unsecured, considered good)				
	Loans to employees (Unsecured, considered good)				



10 Other Assets	Non-Current		Current	
	As at 31st March, 2023 (₹ in Crores)	As at 31 March, 2022 (₹ in Crores)	As at 31st March, 2023 (₹ in Crores)	As at 31 March, 2022 (₹ in Crores)
(Unsecured, Considered good)				
Advance to Suppliers	-	-	113.34	125.19
Balances with Government authorities	-	-	5.46	0.05
Prepaid Expenses	0.46	1.32	16.35	16.79
Capital advances	53.75	68.55	-	-
Advance to Employees	3.96	2.03	3.69	3.92
	58.17	71.90	138.84	145.95

11 Inventories	As at 31st March, 2023 (₹ in Crores)	As at 31 March, 2022 (₹ in Crores)
(Stated at lower of Cost and Net Realisable Value)		
Fuel	39.78	127.40
Fuel - In Transit	17.00	35.83
Stores & spares	35.97	41.26
	92.75	204.49

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

12 Trade Receivables	As at 31st March, 2023 (₹ in Crores)	As at 31 March, 2022 (₹ in Crores)
(unsecured, unless stated otherwise)		
Unsecured, considered good	412.27	450.49
Trade Receivables which have significant increase in credit risk	40.00	35.36
Credit Impaired	1.39	1.39
	453.66	487.24
Less : Provision for doubtful Trade receivables	(1.39)	(1.39)
	452.27	485.85

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, 2023 : ₹ 52.17 crores (31 March 2022 : ₹ 77.15 crores) is due from Maharashtra State Electricity Transmission Company Limited and ₹ 3.00 Crores (31 March 2022 : ₹ 43.70 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 (LTTCs) 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 of 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 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
As at 31st March, 2023							
(i) Undisputed Trade receivables - considered good	291.40	112.25	0.26	5.10	-	-	409.01
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	17.23	14.72	2.87	5.15	-	-	39.97
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	1.39	-	-	1.39
(iv) Disputed Trade Receivables considered good	0.92	1.54	0.32	0.48	-	-	3.26
(v) Disputed Trade Receivables - which have significant increase in credit risk	0.03	-	-	-	-	-	0.03
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
(vii) Provision for Doubtful Debts	-	-	-	(1.39)	-	-	(1.39)
Total	309.58	128.51	3.45	10.73	-	-	452.27
As at 31 March, 2022							
(i) Undisputed Trade receivables - considered good	244.67	160.47	1.97	40.61	-	-	447.72
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	6.25	18.08	3.87	7.12	-	-	35.32
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	1.39	-	-	1.39
(iv) Disputed Trade Receivables considered good	0.60	1.66	0.36	0.15	-	-	2.77
(v) Disputed Trade Receivables - which have significant increase in credit risk	0.01	0.03	-	-	-	-	0.04
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
(vii) Provision for Doubtful Debts	-	-	-	(1.39)	-	-	(1.39)
Total	251.53	180.24	6.20	47.88	-	-	485.85

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 31st March, 2023 (₹ in Crores)	As at 31 March, 2022 (₹ in Crores)
1.39	1.39
-	-
1.39	1.39

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 & Cash Equivalents as per Statement of Cash Flows



As at 31st March, 2023 (₹ in Crores)	As at 31 March, 2022 (₹ in Crores)
56.13	64.51
20.00	-
0.43	0.80
14.04	9.10
90.60	74.41

Notes to financial statements

Reconciliation of liabilities from Financing Activities

Particulars	As at 1st April, 2022	Cash flows		Non-cash Transaction	As at 31st March, 2023
		Proceeds	Repayment		
Non-current Borrowings (Including Current Maturities of Non-current Borrowings)	11,864.65	-	-	1,023.97	12,888.62
Current Borrowings (Excluding Bank Overdraft)	-	4,506.76	(4,006.76)	-	500.00
Total	11,864.65	4,506.76	(4,006.76)	1,023.97	13,388.62

Reconciliation of liabilities from Financing Activities

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

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

As at 31st March, 2023 (₹ in Crores)	As at 31st March, 2022 (₹ in Crores)
622.45	624.48
622.45	624.48

15 Share Capital

Authorised Share Capital

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

As at 31st March, 2023 (₹ in Crores)	As at 31st March, 2022 (₹ in Crores)
5,000.00	5,000.00
5,000.00	5,000.00

Issued, Subscribed and Paid-up Share Capital

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

As at 31st March, 2023 (₹ in Crores)	As at 31st March, 2022 (₹ in Crores)
4,020.82	4,020.82
4,020.82	4,020.82

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

As at 31st March, 2023 No. Shares	As at 31st March, 2022 No. Shares
4,02,08,23,535	4,02,08,23,535
-	-
4,02,08,23,535	4,02,08,23,535

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.

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

Equity shares of ₹ 10 each fully paid

Adani Transmission Limited and its nominees (Promoters)##
Qatar Holding LLC ##

Shares Pledged

No. of equity shares pledged to Lenders - 100% (31 March, 2022 - 100%)

As at 31st March, 2023		As at 31st March, 2022	
No. Shares	% held	No. Shares	% held
3,01,15,96,827	74.90%	3,01,15,96,827	74.90%
1,00,92,26,708	25.10%	1,00,92,26,708	25.10%
4,02,08,23,535	100.00%	4,02,08,23,535	100.00%
4,02,08,23,529		4,02,08,23,529	

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.

As at 31st March, 2023 (₹ in Crores)	As at 31st March, 2022 (₹ in Crores)
230.78	230.78

b. Effective portion of cashflow Hedge

Opening Balance

Add : Effective portion of cash flow hedge for the year

Closing Balance

As at 31st March, 2023 (₹ in Crores)	As at 31st March, 2022 (₹ in Crores)
(265.77)	(113.90)
(65.55)	(151.87)
(331.32)	(265.77)

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

Transfer from Retained Earnings

Closing Balance

245.43	219.69
7.36	25.74
252.79	245.43

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

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.

120.43	120.43
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Notes to financial statements

a. Retained Earnings

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

Opening Balance	343.12	232.53
Add : Profit for the year	95.10	122.16
Other Comprehensive Income arising from remeasurement of Defined Benefit Plans (net of tax)	(8.30)	14.17
Transfer to Contingency Reserve Fund	(7.36)	(25.74)
Closing Balance	422.56	343.12
Total	695.24	673.99

The Board of Directors of the Company in their meeting held on 26 May, 2023, have declared interim dividend of ₹ 0.05 per equity share of ₹10 each for the financial year 2022-23 amounting to ₹ 341.77 crores.

17 Borrowings

(At Amortised Cost)

	Non-current \$55		Current	
	As at 31st March, 2023	As at 31 March, 2022	As at 31st March, 2023	As at 31 March, 2022
	(₹ in Crores)	(₹ in Crores)	(₹ in Crores)	(₹ in Crores)
Secured				
External Commercial Borrowings in Foreign Currency				
Senior Secured Note - 3.949%	8,158.69	7,512.41	-	-
Sustainability Linked Notes - 3.867%	2,440.41	2,246.10	-	-
Unsecured				
External Commercial Borrowings in Foreign Currency				
Shareholders Affiliated Debts - 6.365%	2,289.52	2,106.14	-	-
	12,888.62	11,864.65	-	-

\$55 Includes processing fees netted of ₹110.68 Crores (31 March 2022 - ₹ 125.72 Crores)

Borrowings	Security	Terms of Repayment of Borrowings
Senior Secured Note - 3.949% (and related hedging instruments)	a) a first pari passu mortgage over certain identified immovable Properties; b) a first pari passu charge on the movable assets of the Project (both present and future); 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); d) a first pari passu charge on the Accounts under the Project Accounts Deed (except the Excluded Accounts (which means the AEM, PPRA Account, the Debenture Liquidity Account, each of the AEM, Post Distribution Cash Flow Accounts; any accounts opened for the purpose of managing any Excluded Cash Flows; and the AEM, Distributions Account)) and amounts lying to the credit of such Accounts (both present and future); e) a first pari passu assignment in relation to Transmission License and Distribution License, subject to approval from the MERC; f) a pledge over 100% of the entire paid up equity and preference share capital of the Company; g) a non-disposal undertaking over immovable properties other than certain identified immovable properties; 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 i) a non-disposal undertaking over 100% of the equity and preference share capital of the Service Company.	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.
Sustainability Linked Notes - 3.87% (and related hedging instruments)	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. Ranking of Security 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.
Working capital short term loan		Working capital short term loans outstanding as on 31 March, 2023 are repayable within 03 months and the rate of interest ranges from 8.90% to 8.95%. As at 31 March 2022 there were no working capital short term loans outstanding.
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 (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.

