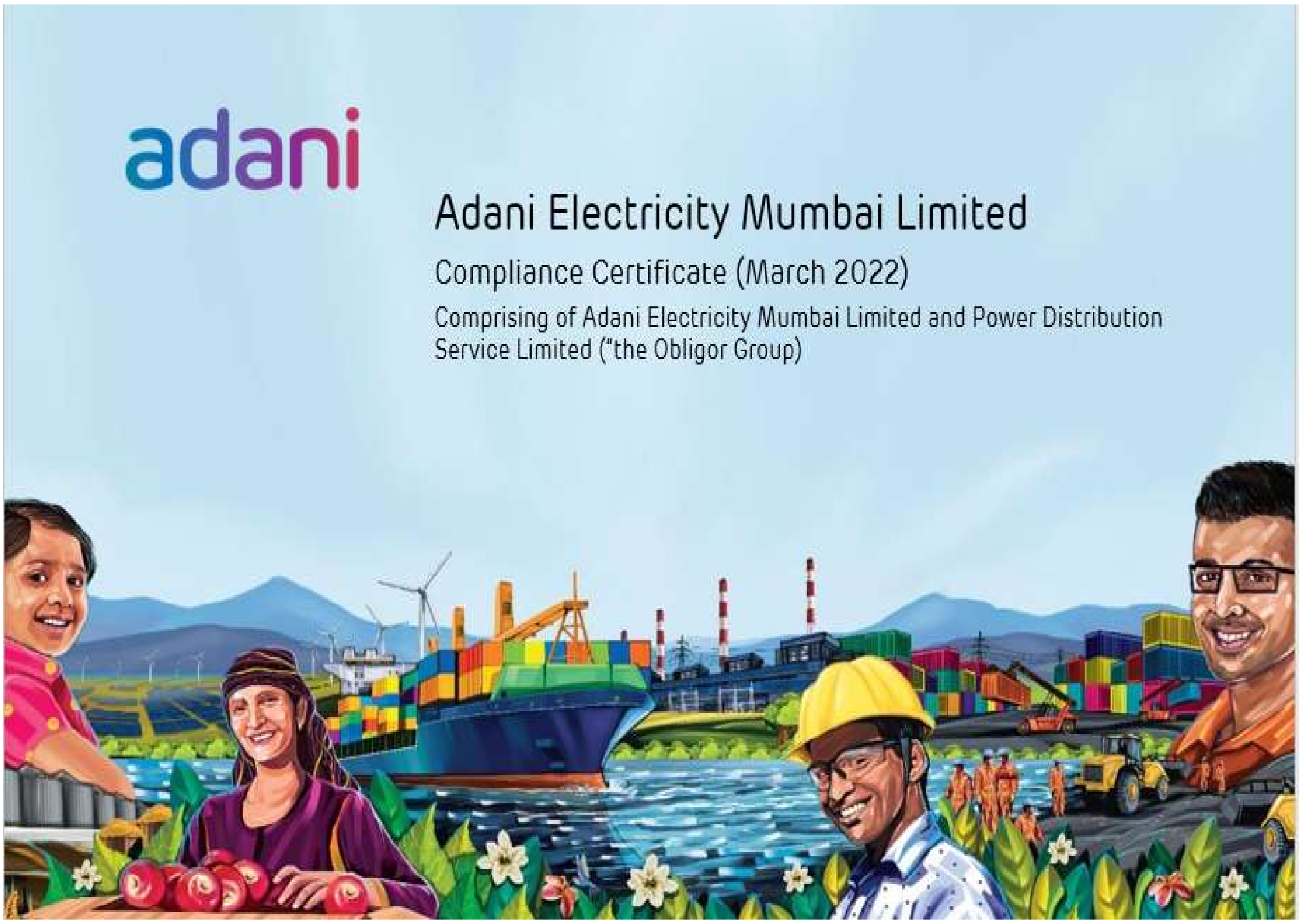

adani
Adani Electricity Mumbai Limited
Compliance Certificate (March 2022)
Comprising of Adani Electricity Mumbai Limited and Power Distribution Service Limited ("the Obligor Group)