18 Trade Payables

	Non-Current		Current	
	As at 31st March, 2023	As at 31 March, 2022	As at 31st March, 2023	As at 31 March, 2022
	(₹ in Crores)	(₹ in Crores)	(₹ in Crores)	(₹ in Crores)
(A) total outstanding dues of micro enterprises and small enterprises; and	-	-	42.87	25.07
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.	32.76	32.22	1,551.87	1,465.88
	32.76	32.22	1,594.74	1,490.95

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 31st March, 2023	As at 31 March, 2022
	(₹ in Crores)	(₹ in Crores)
(a) the principal amount remaining unpaid to any supplier at the end of each accounting year (including payable for Property, Plant & Equipment)	232.41	104.41
(b) interest due on principal amount remaining unpaid to any supplier at the end of each accounting year	0.67	0.62
(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;	0.67	0.62

Notes to financial statements

(e) the amount of interest accrued and remaining unpaid at the end of each accounting year; and 0.67 0.62

(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. 0.67 0.62

Trade Payables ageing schedule

Particulars	Outstanding for following periods from due date of payment*					Total
	Not Due	<1 year	1-2 years	2-3 years	More than 3 years	
As at 31st March, 2023						
(a) MSME	26.07	10.79	1.67	1.27	3.07	42.87
(b) Others	903.28	273.14	156.50	97.89	61.75	1,492.56
(c) Disputed dues - MSME	-	-	-	-	-	-
(d) Disputed dues - Others	-	-	92.07	-	-	92.07
Total	929.35	283.93	250.24	99.16	64.82	1,627.50
As at 31 March, 2022						
(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
Total	170.36	1,160.07	129.90	52.04	10.80	1,523.17

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

19 Lease Liabilities

	Non-Current		Current	
	As at 31st March, 2023	As at 31 March, 2022	As at 31st March, 2023	As at 31 March, 2022
	(₹ in Crores)	(₹ in Crores)	(₹ in Crores)	(₹ in Crores)
Lease Obligation	14.47	26.25	16.27	18.59
	14.47	26.25	16.27	18.59

20 Other Financial Liabilities (At Amortised Cost)

	Non-Current		Current	
	As at 31st March, 2023	As at 31 March, 2022	As at 31st March, 2023	As at 31 March, 2022
	(₹ in Crores)	(₹ in Crores)	(₹ in Crores)	(₹ in Crores)
Interest accrued but not due on borrowings	-	-	126.04	113.91
Payable towards purchase of PPE	-	-	-	-
(A) total outstanding dues of micro enterprises and small enterprises; and	-	-	190.21	79.96
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.	-	-	363.44	235.18
Security Deposit from Consumers	-	-	507.02	471.70
Regulatory Liabilities other than Distribution	-	-	-	2.94
Security Deposit from Customers / Vendors	-	-	14.07	15.25
Other Financial Liabilities	-	-	7.94	-
# Derivative Instruments designated in hedge accounting relationship	3.71	66.02	-	57.07
	3.71	66.02	1,208.72	976.01

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

21 Provisions

	Non-Current		Current	
	As at 31st March, 2023	As at 31 March, 2022	As at 31st March, 2023	As at 31 March, 2022
	(₹ in Crores)	(₹ in Crores)	(₹ in Crores)	(₹ in Crores)
Provision for Gratuity	152.48	160.10	29.07	32.57
Provision for Compensated absences	332.98	393.31	67.65	28.07
Provision for Other Employment Benefits	17.14	18.87	1.82	3.16
	502.60	572.28	98.54	63.80

22 Other Liabilities

	Non-Current		Current	
	As at 31st March, 2023	As at 31 March, 2022	As at 31st March, 2023	As at 31 March, 2022
	(₹ in Crores)	(₹ in Crores)	(₹ in Crores)	(₹ in Crores)
Deferred Revenue - Service Line Contributions from Consumers	265.64	245.47	12.90	11.12
Statutory dues payable	-	-	215.25	210.66
Advances From Customer	-	-	64.56	66.74
Other Payables	-	-	6.50	3.18
	265.64	245.47	299.21	291.70

23 Borrowings (At Amortised Cost)

Secured loans from banks
Working capital short term loan

	As at 31st March, 2023	As at 31 March, 2022
	(₹ in Crores)	(₹ in Crores)
	500.00	-
	500.00	-

Security and Rate of Interest

(i) For Security of Working Capital Loans - (Refer Note No 17)

(ii) For working capital outstanding on 31 March, 2023, the rate of interest for Secured loans from banks ranged from 8.90% TO 8.95%. As at 31 March, 2022 there were no working capital or short term loans outstanding

(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), other receivable (CFO days) and regulatory assets recoverable within 1 year 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 31 March, 2023 (₹ in Crores)	For the year ended 31 March, 2022 (₹ in Crores)
a) Income from Sale of Power and Transmission Charges		
Income from Sale of Power and Transmission Charges (Net)	8,125.95	6,673.94
(Less)/Add: Income to be adjusted in future tariff determination (Net)	21.26	3.59
	<u>8,147.21</u>	<u>6,677.53</u>
b) Other Operating Income		
Insurance Claim Received	-	2.55
Income in respect of Services rendered	48.41	42.04
Sale of Coal Rejects / Fly Ash	13.90	16.59
Street Light Maintenance Charges	119.73	141.77
Amortisation of Service Line Contribution	11.86	10.30
Miscellaneous Revenue	16.17	17.40
	<u>210.07</u>	<u>230.65</u>
c) Sale of Traded Goods		
Sale of Traded Goods	3.68	0.76
	<u>3.68</u>	<u>0.76</u>
Total	<u>8,360.96</u>	<u>6,908.94</u>

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

Particulars	For the year ended 31 March, 2023 (₹ in Crores)	For the year ended 31 March, 2022 (₹ in Crores)
Income from Sale of Power	7,786.05	6,334.58
Income from Transmission Charges (Net)	361.16	342.95
Income in respect of Services rendered	48.41	42.04
Sale of Coal Rejects / Fly Ash	13.90	16.59
Street Light Maintenance Charges	119.73	141.77
Sale of Traded Goods	3.68	0.76
Add: Cash Discount/Rebates etc	41.65	31.29
Total Revenue as per Contracted Price	<u>8,374.58</u>	<u>6,909.98</u>

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, 2023, other than those meeting the exclusion criteria mentioned above.

Contract Balances	For the year ended 31 March, 2023 (₹ in Crores)	For the year ended 31 March, 2022 (₹ in Crores)
Contract Assets		
Recoverable from Consumers		
Non-current	-	-
Current	18.33	-
Total Contract Assets	<u>18.33</u>	<u>-</u>
Contract liabilities		
Liabilities towards Consumers		
Non-current	-	-
Current	-	2.94
Total Contract Liabilities	<u>-</u>	<u>2.94</u>
Receivables		
Trade Receivables (Gross)	453.66	487.24
Unbilled Revenue for passage of time	597.55	507.56
Regulatory Assets other than Distribution	18.33	-
(Less): Advance from Consumers	(64.56)	(66.74)
(Less): Allowance for Doubtful Debts	(1.39)	(1.39)
Net Receivables	<u>1,003.59</u>	<u>926.67</u>

Contract assets

Contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract Assets are transferred to receivables when the rights become unconditional.

Contract liabilities

A Contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer, if the customer pays contribution before the Company transfers goods or services to the customers, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the performance of obligation is satisfied.

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



	For the year ended 31 March, 2023 (₹ in Crores)	For the year ended 31 March, 2022 (₹ in Crores)
Opening Balance		
Recoverable from consumers	-	-
Liabilities towards consumers	2.94	6.53
A	2.94	6.53
Income to be adjusted in future tariff determination (Net)		
	(21.27)	(3.59)
B	(21.27)	(3.59)
Closing Balance		
Recoverable from consumers	18.33	-
Liabilities towards consumers	-	2.94
(A+B)	18.33	2.94
25 Other Income		
	For the year ended 31 March, 2023 (₹ in Crores)	For the year ended 31 March, 2022 (₹ in Crores)
a) Interest Income		
On Financial Assets carried at Amortised Cost		
Bank Deposits	92.78	106.31
Overdue Trade Receivables	20.53	22.45
Contingency Reserve Fund Investment - Non Current	-	13.30
Contingency Reserve Fund Investment - Current	15.46	0.53
On Intercompany Deposits	104.73	114.40
Other Interest	29.32	51.50
Interest on Security Deposits - Lease	0.32	0.85
b) Gain/(Loss) on Investments		
Gain On Sale / Fair Value Of Current Investments Measured at FVTPL	4.73	1.13
c) Other Non-operating Income		
Bad Debts Recovery	17.89	4.95
Sale of Scrap	4.10	11.79
Rental Income	0.47	0.27
Delayed Payment Charges	35.49	22.90
Foreign Exchange Gain (net)	0.03	-
Profit / (Loss) on Sale of Assets	2.78	0.42
Incentive Received	-	1.44
Sundry credit balances written back	2.44	57.41
Total	331.07	409.65
26 Employee Benefits Expenses		
	For the year ended 31 March, 2023 (₹ in Crores)	For the year ended 31 March, 2022 (₹ in Crores)
# Salaries, Wages & Bonus	831.63	680.35
Contribution To Gratuity	32.48	48.07
Contribution to Provident and Other Funds	55.56	57.52
Contribution to Superannuation Fund	7.71	7.76
Compensated absences	17.78	42.00
Staff Welfare Expenses	82.48	99.02
	1,027.64	934.72
Less : Staff Cost Capitalised	(149.64)	(136.04)
Total	878.00	798.68
# Net of wage provisions no longer required written back of Rs 59.43 crores (31 March 2022 : Rs 38.74 Crores)		
A Special Voluntary Retirement Scheme (SVRS) 2023, was rolled out for employees of the Company from March 28, 2023, to April 15, 2023. Amount charged during the year towards expected payout in this regard and included above are Rs. 211.72 crores (31 March 2022 : Rs. Nil).		
27 Finance costs		
	For the year ended 31 March, 2023 (₹ in Crores)	For the year ended 31 March, 2022 (₹ in Crores)
a) Interest Expense		
Borrowings - Amortised Cost		
Rupee Term Loans	-	1.71
Senior Secured Note	350.87	322.04
Shareholders Affiliated Debts	150.67	138.00
External Commercial Borrowings (Note 1 below)	-	47.99
Sustainability Linked Notes	103.13	66.12
Working Capital Loans	71.43	44.44
Foreign Exchange Fluctuation Gain(net)-Borrowings (Note 3 below)	352.23	155.64
Interest - Hedging Cost	430.78	400.24
Others		
Security Deposits From Consumers at amortised cost	20.03	18.71
Interest on lease obligation	4.48	6.25
Interest - Others	1.13	0.24
	1,484.75	1,201.38
Less : Interest Cost Capitalised	(51.87)	(42.45)
	1,432.88	1,158.93
b) Other Borrowing Costs		
Other Finance Cost	1.38	1.45
Total	1,434.26	1,160.38
\$ - In Foreign Currency,		

Note :

- Includes Rs Nil (31 March 2022: Rs 28.45 Crores) (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 2022: 8.76%) per annum.
- Including Mark to Market gain of Rs. 656.18 Crores (31 March 2022: gain of Rs. 252.56 Crores) on Derivative Instruments designated in hedge accounting relationship.



Notes to financial statements

28 Other Expenses	For the year ended 31 March, 2023 (₹ in Crores)	For the year ended 31 March, 2022 (₹ in Crores)
Consumption Of Stores & Spares	51.42	56.59
Repairs & Maintenance		
- Plant & Machinery	347.57	329.63
- Buildings	19.75	20.22
- Others	34.46	26.18
Expenses in respect of Services rendered	35.49	38.14
⊗ Short Term Lease Rental of Land, Building, Plant & Machinery Etc	16.13	12.62
Vehicle Hire Charges	20.48	16.97
Rates and Taxes	11.41	19.44
Legal & Professional Expenses	166.41	149.40
Directors' Sitting Fees	0.08	0.08
Bank Charges	6.37	6.04
⊗⊗ Payment to Auditors	1.87	1.74
Communication Expenses	8.68	7.96
Travelling & Conveyance Expenses	13.90	8.45
Insurance Expenses	17.75	9.76
License fees	1.82	1.74
Security Charges	31.05	31.17
Seminar & Training Expenses	3.16	3.17
Software Expenses	40.60	18.15
Provision for Doubtful Deposits	5.58	-
Bad debt Write off	15.21	18.31
Bill Print/Collection/ Distribution	13.00	11.88
Foreign Exchange Fluctuation Loss(net)	0.48	1.20
Call Center Expenses	11.99	8.37
Donations	0.60	0.30
⊗⊗⊗ Corporate Social Responsibility Expenses	7.65	5.69
Electricity Expenses	0.46	0.51
Printing & Stationery	0.96	1.38
Advertisement & Publicity	27.31	9.26
Water charges	5.23	3.68
Other Miscellaneous Expenses	27.44	20.27
Total	940.32	838.30

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

⊗⊗ Payment to auditors

As auditor:

	For the year ended 31 March, 2023 (₹ in Crores)	For the year ended 31 March, 2022 (₹ in Crores)
Statutory Audit Fees	1.33	1.32
# Other Services	0.20	0.14
Out of Pocket Expenses	0.05	0.01
Applicable taxes	0.29	0.27
	1.87	1.74

Excluding fees of Rs. Nil [PY 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 31 March, 2023	For the year ended 31 March, 2022
(i) Amount required to be spent by the company during the year	7.61	5.65
(ii) Total of previous years shortfall / (excess) amounts	(0.04)	0.72
(iii) Amount of expenditure incurred:		
(a) Construction or acquisition of any assets	-	-
(b) on purpose other than (a) above	0.23	0.28
- Donation to related party trust (not controlled by the Company)	7.42	6.13
Total amount of expenditure incurred	7.65	6.41
(iv) (Excess) / Shortfall at the end of the year	(0.08)	(0.04)
(v) Provision made towards CSR expenditure	-	-
(vi) Reason for shortfall : Nil (31 March 2022 : Nil)		
(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 & loss

	For the year ended 31 March, 2023 (₹ in Crores)	For the year ended 31 March, 2022 (₹ in Crores)
Current Income Tax (MAT)	27.20	47.78
Deferred Tax	81.26	101.18
	108.46	148.96

2 Income Tax recognised in other comprehensive income

	For the year ended 31 March, 2023 (₹ in Crores)	For the year ended 31 March, 2022 (₹ in Crores)
Current Income Tax		
-Remeasurement of Defined Benefit Plans	8.38	3.00
Total income tax recognised in other comprehensive income	8.38	3.00

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

	-	-
	8.38	3.00
	8.38	3.00



Notes to Financial statements

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

Profit Before Tax	203.64	271.12
Income tax using the company's domestic tax rate @ 34.944%	71.16	94.74
Tax Effect of:		
- Non deductible Expenses	2.88	2.09
- MAT credit not recognised	27.20	47.78
- Tax on other items	7.22	4.35
Income tax expense recognised in statement of profit and loss	108.46	148.96