CONTENTS

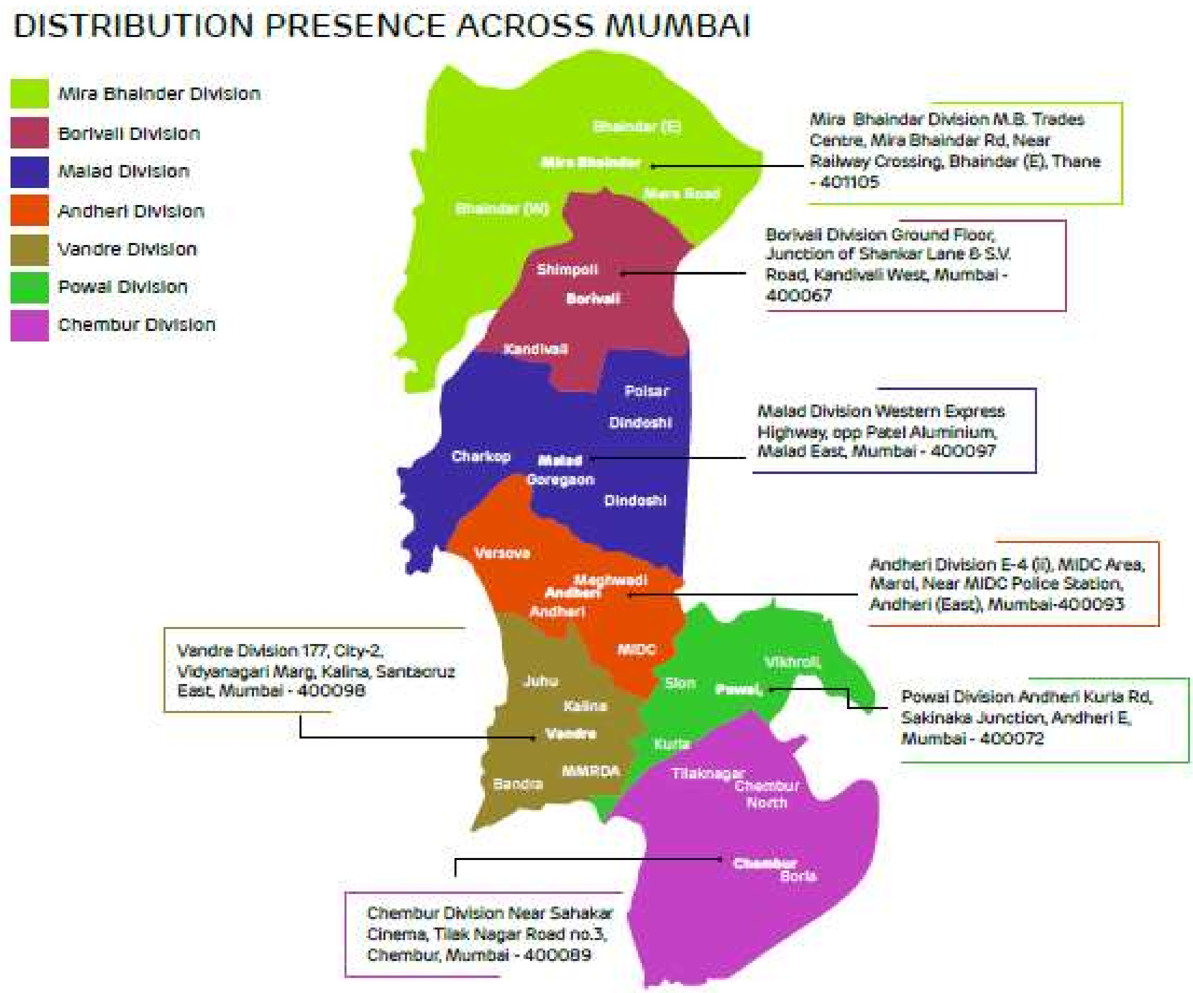
Sr. No.		Page no.
1.	Executive Summary	3
2.	AEML Obligor Group	4
3	Business Update	5
4.	Sustainability, Reliability and Affordability	5
5.	Environmental, Social and Governance	8
6.	Operational Performance	9
7.	Financial Performance	10
8.	Information on Compliance Certificate and workings	15
9.	Computation of Operating Account Waterfall as per Project Account Deed	16
10.	**Appendix 1** - Form of Compliance Certificate	21
11,	Annexure I – Debt Service Coverage Ratio (DSCR)	24
12.	Annexure II – Project Life Coverage Ratio (PLCR)	25
13.	Annexure III – Net Debt/RAB Calculation	26
14.	Annexure IV – Fund from Operation to Net Debt	27
15.	Annexure V – Refinancing Plan	28
16.	Annexure VI – Details of all investments as per PAD	29
17.	**Appendix 2** - Form Certificate of Directors	30
18.	Annexure VII – Working Notes	35
19.	Annexure VIII – Detailed Information	39
20.	**Appendix 3** - Audited Accounts of Obligor Group for twelve months ended on March 31, 2022	

1. Executive Summary

Adani Electricity Mumbai Ltd. (AEML), part of the diversified Adani Group, is an integrated business of Retail Electricity Distribution. Transmission & Power Generation It serves over three million consumers spread across 400 sq. kms in "gateway" city of Mumbai and its suburbs with 99.99% reliability, which is among the highest in the country. Adani Electricity meets close to 2,000 MW of power demand in Mumbai's largest and the most efficient power distribution network.

As an organization, Adani Electricity believes in the motto - The Power of Service. It is born of the will to make a difference and change things for the better, so that everyone can power their dreams and live a stress-free life.

Adani Electricity continues the quest of providing the best quality service to the customers entrusted into the brand motto of the Power of Service. The company is committed to creating new & innovative approaches in operations and services that contribute to the development of the customers.



AEML has operated for over 9.5 decades in a stable and evolved regulatory regime. With a modest consumer base of 2,500 households in 1931 the business has grown to 3.08 million households equivalent to 12 million consumers equivalent to the entire population of Sweden. AEML serves the "gateway" city of Mumbai servicing 85% of Mumbai's geography, touching 2 out of 3 households in Mumbai, which is India's commercial capital and most populous city in the country and among the top 10 Global Finance Centers with per capita income at 4x of India.

Mumbai being a city with the highest GDP, quality consumer base who have good payment history. partners along with our growth trajectory path and hence put AEML EBITDA at the least risk. We endeavor to provide the highest quality of supply in terms of sustainable, reliable, and affordable power supply with an emphasis on excellent consumer service.

Our focus on sustainability is central to how we create value. It drives innovation and helps us make better decisions in the interest of our many different stakeholders.

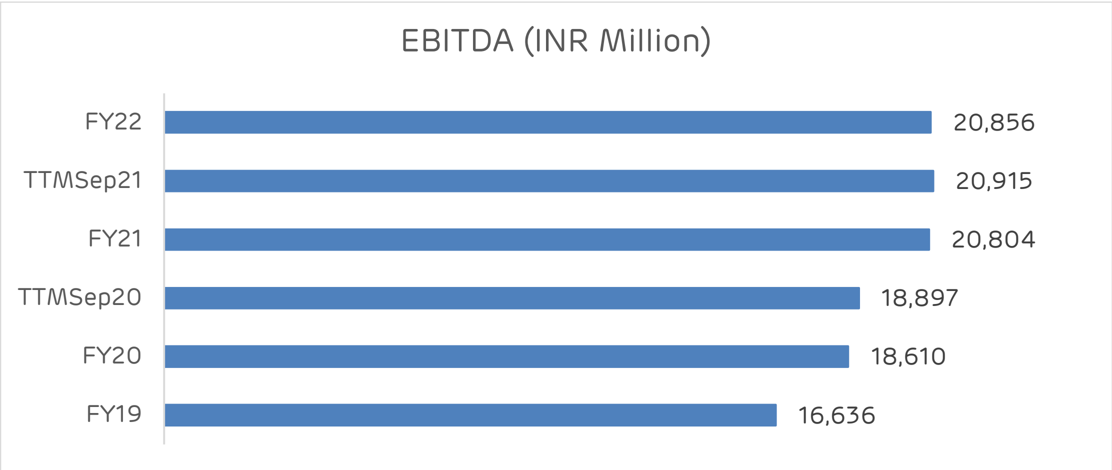
In our pursuit of excellence, we have diligently moved ahead keeping our values in mind. Every challenge is viewed in the light of an opportunity to get better. We have swiftly navigated through the business cycle while accelerating our expansion in the right direction.

Today, AEML has evolved into one of the most efficient integrated utilities in India. The Company is operating in a stable and evolved regulatory framework with predictable & robust returns. The Tariff is based on assured return on capital model, pass-through of costs and efficiency linked incentives.

AEML has pioneered adoption of groundbreaking technologies since inception. These technological advancements have helped AEML create robust systems and infrastructure.

AEML as a Leader in the Power Distribution space is guided by the fact, of the vision, of its Management. It is on account of the broad vision, leadership, and direction of the AEML management, that the Company has been an impeccable force in the industry

1.1 EBITDA Performance (in INR million)



*TTM- trailing twelve months FY19 & FY20 is AEML standalone EBITDA

2. Adani Electricity Mumbai Limited (AEML) Obligor Group.

AEML Obligor Group owned 74.90% by ATL and 25.10% by QIA, comprises of Adani Electricity Mumbai Limited ('AEML') and Power Distribution Services Limited ('PDSL'). AEML which is a section 62 asset as per the Electricity Act, 2003 i.e., based on cost plus model, is a high-quality ROE based asset with minimum risk while PDSL provides specialized network services as well as certain back-office services to AEML.

3. Business Updates

Operational Performance for Distribution business

AEML has registered YoY growth of 11% in electricity demand in FY22 as against 8%, on all India basis mainly on the back of commercial & industrial activity getting back in place. The details for the same along with the breakup of the sales mix is represented in the table below:

Sales Mix (Mus)	**FY22**	FY21	Increase %
Residential	**4,317**	4,254	1,5%
Commercial	**2,705**	2,106	28,4%
Industrial	**949**	809	17.4%
Total	**7,972**	7,169	11.2%
Collection Efficiency %	**103.41%**	100.58%	
E- payments	**69.73%**	67.17%	

An efficient and stable business is one, which is able to effectively collect its receivables in a timely manner, and AEML is one such business that focuses and puts forwards a lot of focus on its collection drives and has provided its consumers with various payment options which includes digital options, KIOSKS etc. for the timely servicing of the electricity bills. Due to the continuous endeavor and monitoring of the collections, AEML, was able to clock

Power Sector Update

Domestic demand for coal from power sector picked up from August 2021 onwards as the business and economic activities have revived as the country unlocks from the second wave of Covid-19 pandemic lockdowns. Supply from coal mines have been interrupted due to extended monsoons. Secondly due to the current global geo-political crisis, supply chain issues and surge in the demand post the pandemic there has been significant increase in the energy prices globally.

AEML able to run its operation smoothly as the company has long term Fuel Supply Agreement (FSA) with Southeastern Coalfields Limited (SECL), a subsidiary of Coal India Limited to supply annual coal requirements of our generating plant at Dahanu and has sufficient liquidity to support higher price of exchange traded power.

Distribution licensee is eligible passed on to consumers increase power purchase cost over the approved cost through Fuel Adjustment Charge (FAC) mechanism with carrying cost.

4. Sustainability, Reliability and Affordability

Our corporate strategic framework is channeled around providing the highest standards of customer service, through a focus on three fundamentals that guide our actions and enable us to measure success. It entails ensuring a sustainable, reliable, and affordable power supply.

4.1 Sustainability

AEML is committed to all United Nation Sustainable Development Goals, with focus on SDG 7 i.e. Affordable and Clean Energy, SDG 11 on Sustainable Cities and Communities and SDG 13 on Climate Action.

In this context, with all the recent developments and the potential prevalent in the power sector today, what we do at AEML matters even more: generating affordable, clean, renewable power for moving towards a more equitable and sustainable future.

With a major thrust on promoting renewable energy, AEML has successfully contracted 700 MW power supply from a Hybrid solar + wind power plant delivering 50% CUF. AEML will fulfill over 30% of Mumbai's power requirements by 2023 through renewable energy, which would further be scaled up to 60% by 2027. This will offset the equivalent of upto ~16% of Mumbai's total GHG emissions.

To put things into perspective, India as a country has set itself a target of reduction of GHG emission intensity of 33% against 2005 baseline, hence AEML is looking to achieve ~2x of India's target 3 years before India aims to achieves it with a baseline of 2019 vs. India's baseline of 2005

AEML has linked these targets with financial penalty for non-achievement under its recent issuance of US Dollar Notes of 300 million to international investors, demonstrating the gravity of commitment.

KPI under Sustainability Linked Notes

Sustainability Performance Targets (SPTs)

- KPI-1: Increase Renewable power mix in the overall power purchase mix
    - SPT 1 : Attain at least 60% of renewable power procurement mix by end of FY2027

- KPI 2: Reduction in GHG Emission Intensity (Scope 1 and 2) (GHG Emission Scope 1 and 2 measured by tCO_2 divided by EBITDA of AEML)
    - SPT 2: Reduce GHG Emission Intensity (Scope 1 and 2) by 60% by end of FY2029, compared with FY2019

4.2 Reliability

AEML by virtue of its philosophy puts reliability at its core since reliable electric supply is critical for the enterprise to operate and grow. The same is evident from the fact that even during the Pandemic regime during the lockdown, the Company was able to supply uninterrupted 24/7 power supply to its consumers. Moreover, the various reliability indices like SAIFI, SAIDI, CAIDI, and ASI, demonstrate our commitment and continuous endeavor in this arena. AEML structures its reliability supply through a continuous Capex cycle round the year. This helps in adding value to our consumers.

- Dahanu Power Plant has enabled supply reliability through adoption of best-in-class practice

- Mumbai network design insulates its consumers from grid failure

- 23 instances of National/Regional Grid outages in last 20 years, however, consumers in Mumbai remained largely unaffected.

- Ensuring asset hardening and modernization

- Investing in modern O&M practices, ensuring lower SAIDI and SAIFI

4.3 Affordability

Affordability refers to our objective of providing affordable tariff for 12 million consumers.

The measures undertaken comprise:

- Procurement of 700 MW hybrid power at ₹ 3.24 per unit for 25 years for new fixed tariff PPA
- Saving on short term power requirement and thereby reducing the overall power purchase cost
- Smoothening of FAC resulting in tariff stability for consumers

5. Environment, Social, and Governance (ESG)

At AEML the word ESG at its core means, covers & connects to, environment issues like climate change and resource scarcity, good labor practices, consumer security, good corporate & social governance and business and social ethics. Adani group's belief in "Inclusive and Progressive Way of Life" has led to community impacting events.

It has always been the endeavor of the Group to be a partner of growth in the environment. To show our concern for the nature, we are committed to sustainability and are already in compliance with the Paris Accord.

We have aligned and strengthened all our business strategies on the foundation of ethical and transparent business operations. We continue to follow the highest standards of corporate governance and consider it more of an ethical requisite than a regulatory necessity. It is a matter of great pride that our success over the years has come without ever compromising on integrity or environmental and social obligations.