Notes

- a 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 31 March, 2023 (₹ in Crores)	For the year ended 31 March, 2022 (₹ in Crores)
Unrecognised Tax Credits	35.58	50.78

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

	(₹ in Crores)	
	As at 31 March, 2023	As at 31 March, 2022
Within One Year	-	-
Greater than one year, less than five years	-	-
Greater than five years	229.59	194.01
No expiry date	-	-
Total	229.59	194.01

3 Deferred Tax

	For the year ended 31 March, 2023 (₹ in Crores)	For the year ended 31 March, 2022 (₹ in Crores)
Deferred tax Assets	1,499.34	1,335.37
Deferred tax Liabilities	1,759.95	1,514.72
Net Deferred Tax Assets / (Liabilities)	(260.61)	(179.35)

2022-23

	Opening Balance	Recognised in Profit & Loss	Closing Balance
Deferred Tax Assets in relation to			
Allowance for Doubtful Debts, Deposits, Advances and property tax payable	7.70	0.96	8.66
Provisions for employee benefits and others	214.58	(11.07)	203.51
Unabsorbed Depreciation	1,113.10	174.08	1,287.17
	1,335.37	163.97	1,499.34
Deferred Tax liabilities in relation to			
Property, Plant & Equipment	1,514.72	245.23	1,759.95
	1,514.72	245.23	1,759.95
Deferred Tax Asset/(Liability) (Net)	(179.35)	(81.26)	(260.61)

2021-22

	Opening Balance	Recognised in Profit & Loss	Closing Balance
Deferred Tax Assets in relation to			
Allowance for Doubtful Debts, Deposits and Advances	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
Deferred Tax liabilities in relation to			
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)

30 Earnings Per Share (EPS)

		For the year ended 31 March, 2023 (₹ in Crores)	For the year ended 31 March, 2022 (₹ in Crores)
(A) Before net Movement in Regulatory Deferral Balance			
Profit / (Loss) attributable to Equity Shareholders		95.18	122.16
Add/(Less): Net Movement in Regulatory Deferral Balance		1,035.58	682.47
Income tax on Regulatory Income / (expense)		(180.94)	(119.24)
Regulatory Income / (expense) (net of tax)		854.64	563.23
Net Profit / (Net Loss) excluding regulatory Income		(759.46)	(441.07)
Number of Weighted Average Equity Shares, outstanding during the year for basic / diluted EPS	No.	4,02,08,23,535	4,02,08,23,535
Nominal Value of Equity Shares	₹	10.00	10.00
Basic / Diluted Earnings per Share before net Movement in Regulatory Deferral Balance	₹	(1.89)	(1.10)
(B) After net Movement in Regulatory Deferral Balance			
Profit / (Loss) attributable to Equity Shareholders		95.18	122.16
Number of Weighted Average Equity Shares, outstanding during the year for basic EPS		4,02,08,23,535	4,02,08,23,535
Nominal Value of Equity Shares		10.00	10.00
Basic / Diluted Earnings per Share after net Movement in Regulatory Deferral Balance		0.24	0.30



Notes to financial statements

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, 2023 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 9.50 % (31 March 2022: 9.10%) per annum has been used. In arriving at the recoverable amount of the TCGU, financial projections have been developed for 6 years (31 March 2022: 6 years) and thereafter in perpetuity considering a terminal growth rate of 1 % (31 March 2022: 1.5%) 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 2022 - ₹ 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: 9.50 % (31 March 2022: 9.10 %) 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 2022: 6 years) is estimated based on management projections subject to regulatory approval and thereafter Rs 500 crores per annum (31 March 2022: Rs 500 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, 2023

Particulars	As at 31st March, 2023 (₹ in Crores)	As at 31 March, 2022 (₹ in Crores)
Opening Balance	44.84	93.59
Interest on Lease Liabilities	4.48	6.25
Lease Liabilities on account of Leases entered / terminated during the year	-	(32.63)
Payments of Lease Liabilities / Other Adjustments	(18.58)	(22.37)
Closing Balance (refer note 19)	30.74	44.84

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.

- Interest Expenses on lease liabilities amounts to Rs 4.48 crores (31 March, 2022 Rs 6.25 crores)
- 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 16.13 crores (31 March, 2022 Rs 12.62 crores)
- Total Cash outflow for leases amounts to Rs 34.71 Crores (31 March, 2022 Rs 34.99 crores) during the year including cash outflow short term and low value leases.
- 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 31st March, 2023 (₹ in Crores)	As at 31 March, 2022 (₹ in Crores)
(A) Contingent liabilities :		
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 and 32(i)(c)	1,381.28	1,381.28
(vii) Demand disputed by the Company relating to Standby Charges including Interest payable - Refer Note 4	213.79	-
(viii) Claims pertaining to interest in respect of certain regulatory Liabilities -Refer Note 3	-	@@
(ix) Liability in respect of disposal of bottom Ash	-	@@
(x) Liability in respect of termination of power purchase lease agreement	@@	@@
	2,109.41	1,893.62

@@ 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.
- Appeal has been filed by the Company under Section 111 of the Electricity Act, 2003, challenging the Order dated 31 March 2023 passed by the Maharashtra Electricity Regulatory Commission directing levy of Standby charges by Maharashtra State Electricity Distribution Company Limited.
- The above Contingent Liabilities (except interest payable on vii) 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 31st March, 2023 As at 31 March, 2022

	(₹ in Crores)	(₹ in Crores)
(i) Estimated amount of contracts remaining to be executed on capital account and not provided for	551.90	599.48
	551.90	599.48

(ii) Other Commitments :

a) For procurement of Hybrid (Solar/Wind) power on long term basis, AEML has entered into 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 ₹ 3.24 per unit

b) AEML has entered into a Power Purchase Agreement for procurement of Power 500 MW on Medium term basis, with a group entity (Adani Enterprises Limited) at ₹ 5.98 Per Unit.

(C) On 21 August, 2022, RINFRA has filed a Consolidated statement of arbitration claims under the Share Purchase Agreement. The Management of the Company believes that the said claims are not tenable. The Management would follow the due process laid out under the Share Purchase Agreement for dispute resolution and will respond with facts and present its own claims against RINFRA in the arbitration proceedings.

The Hon'ble Supreme Court, while hearing the case in respect of the issues between Vidarbha Industries Power Limited (VIPL), Rinfra and AEML, had been apprised that both VIPL and Rinfra have raised similar issues before the Hon'ble Supreme Court and Arbitrator respectively. Therefore, the Hon'ble Supreme Court, considering the submission made by parties, passed a direction vide order dated 22nd November 2022, to stay the Arbitration Proceedings in view of pendency of the present case.

34 Maharashtra Electricity Regulatory Commission (MERC) in its order dated 26 December 2022, subject to certain conditions and based on certain valuation principles laid down by it, has approved the transfer of certain assets to AEML SEEPZ Limited (ASL). Based on the principles laid down by MERC, ASL has filed the Petition for approval of tariff before MERC, wherein ASL had proposed to operationalize its business from 01 April, 2023. ASL has also filed the Petition for approval of switchover/ changeover protocol (for shifting of consumers from other Distribution Licensees to ASL and vice versa in SEEPZ area- Case No. 21 of 2023) before MERC. Both the Petitions are pending before MERC and accordingly, assets amounting to Rs. 41.72 crores (WDV Rs. 33.23 crores) as on 31 March 2023 are held for transfer and will be transferred upon operationalization of ASL.

35 Maharashtra Electricity Regulatory Commission ("MERC") vide its order dated 31 March, 2023, has approved the Truing-up of Annual Revenue Requirement (ARR) for FY 2019-20 to FY 2021-22, Provisional Truing-up of ARR for FY 2022-23 and ARR and Tariff for the period from 2023-24 to 2024-25 for Generation, Transmission and Distribution Business of the Company (MYT Order). Consequent to the above order, the Company has recognised net income of Rs 242.76 Crores (Generation & Distribution business Combined Rs 214.81 Crores and Transmission Business Rs 27.95 Crores) during the quarter and for the year ended 31 March, 2023.