Operational Philosophy

Care for Planet Earth	Care for Society	Care for Stakeholders
Reducing carbon footprint. ~30% procurement from renewable sources by FY23 and 60% procurement by FY27	Focus on Education Health, Sustainable Livelihood and Community Infrastructure	Safety for consumers and employees at the core
Reduce GHG Emission Intensity (Scope 1 and 2) by 60% by FY29	Providing high quality of reliable power supply	Focus on social initiatives to support communities
Water and Waste management		Maintaining high corporate governance standards

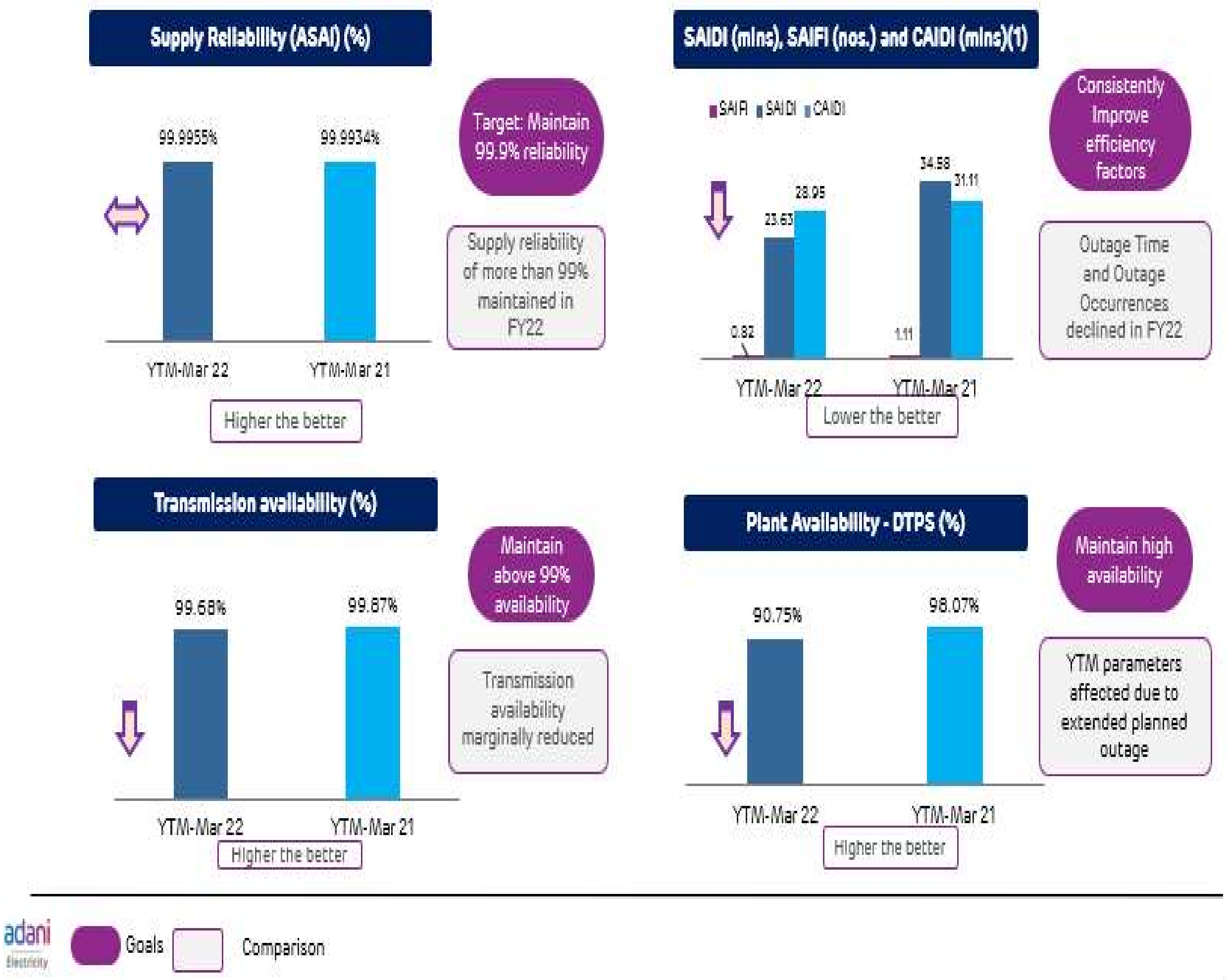
Refer Annexure VIII for detailed information.