36 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
As at 31 March, 2023			
Payables			
Saptagiri Electrical Engineering	Purchase of Service	0.02	Vendor
Inavit Engineering & Consulting Pvt	Purchase of Service	0.01	Vendor
Sanjyot Laser Pvt Ltd	Purchase of Service	0.01	Vendor
Receivables			
Shree Sai Seva Kripa Sra Society Ltd	Sale of Power	0.01	Consumer
Shanti Sagar Realty India Private Ltd	Sale of Power	0.01	Consumer
N R Enterprises Ltd	Sale of Power	0.01	Consumer
Parekh Bldg Dev P Ltd	Sale of Power	0.01	Consumer
Comet Plast Machinery P Ltd	Sale of Power	0.01	Consumer
Others - 797 Parties < 50K	Sale of Power	0.15	Consumer
As at 31 March, 2022			
Payables			
Silent Sentinels Electrical Consultant Pvt Ltd	Purchase of Service	0.01	Vendor
Receivables			
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 Tdms 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 Oning & Pack Private Limited	Sale of Power	0.02	Consumer
SSV Developers & Indian Holiday Resort Private	Sale of Power	0.10	Consumer
Others - 361 Parties < 50K	Sale of Power	0.09	Consumer

37 During the quarter ended 31st March 2023, a short seller report was published in which certain allegations were made involving Adani Group Companies, including Adani Transmission Limited ("ATL") and its subsidiaries. A writ petition was filed in the matter with the Hon'ble Supreme Court ("SC"), and during hearing the Securities and Exchange Board of India ("SEBI") has represented to the SC that it is investigating the allegations made in the short seller report for any violations of the various SEBI Regulations. The SC had constituted an expert committee for assessment of the extent of regulatory framework and volatility assessment on Adani stocks, as also to investigate whether there have been contraventions and regulatory failures on minimum shareholding and related party transactions pertaining to Adani group. The expert committee, post the reporting date, issued its report on the given remit, wherein no regulatory failures are observed, while SEBI continues its investigations.

Separately, to uphold the principles of good governance, Adani Group has undertaken review of transactions (including those for ATL and its subsidiaries) with parties referred in the short seller's report including relationships amongst other matters and obtained opinions from independent law firms. These opinions confirm that ATL and its subsidiaries are in compliance with the requirements of applicable laws and regulations. Considering the matter is subjudice at Supreme Court, no additional action is considered prolific and pending outcome of the investigations as mentioned above, the financial results do not carry any adjustments.



38 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 AEML SEEPZ Limited
(D) Key Management Personnel	Mr. Khandarp Patel, Managing Director & CEO Mr. Kunal Mehta, Chief Financial Officer (w.e.f. 02.05.2022) Mr. Rakesh Tiwari, Chief Financial Officer (upto 31.05.2022) Mr. Jadhvi Shukla, Company Secretary Mr. Anil Sardana, Director Mr. Sagar Adani, Director Mr. K. Jaisri, Independent Director Mrs. Chitra Bhattacharya, Independent Director (upto 27.10.2021) Mrs. Chandni Iyengar (w.e.f. 27.10.2021) Mr. Quynh Chai, Non Executive Director Mr. Kenneth McLaren, Non Executive Director

(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
Karnaveel Aviation Private Limited
Adani Power (Mundra) Limited (amalgamated in to Adani Power Limited w.e.f. 8 February 2023)
Adani Green Energy Limited
Mundra Solar Pvt Limited
Sunbourn Developers Private Limited
Adani Institute For Education & Research
Adani Electricity Navi Mumbai Limited
Maharashtra Eastern Grid Power Transmission Co. Limited
Power Distribution Services Limited
Adani Power Maharashtra Limited (amalgamated in to Adani Power Limited w.e.f. 8 February 2023)
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
Superhighways Infrastructure Private Limited
Adani Power Rajasthan Limited (amalgamated in to Adani Power Limited w.e.f. 8 February 2023)
Ahmedabad International Airport Limited
Mangalore International Airport Limited
Adani Ports And Special Economic Zone Limited
Valuable Properties Private Limited
Adani Krishnapatnam Port Limited
Adani Petronet (Dahe) Port Limited
Adani Airport Holdings Limited
Ambuja Cements Limited
Guwahati International Airport Limited
FLR Systems Private Limited
Mundra Petrochem Limited
Digi Port Limited
Adani New Industries Limited
Adani Sportline Private Limited
SBSR Power Cleantech Eleven Private Limited
Adani Renewable Energy Holding Twelve Limited
Alpha Design Technologies Private Limited
Belvedere Gold and Country Club Private Limited

(G) Employee Benefits Funds :

AEML Gratuity Fund
AEML Superannuation Fund

(₹ in Crores)

Nature of Transaction	Name of Related Party	For the period ended 31 March, 2023	For the year ended 31 March, 2022
Intra Corporate Deposit (ICD) Given	Adani Properties Private Limited	1,000.00	-
	AEML SEEPZ Limited	43.10	-
Intra Corporate Deposit (ICD) Received	Adani Properties Private Limited	2,040.00	-
Back	AEML SEEPZ Limited	42.82	-
Interest expenses on Shareholders Affiliated Debts	Qatar Holding LLC	147.14	134.47
Interest Income on ICD (Loans)	Adani Properties Private Limited	104.73	114.40
Contribution to Employee Benefits	AEML Gratuity Fund	0.99	1.06
	AEML Superannuation Fund	7.21	7.75
Purchase of Services	Karnaveel Aviation Private Limited	9.00	9.00
	Adani Power (Mundra) Limited	0.00	-
	Adani Enterprises Limited	85.73	86.03
	Power Distribution Services Limited	15.00	15.00
	Adani Petronet (Dahe) Port Limited	4.04	-
	Mundra Solar Pvt Limited	0.01	0.00
	Alpha Design Technologies Private Limited	3.54	-
	Belvedere Gold and Country Club Private Limited	0.01	-
	Adani Hospitals Mundra Private Limited	0.04	0.90
Services Given	Adani Institute For Education & Research	-	0.07
Sale of Goods	Adani Transmission (India) Limited	-	0.01
Employee advance transferred Out	Adani Airport Holdings Limited	0.62	-
Employees benefits Received	Adani Enterprises Limited	0.11	-
	Adani Ports And Special Economic Zone Limited	0.24	-
	Adani Total Gas Limited	-	0.02
Employees benefits Transferred	Adani Electricity Mumbai Infra Limited	4.55	-
	Adani Airport Holdings Limited	0.44	-
	Adani Enterprises Limited	0.13	0.02
	Adani Power Rajasthan Limited	-	0.01
	Ahmedabad International Airport Limited	0.02	0.10
	Mangalore International Airport Limited	-	0.03
	-	-	0.01
	Adani Ports And Special Economic Zone Limited	-	-
	Adani Krishnapatnam Port Limited	0.43	-
	Valuable Properties Private Limited	-	0.03
	Adani Green Energy Limited	0.18	0.01
	Adani Power (Mundra) Limited	-	0.01
	Mumbai International Airport Limited	0.30	0.34
	Adani Krishnapatnam Port Limited	-	0.22
	Maharashtra Eastern Grid Power Transmission Co. Limited	-	0.04
	Ambuja Cements Limited	0.90	-
	Adani Power Maharashtra Limited	0.01	-
	Guwahati International Airport Limited	0.05	-



(₹ in Crores)

Nature of Transaction	Name of Related Party	For the period ended 31 March, 2023	For the year ended 31 March, 2022
	Adani Petronet (Daha) Port Limited	0.01	-
	PLR Systems Private Limited	0.03	-
	Mundra Petrochem Limited	0.11	-
	Dighi Port Limited	0.01	-
	Adani New Industries Limited	0.05	-
	Adani Sportsline Private Limited	0.09	-
	Adani Power Limited	-	0.27
Advance - Received Back	Adani Electricity Navi Mumbai Limited	-	0.05
Payment made on behalf of Group Companies	Adani Electricity Navi Mumbai Limited	0.05	0.07
	Adani Electricity Mumbai Infra Limited	0.23	0.91
	Power Distribution Services Limited	2.58	0.54
	AEML Seepz Limited	0.18	0.05
Payment made on behalf of Group Companies - Received back	Adani Electricity Navi Mumbai Limited	0.09	0.06
	Adani Electricity Mumbai Infra Limited	0.06	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	1,409.41	1,313.31
Advance paid towards Purchase of Power-Received back	Adani Enterprises Limited	-	607.22
Corporate Social Responsibility Contribution	Adani Foundation	7.42	6.13
Interest Income	Adani Enterprises Limited	22.69	50.32
Purchase of Coal	Adani Enterprises Limited	92.74	-
Sale of Coal	Adani Power Rajasthan Limited	3.86	-
Purchase of Power (net of discounts, if any)	Adani Enterprises Limited (excluding banking transactions)	1,971.08	1,284.73
	SBSR Power Cleantech Eleven Private Limited	0.62	-
	Adani Hybrid Energy Jaisalmer Four Limited	708.81	93.87
Rent Paid	Mumbai International Airport Limited	1.58	1.09
EMD Deposit	Adani Total Gas Limited	0.10	-
	Adani Renewable Energy Holding Twelve Limited	0.04	-
Remuneration paid	Mr. Kandeep Patel	5.15	4.61
	Mr. Rakesh Tiwary	-	1.88
	Mr. Kunjal Mehra	1.28	-
Employee Loan given	Mr. Rakesh Tiwary	-	0.50
Sitting Fees	Mr. K. Jain	0.04	0.05
	Ms. Chitra Bhatnagar	-	0.01
	Ms. Chandra Iyengar	0.04	0.02

(₹ in Crores)

Closing Balance	Name of Related Party	As at 31 March, 2023	As at 31 March, 2022
Balance Payable	Mundra Solar Pvt Limited	0.10	0.10
	Karnavati Aviation Private Limited	6.05	3.00
	Power Distribution Services Limited	7.63	13.73
	Adani Hybrid Energy Jaisalmer Four Limited	140.89	42.66
	Adani Enterprises Limited	166.91	303.97
	Superheights Infraspace Private Limited	79.00	79.00
	Mumbai International Airport Limited	0.95	0.34
	Ambuja Cements Limited	0.90	-
	Adani Power Maharashtra Limited	0.01	-
	Guwahati International Airport Limited	0.05	-
	Adani Petronet (Daha) Port Limited	0.01	-
	PLR Systems Private Limited	0.03	-
	Mundra Petrochem Limited	0.11	-
	Dighi Port Limited	0.01	-
	Adani New Industries Limited	0.05	-
		0.04	-
	Adani Renewable Energy Holding Twelve Limited	-	-
	Adani Sportsline Private Limited	0.09	-
	Adani Green Energy Limited	0.18	-
	Adani Airport Holdings Limited	0.44	-
	Adani Hospitals Mundra Private Limited	0.04	-
	SBSR Power Cleantech Eleven Private Limited	0.62	-
	Adani Power Rajasthan Limited	-	0.01
	Ahmedabad International Airport Limited	0.02	0.10
	Mangalore International Airport Limited	-	0.03
		-	0.01
	Adani Ports And Special Economic Zone Limited	-	-
	Valuable Properties Private Limited	0.06	0.03
	Adani Power (Mundra) Limited	0.03	0.01
	Adani Krishnapatnam Port Limited	0.43	0.22
	Adani Power Limited	-	0.27
	Alpha Design Technologies Private Limited	0.40	-
	Adani Total Gas Limited	0.10	-
	Maharashtra Eastern Grid Power Transmission Co. Limited	-	0.04
Balance Receivable	Adani Green Energy Limited	-	0.19
	Adani Properties Private Limited*	-	1,040.00
	Adani Electricity Navi Mumbai Limited	0.00	0.04
	Adani Electricity Mumbai Infra Limited	6.78	0.05
	AEML SEEPZ Limited	0.51	0.05
	Adani Ports And Special Economic Zone Limited	0.23	-
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	-	0.67
Shareholders Affiliated Debt, payable	Qatar Holding LLC	2,317.19	2,137.35
Interest accrued but not due on Shareholders Affiliated Debt	Qatar Holding LLC	57.77	53.28

* The Company had 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.



39 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 2023	31st March 2022
Contribution to Provident Fund	41.50	43.46
Contribution to Employees Superannuation Fund	7.71	7.76
Contribution to Employees Pension Scheme	6.37	6.83

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 31st March 2023	Gratuity for the year ended 31st March 2022
Starting Period	01-Apr-22	01-Apr-21
Date of Reporting	31-Mar-23	31-Mar-22
Principal Assumptions in actuarial valuation		
Rate of Discounting	7.44%	6.98%
Rate of Salary Increase	10.25%	10.25%
Rate of Employee Turnover	1.00%	1.00%
Mortality Rate During Employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)
Change in the Present Value of Defined Benefit Obligation	31-Mar-23	31-Mar-22
Present value of Benefit Obligation at the beginning of the year	682.13	649.75
Liability Transferred in	0.15	-
Liability Transferred Out	(1.38)	(1.12)
Interest Cost	47.61	44.57
Current Service Cost	37.19	36.82
Liabilities Extinguished on Settlement	(18.16)	-
Benefit Paid From the Fund	(40.60)	(29.57)
Actuarial (Gain) / Losses on Obligation- Due to Change in Financial Assumptions	(22.18)	20.06
Actuarial (Gain) / Losses on Obligation- Due to Change in Demographic Assumptions	-	12.79
Actuarial (Gain) / Losses on Obligation-Due to Experience	(28.62)	(51.17)
Present Value of Benefit Obligation at the end of the year	656.14	682.13
Change in the Fair Value of Plan Assets		
Fair Value of Plan Asset at the beginning of the year	489.46	485.77
Assets Transferred Out/ Divestments	(6.55)	-
Interest Income	34.16	33.32
Benefit Paid From the Fund	(40.60)	(29.57)
Contribution by the Employer	0.98	1.09
Return on Plan Assets Excluding Interest Income	(2.86)	(1.15)
Fair Value of Plan Asset at the end of the year	474.59	489.46



Amount Recognised in the Balance Sheet		
Present Value of Benefit Obligation at the end of the year	656.14	682.13
Fair Value of Plan Assets at the end of the year	474.59	489.46
Funded Status (Deficit)	(181.55)	(192.67)
Net (Liability) Recognized in the Balance Sheet	(181.55)	(192.67)
Provisions		
Current	29.07	32.57
Non-Current	152.48	160.10
Expenses Recognized in the Statement of Profit and Loss		
Current Service Cost	37.19	36.82
Net Interest Cost	13.45	11.25
(Gains)/Losses on Curtailments And Settlements	(18.16)	-
Expenses Recognised	32.48	48.07
Expenses Recognised in Other Comprehensive Income (OCI)		
Actuarial (Gains) / Losses on Obligation for the year	(50.80)	(18.32)
Return on Plan Assets Excluding Interest Income	2.86	1.15
Net Income for the year recognised in OCI	(47.94)	(17.17)
Major Categories of plan assets		
Government Securities	80.39%	81.02%
Debt and other Instruments	9.85%	10.71%
Equity Instruments	9.76%	8.27%
Total	100.00%	100.00%
Expected Contribution for next financial year	29.07	32.57
Expected Maturity Analysis of undiscounted defined Benefit Obligation is as follows		
Within one year	107.25	35.07
Between 2 to 5 years	168.88	174.27
Between 6 to 10 years	310.04	366.92
Beyond 10 years	694.76	803.48
The weighted average duration of the defined benefit obligation	10.00	10.00
Sensitivity Analysis		
Projected Benefit Obligation on Current Assumptions	656.14	682.13
Assumptions – Discount Rate		
Sensitivity Level	1.00%	1.00%
Impact on defined benefit obligation –in % increase	-6.69%	-7.91%
Impact on defined benefit obligation –in ₹ Crores	(43.90)	(53.93)
Impact on defined benefit obligation –in % decrease	7.62%	9.03%
Impact on defined benefit obligation –in ₹ Crores	50.02	61.62
Assumptions – Future Salary Increase		
Sensitivity Level	1.00%	1.00%
Impact on defined benefit obligation –in % increase	7.13%	8.49%
Impact on defined benefit obligation –in ₹ Crores	46.77	57.90
Impact on defined benefit obligation –in % decrease	-6.41%	-7.60%
Impact on defined benefit obligation –in ₹ Crores	(42.04)	(51.83)
Assumptions – Employee Turnover		
Sensitivity Level	1.00%	1.00%
Impact on defined benefit obligation –in % increase	-1.28%	-1.72%
Impact on defined benefit obligation –in ₹ Crores	(8.37)	(11.72)
Impact on defined benefit obligation –in % decrease	1.41%	1.90%
Impact on defined benefit obligation –in ₹ Crores	9.24	12.96

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.