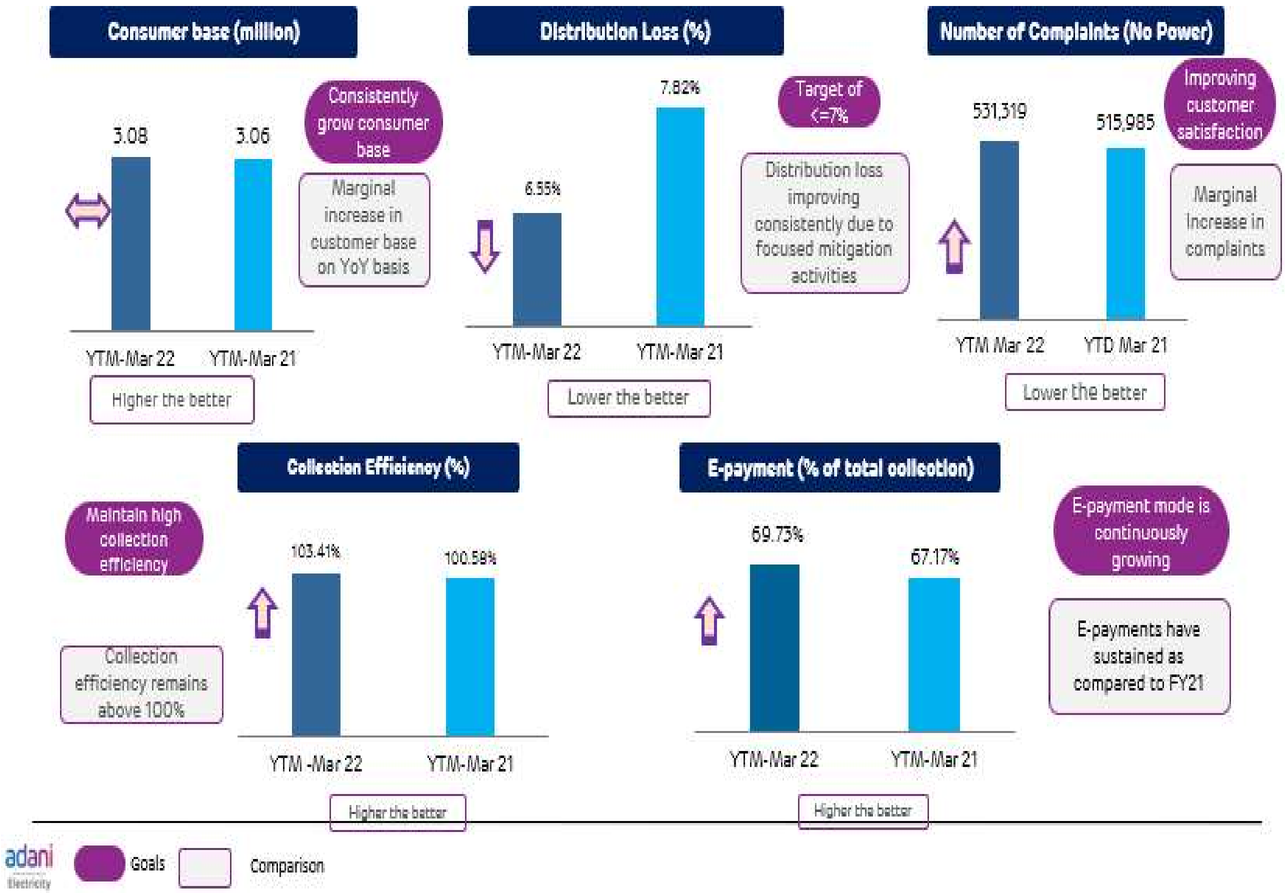
6. Operational Performance

Snapshot of Distribution Business

Parameter	UoM	FY22	FY21	FY20	FY19
Power Transformers	Nos.	234	228	217	211
PT Capacity	MVA	4,337	4,167	3,896	3,751
Distribution Transformers	Nos.	7,220	6,981	6.809	6,697
DT Capacity	MVA	5,300	5,191	5,076	4,978
Cable Network					
Total HT Length	Kms	4,973	4.885	4,860	4,580
LT Main Line Cable	Kms	6,496	6.247	6,226	6,139
LT Service Cable	Kms	11,668	11,511	11,400	11,244
Street Lt. Cable Length	Kms	21,40	2,106	2,091	2,062
Total LT Length	Kms	20,304	19,864	19,718	19,445

Operating Matrcs





7. Financial Performance

A. Summary of the Covenants on for 12 months calculation period ended on calculation date

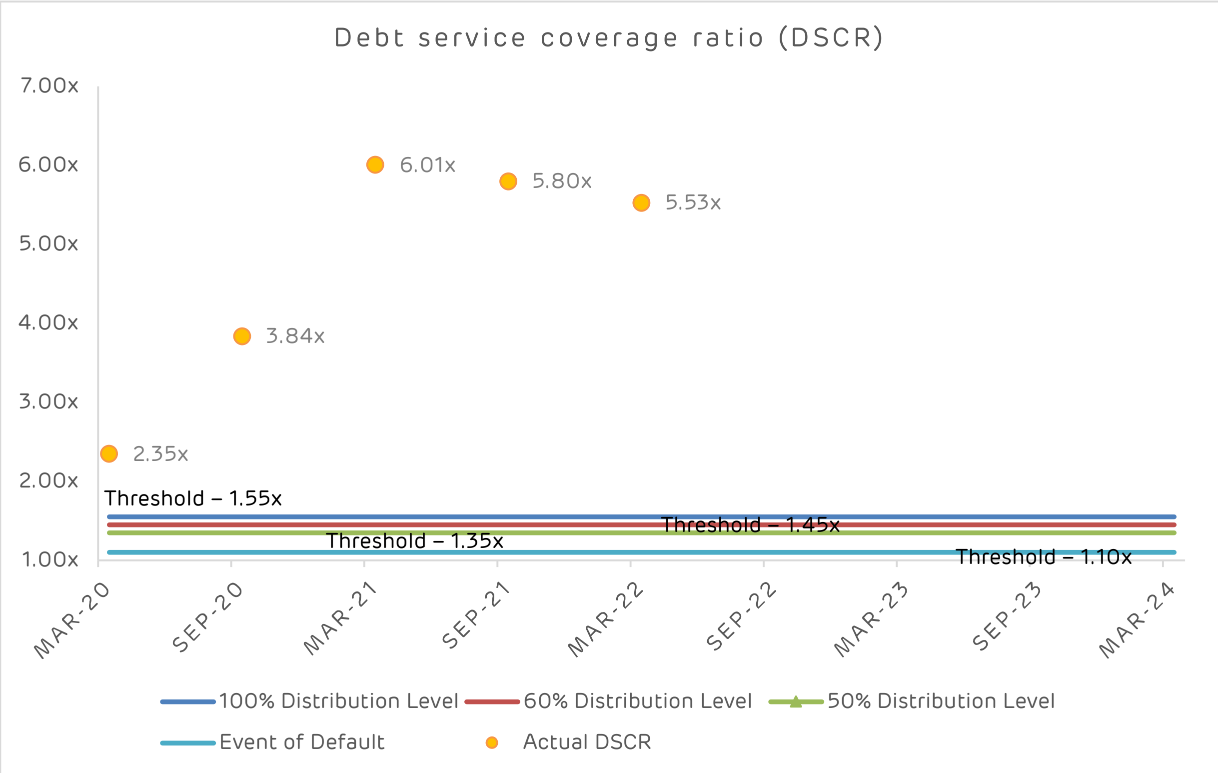
				Calculation Period & Date				
Sr. No.	**Particulars**	**Annexure**	**Ratios**	**Mar 2022**	Sep 2021	March 2021	Sept 2020	March, 2020
1	Debt Service Coverage Ratio (DSCR)	Annexure 1	> 1.1x	**5.53x**	5.80x	6.01x	3.84x	2.35x
2	Project Life Coverage Ratio (PLCR)	Annexure 2	> 1.80x	**3.37x**	3.33x	3.41x	3.79x	3.57x
3	Net Debt to Regulatory Asset Base (RAB)	Annexure 3	< 1.40x	**0.89x**	0.85x	0.81x	0.85x	0.82x
4	Fund from Operations / Net Debt	Annexure 4		**4.76%***	9.74%	16.03%	18.43%	30.07%

***We have utilized our FFO prudently in order to repay the working capital loan outstanding as on March 2022. In case of non utilization of FFO towards repayment of working capital loan, FFO/Net Debt will be resulted in 16.56% as on March 2022 and 17.74% as on March 2021.**

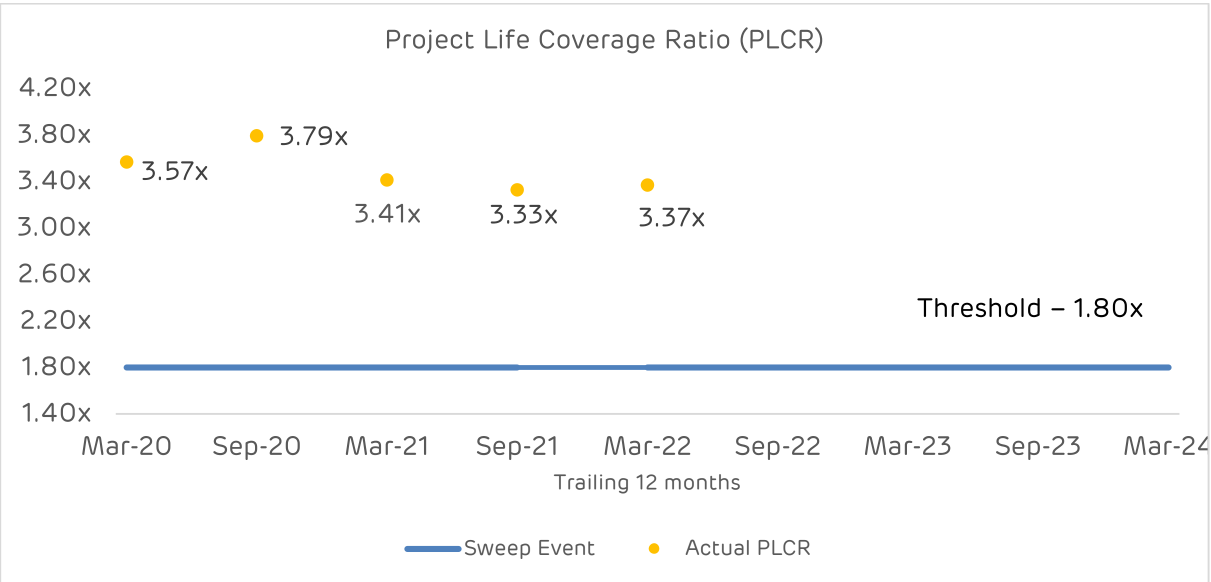
Note: Above covenants is calculated as per definitions given under Common Trust Deed (CTD) and Note Trust Deed (NTD) executed for USD 1,000 million and Accession Memorandum for USD 300 million. All covenants in forms of ratios are in compliance and are calculated on trailing twelve month basis at each calculation date

B. Covenants Performance

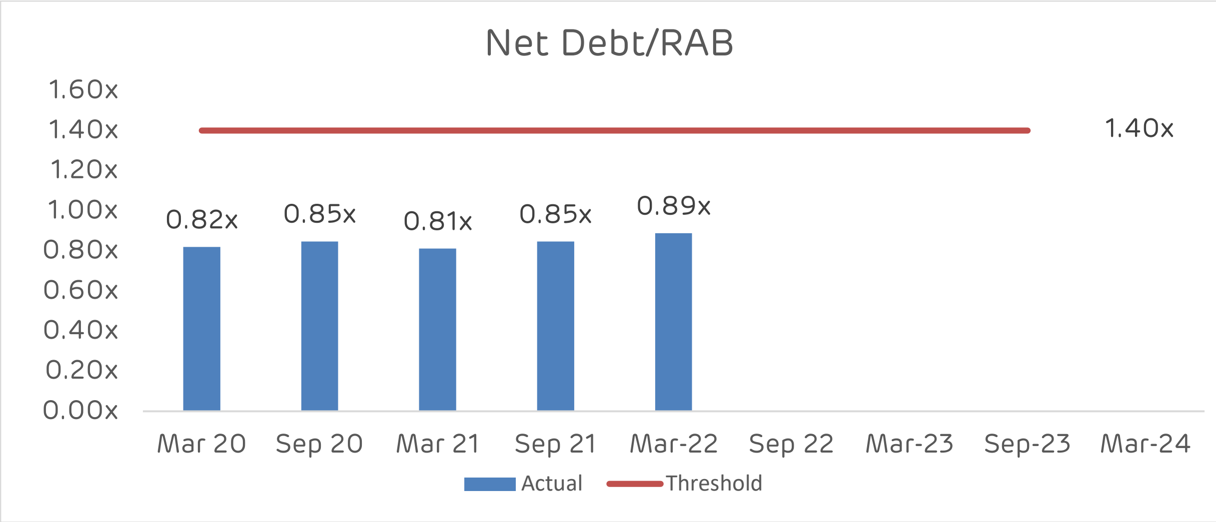
B1. Debt Service Coverage Ratio (DSCR)



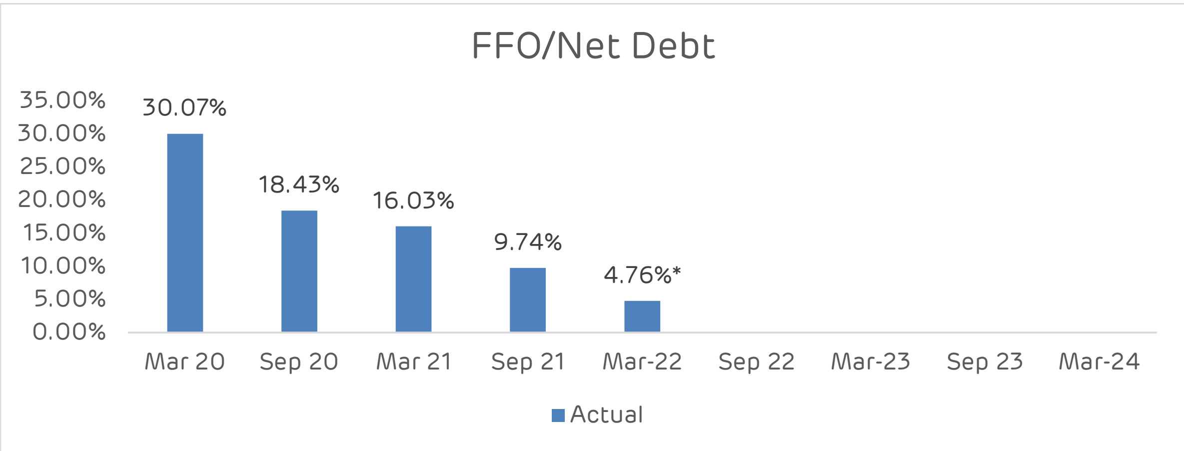
B2. Project Life Coverage Ratio (PLCR)