40 Regulatory Deferral Account

	As at 31st March, 2023 (₹ in Crores)	As at 31 March, 2022 (₹ in Crores)
Regulatory Deferral Account - Liability		
Regulatory Liabilities	-	271.56
Regulatory Deferral Account - Assets		
Regulatory Assets	1,961.73	1,121.92
Net Regulatory Assets/(Liabilities)	1,961.73	850.36

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, 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 31st March, 2023 (₹ in Crores)	As at 31 March, 2022 (₹ in Crores)
A Opening Regulatory Assets (Net)	850.36	167.89
Add:		
B Income recoverable/(reversible) from future tariff / Revenue Gap for the year		
1 For Current Year	772.83	682.47
2 Accrued in respect of earlier year consequent to MERC MTR Order ^a	338.54	-
Total a (1 + 2)	1,111.37	682.47
Less:		
C Recovered / (refunded) during the year	-	-
D Net Movement during the year (C - D)	1,111.37	682.47
E Closing Balance (A + E)	1,961.73	850.36

^a Primarily on account of carrying cost



41 Financial Instruments.

1 Fair Value Measurement

(₹ in Crores)

Particulars	31 March, 2023		31 March, 2022	
	Book Value	Fair Value	Book Value	Fair Value
Financial Assets				
Investment				
- Investment in Mutual Fund at FVTPL	742.91	742.91	-	-
- Investment in Treasury Bills at FVTPL	24.75	24.75	24.84	24.84
- Government Securities	233.61	214.32	204.62	188.31
Trade Receivables	452.27	452.27	485.85	485.85
Loans Given	32.79	32.79	1,075.41	1,075.41
Cash and Cash Equivalents	90.60	90.60	74.41	74.41
Other Balances with Bank	622.45	622.45	624.48	624.48
Derivative Instruments designated in hedge accounting relationship	553.37	553.37	165.25	165.25
Other Financial Assets	1,254.03	1,254.03	1,158.57	1,158.57
Total Financial Assets	4,006.78	3,987.49	3,813.43	3,797.12
Financial Liabilities				
Borrowings (Including Interest accrued & Current Maturities) - Fixed Rate	13,011.62	10,062.54	11,978.56	11,117.56
Borrowings (Including Interest accrued & Current Maturities) - Floating Rate	503.05	503.05	-	-
Lease Liability obligation	30.74	30.74	44.84	44.84
Trade Payables	1,627.50	1,627.50	1,523.17	1,523.17
Derivative Instruments designated in hedge accounting relationship	3.71	3.71	123.09	123.09
Other Financial Liabilities	1,082.68	1,082.68	805.03	805.03
Total Financial Liabilities	16,259.29	13,310.22	14,474.69	13,613.69

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, 2023				
	Date of Valuation	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Asset measured at Fair Value					
FVTPL financial investments - In Mutual Funds	31 March, 2023	742.91	-	-	742.91
FVTPL financial investments - In Treasury bills	31 March, 2023	24.75	-	-	24.75
Asset for which Fair Value are disclosed					
Amortised Cost financial investments:					
- Government Securities	31 March, 2023	214.32	-	-	214.32
Derivative Instruments designated in hedge accounting relationship					
Derivative financial assets	31 March, 2023	-	553.37	-	553.37
Total		981.98	553.37	-	1,535.35
Liabilities measured at fair values					
Derivative Instruments designated in hedge accounting relationship					
Derivative financial liabilities	31 March, 2023	-	3.71	-	3.71
Liabilities for which fair values are disclosed					
Borrowings (Including Interest accrued & Current Maturities) - Fixed Rate	31 March, 2023	7,650.03	2,412.52	-	10,062.54
Borrowings (Including Interest accrued & Current Maturities) - Floating Rate	31 March, 2023	-	503.05	-	503.05
Total		7,650.03	2,919.27	-	10,569.30



(₹ in Crores)

Particulars	Fair Value Hierarchy as at 31st March, 2022				Total
	Date of Valuation	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Asset measured at Fair Value					
FVTPL financial investments - In Treasury Bills	31 March, 2022	24.84	-	-	24.84
Asset for which Fair Value are disclosed					
Amortised Cost financial investments:					
- Government Securities	31 March, 2022	188.31	-	-	188.31
Derivative instruments designated in hedge accounting relationship					
Derivative financial assets	31 March, 2022	-	165.25	-	165.25
Total		213.15	165.25	-	378.40
Liabilities measured at fair values					
Derivative instruments designated in hedge accounting relationship					
Derivative financial liabilities	31 March, 2022	-	123.09	-	123.09
Liabilities for which fair values are disclosed					
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	-	-	-	-
Total		8,897.51	2,220.05	-	11,117.56

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 :

	As at 31st March, 2023	As at 31 March, 2022
Debt	13,514.66	11,978.56
Less : Cash & Bank Balance	1,321.79	1,215.23
Net debt	12,192.87	10,763.33
Total Capital	4,716.06	4,694.81
Capital & net debt	16,908.93	15,458.14
Net debt to Total Capital plus net debt ratio (%) ^a	72%	70%

^a Net debt to Total Capital plus net debt ratio (%) excluding fair valuation of foreign loan amounting to Rs. 1,663.10 crores (31 March, 2022 Rs. 624.17 crores) is 69% (31 March, 2022 68%)

(i) Debt is defined as Non-current borrowings at fair value (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, 2022 and March 31, 2023.

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, 2022 and March 31, 2023.

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 41 (5))

Foreign Currency Exposures				
Particulars	As at 31st March, 2023		As at 31 March, 2022	
	Foreign Currency (in Millions)	₹ crore	Foreign Currency (in Millions)	₹ crore
In USD				
(i) Interest accrued but not due	14.63	120.20	14.66	111.12
(ii) Import Creditors and Acceptances	0.73	5.99	14.38	108.99
(iii) Bond	1,000.00	8,217.00	1,000.00	7,579.25
(iv) Bond - Sustainability Linked	300.00	2,465.10	300.00	2,273.78
(v) Shareholders Affiliated Debts	282.00	2,317.19	282.00	2,137.35
Derivatives				
-Call Options	-	-	(582.00)	(4,411.12)
-Cross Currency Swaps	(982.00)	(8,069.09)	(400.00)	(3,031.70)
-Forward coupon	(2.00)	(16.43)	(2.26)	(17.13)
-Forward principal	-	-	(300.00)	(2,273.78)
-Coupon Only Swaps	(12.63)	(103.78)	(5.38)	(40.78)
-Principal Only Swaps	(600.00)	(4,930.20)	(300.00)	(2,273.78)
Total	0.73	5.98	21.40	162.20
In Euro				
(i) Import Creditors and Acceptances	0.03	0.30	0.01	0.09
Total	0.03	0.30	0.01	0.09

Note : During the previous year, the Company had executed 4 year cross currency swaps derivative contract of USD 300 million to hedge outstanding Sustainability linked bond of USD 300 million which became effective from 22 July 2022 and accordingly, was not included in above figures as at 31 March 2022.