B3. Net Debt to RAB



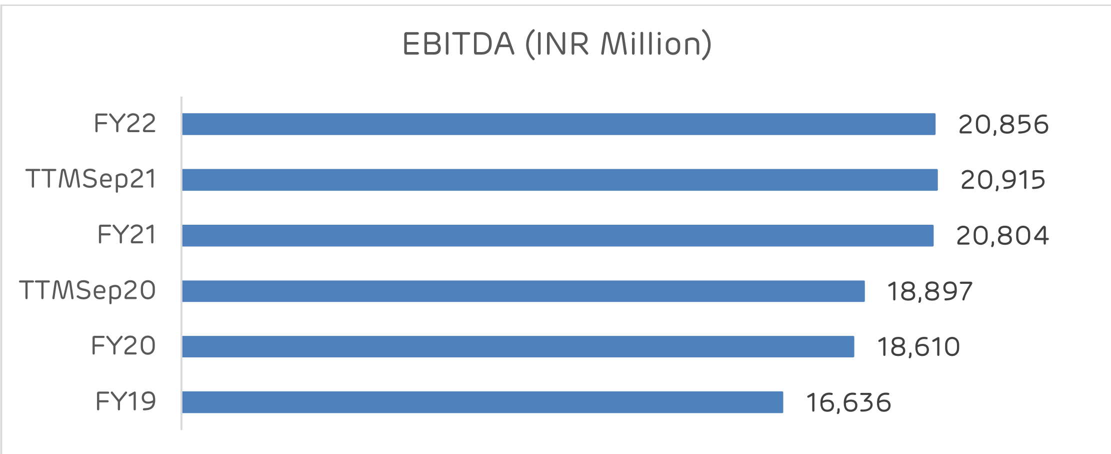
B4. Fund from Operations / Net Debt



***We have utilized our FFO prudently in order to repay the working capital loan outstanding as on March 2022. In case of non utilization of FFO towards repayment of working capital loan, FFO/Net Debt will be resulted in 16.56% as on March 2022 and 17.74% as on March 2021.**

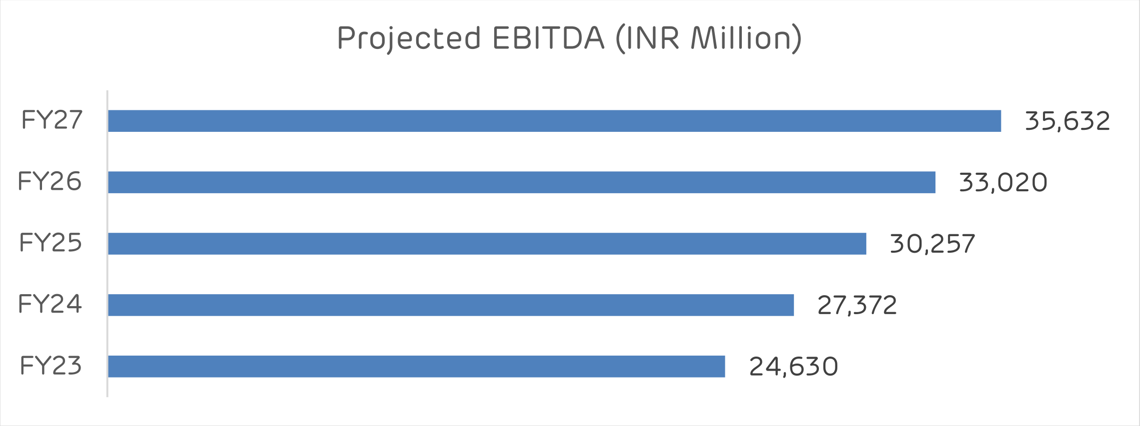
C. EBITDA performance

Historical AEML Obligor Group EBITDA



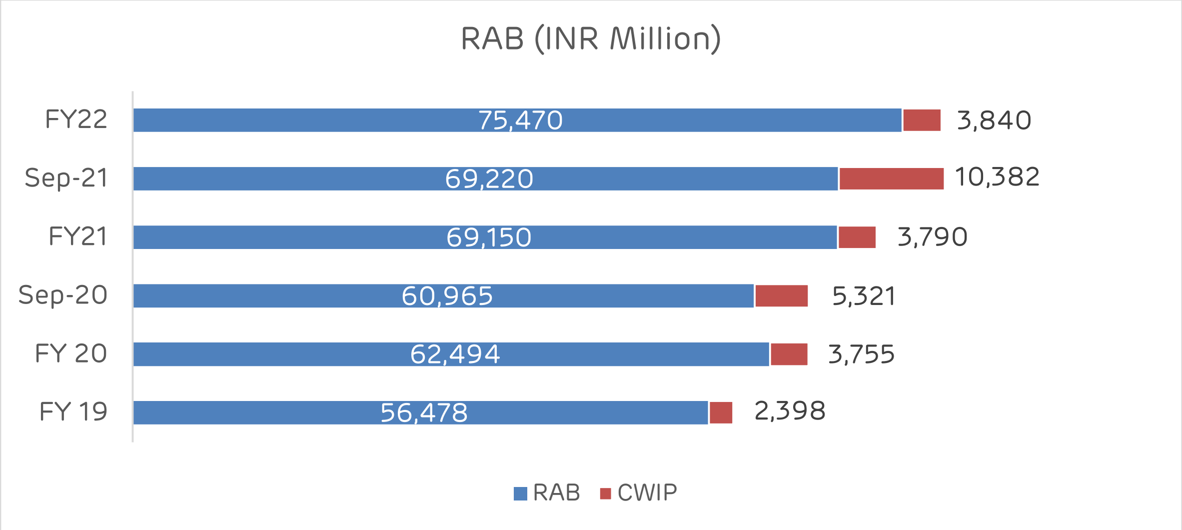
*TTM- trailing twelve months   FY19 & FY20 is AEML standalone EBITDA