(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 31st March, 2023		As at 31 March, 2022	
	Appreciate	Depreciate	Appreciate	Depreciate
Rupee appreciate / (depreciate) by ₹ 1 against USD / EURO	0.07	(0.07)	2.14	(2.14)
Rupee appreciate / (depreciate) by ₹ 2 against USD / EURO	0.16	(0.16)	4.28	(4.28)
Rupee appreciate / (depreciate) by ₹ 3 against USD / EURO	0.23	(0.23)	6.42	(6.42)

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 previous 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 31st March, 2023		As at 31 March, 2022	
	increase	decrease	50 bps increase	decrease
Interest expense on loan	5.11	(5.11)	4.60	(4.60)
Effect on profit / (loss) before tax	(5.11)	5.11	(4.60)	4.60

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 31st March, 2023	As at 31 March, 2022
	(₹ in Crores)	(₹ in Crores)
Trade receivables	452.27	485.85
Loans	32.79	1,075.41
Other financial assets	1,807.40	1,323.82
Total	2,292.46	2,885.08

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.

Contractual Maturities of Financial liabilities	(₹ in Crores)			
	Less than 1	1 to 5 years	More than 5	Total
As at 31st March, 2023				
Borrowings**	1,200.25	2,296.83	14,246.70	17,743.78
Trade Payables	1,594.74	-	32.76	1,627.50
Lease Liabilities	16.27	11.92	2.55	30.74
Other Financial Liabilities	1,082.68	3.71	-	1,086.39
Total	3,893.94	2,312.46	14,282.01	20,488.41
As at 31 March, 2022				
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
Total	3,008.82	2,181.87	13,661.02	18,851.71

** 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, 2023 and March 31, 2022.

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

Derivative Financial Instruments	As at 31st March, 2023		As at 31 March, 2022	
	Assets	Liabilities	Assets	Liabilities
Current				
Cashflow hedge*				
-Call Options	-	-	58.10	68.76
-Cross Currency Swaps	367.96	3.60	47.39	21.74
-Forward	-	0.11	-	32.59
-Coupon Only Swaps	14.45	-	(5.79)	-
-Principal Only Swaps	170.96	-	65.55	-
Total	553.37	3.71	165.25	123.09

* 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 31st March, 2023			As at 31 March, 2022		
	Foreign Currency (In Millions)	₹ crore	Purpose	Foreign Currency (In Millions)	₹ crore	Purpose
In USD						
-Call Options	-	-		582.00	4,411.12	Hedging of foreign currency borrowing principal
-Cross Currency Swaps*	982.00	8,069.09	Hedging of foreign currency borrowing principal & interest liability	700.00	5,305.48	Hedging of foreign currency borrowing principal & interest liability
-Forward	2.00	16.43	Hedging of foreign currency borrowing interest liability	305.80	2,317.73	Hedging of foreign currency borrowing principal & interest
-Coupon Only Swaps	600.00	4,930.20	Hedging of foreign currency borrowing interest liability	600.00	4,547.55	Hedging of foreign currency borrowing interest liability
-Principal Only Swaps	600.00	4,930.20	Hedging of foreign currency borrowing principal liability	300.00	2,273.78	Hedging of foreign currency borrowing principal liability
Total	2,184.00	17,945.92		2,487.80	18,855.66	

* During the previous year, the Company had executed 4 year cross currency swaps derivative contract of USD 300 million to hedge outstanding Sustainability linked bond of USD 300 million which became effective from 22 July 2022 and accordingly, was not included in above figures as at 31 March 2022

42 Ratios:

Name of Ratio	Particulars	Numerator / Denominator considered	As at 31st March, 2023	As at 31 March, 2022	% change in Ratio	Remarks
Current Ratio	Ratio		0.93	0.77	21%	
	Numerator	a. Inventories b. Current Investments c. Trade Receivables & Unbilled Revenue d. Cash and Bank balances e. Current Loans f. Security Deposit g. Other Financial Assets h. Other Current Assets i. Regulatory Deferral Accounts - Assets	3,451.99	2,190.62		
	Denominator	a. Current Borrowings (including Current Maturities of Long term borrowing) b. Trade Payables c. Other Financial Liabilities d. Current Provision e. Other Current Liabilities f. Lease Liability g. Current tax liability	3,717.68	2,843.18		
Debt-Equity Ratio	Ratio		2.84	2.53	12%	
	Numerator	Borrowings (Current & Non Current) (including Current Maturities of Long term borrowing)	13,388.62	11,864.65		
	Denominator	a. Equity Share Capital b. Other Equity	4,716.06	4,694.81		

Name of Ratio	Particulars	Numerator / Denominator considered	As at 31st March, 2023	As at 31 March, 2022	% change in Ratio	Remarks
Debt Service Coverage Ratio	Ratio		1.64	1.70	-3%	
	Numerator	Profit after Tax before exceptional items, taxes, Depreciation and Amortisation Expenses and Finance Costs (EBIDTA)	2,272.06	1,934.12		
	Denominator	a. Interest on Loan and Lease Payments b. Current Maturities of Long term loan (Installments)	1,381.41	1,138.31		
Return on Equity Ratio	Ratio		0.02	0.03	-22%	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	95.2	122.2		
	Denominator	a. Equity Share Capital b. Other Equity	4,705.44	4,702.58		
Inventory Turnover Ratio	Ratio		12.62	6.87	84%	Due to increase in fuel consumption for increased generation and decrease in average inventory of fuel.
	Numerator	a. Cost of fuel b. Purchase of Traded Goods	1,387.77	1,066.75		
	Denominator	Average Traded Inventories excluding stores inventories	110.01	155.18		
Trade Receivables turnover ratio	Ratio		8.15	6.68	22%	
	Numerator	a. Income from Sale of Power and Transmission Charges b. Sale of Coal Rejects / Fly Ash c. Street Light Maintenance Charges d. Income in respect of Services rendered e. Sale of Traded Goods f. Misc. Revenue	8,327.84	6,892.50		
	Denominator	Average Trade receivables (including Unbilled revenue)	1,021.62	1,031.29		
Trade payables turnover ratio	Ratio		4.96	4.51	10%	
	Numerator	a. Cost Of Power Purchased b. Cost of Fuel c. Transmission Charges d. Purchases of traded goods e. Other Expenses	6,469.09	5,119.30		
	Denominator	Average Trade payables (excluding provision for salary, wages and bonus provision)	1,305.42	1,134.29		
Net capital turnover ratio	Ratio		-9.06	-10.59	-14%	
	Numerator	Total Revenue from Operation	8,360.96	6,908.94		
	Denominator	Working Capital (current assets minus current liabilities)	(923.18)	(652.56)		
Net profit ratio	Ratio		0.01	0.02	-36%	Due to increase in finance cost as a result of increase in forex loss in Current year,
	Numerator	Profit for the year after tax before Other Comprehensive Income / Expenses	95.18	122.16		
	Denominator	Total Revenue from Operation	8,360.96	6,908.94		



Name of Ratio	Particulars	Numerator / Denominator considered	As at 31st March, 2023	As at 31 March, 2022	% change in Ratio	Remarks
Return on Capital employed	Ratio		0.09	0.09	4%	
	Numerator	Profit before tax and interest expenses	1,637.90	1,431.50		
	Denominator	a. Networth b. Total Debt c. Deferred tax Liability	18,365.29	16,738.81		
Return on Investment	Ratio		0.07	0.09	-22%	
	Numerator	Income From Investments, Intercompany deposits, Bank Deposits	217.70	235.67		
	Denominator	Average Investments (including Intercompany deposits, Bank Deposits)	3,111.67	2,632.58		

43 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"

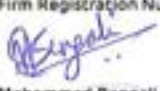
44 Significant Events after the Reporting Period

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

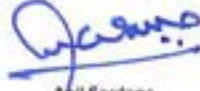
Membership No. 105828



Place : Mumbai

Date : 26th May, 2023

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


Kunal Mehta

Chief Financial Officer


Jaiadhi Shukla

Company Secretary

Place : Ahmedabad

Date : 26th May, 2023