Over next five-year AEML Obligor Group Projected EBITDA

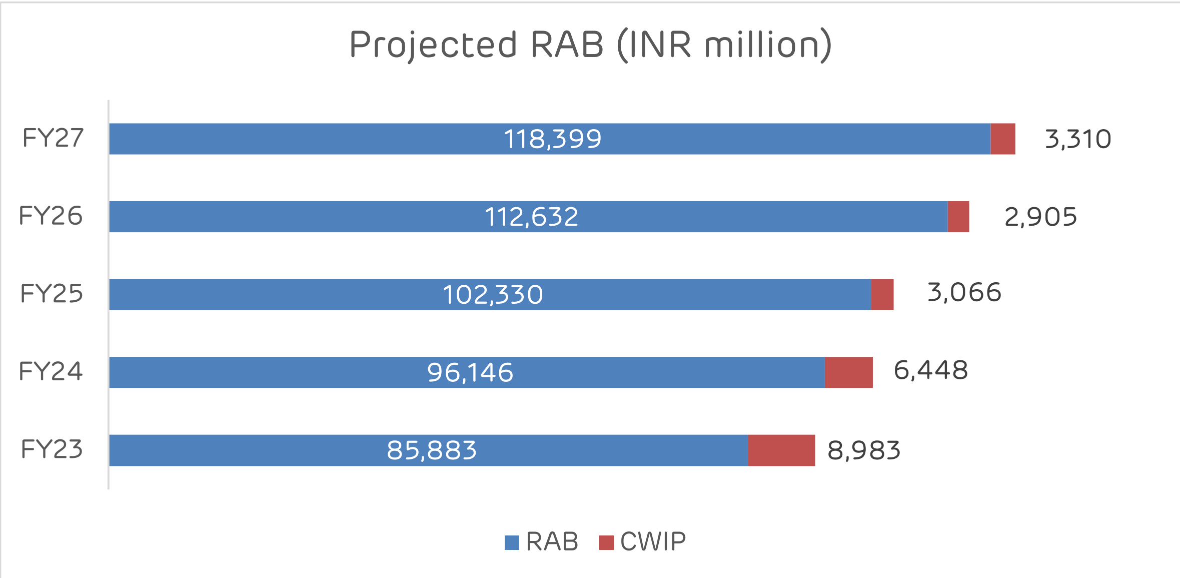


D. AEML Regulated Asset Base (RAB)

Historical AEML RAB



Over next five-year AEML Projected RAB

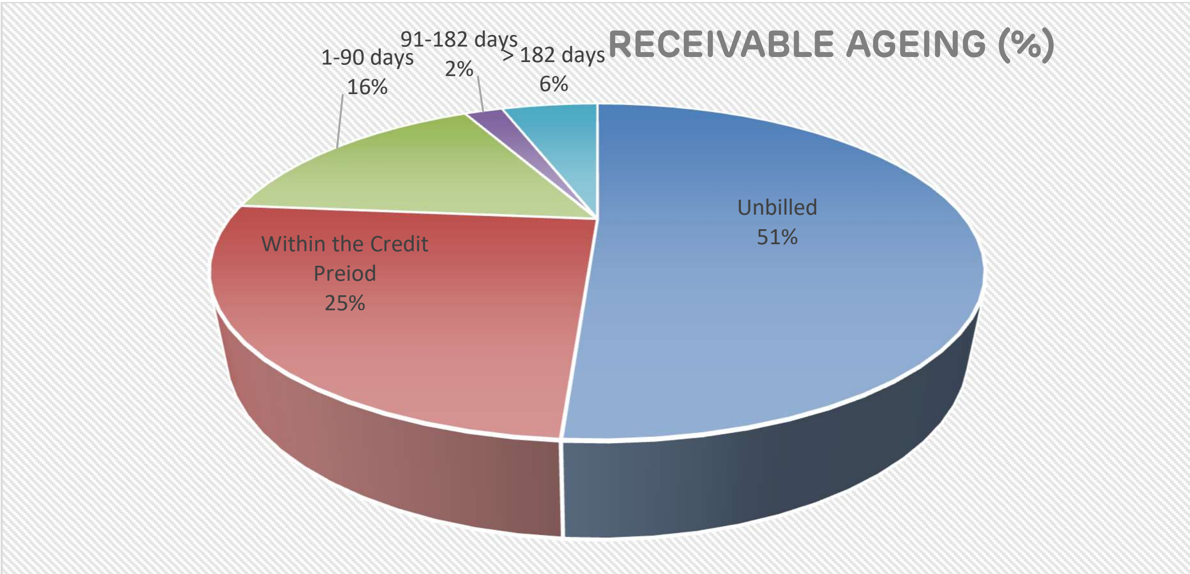


E. Receivable Position

Trade Receivable position as on March 31, 2022 **INR million**

Categories	Unbilled#	Within the Credit Period	1-90 days	91-182 days	> 182 days	Total
Commercial	2,462	1,187	292	82	409	**4,433**
Industrial	717	93	29	2	3	**844**
Residential	1,894	1,236	517	132	66	**3,844**
Total	**5,074**	**2,515**	**837**	**217**	**478**	**9,120**
Transmission	-	-	771	-	1	**772**
Others	-	-	6	0	34	**40**
Gross Debtors	**5,074**	**2,515**	**1,614**	**217**	**513**	**9,932**

Receivables includes normal unbilled revenue as on March 31, 2022 which will be billed during the next month as per applicable billing cycle of consumers.



8. Information on Compliance Certificate and workings

To: SBICAP Trustee Company Limited (the "Security Trustee")

Copy to: Madison Pacific Trust Limited (the "Note Trustee")

Copy to: Note Holders for U.S. $ 1,000,000,000 Senior Secured Notes Due 2030 and U.S. $ 300,000,000 Sustainability Linked Senior Secured Notes due 2031

From: Adani Electricity Mumbai Limited ("AEML") (as borrower)
Power Distribution Services Limited ("PDSL") (as Obligor)

Dated: June 21, 2022

Dear sirs/madam

Adani Electricity Mumbai Limited and Power Distribution Services Limited (together as "Issuers") – Common Terms Deed dated February 12, 2020 and Accession Memorandum dated July 13, 2021 (the "Common Terms Deed")

We refer to the Common Terms Deed. This is a Compliance Certificate given in respect of the Calculation Date occurring as on March 31, 2022. Terms used in the Common Terms Deed shall have the same meaning in this Compliance Certificate.

The Certificate is based on the following documents:

1. Audited Financial Statement of Obligor Group for the year ended on March 31, 2022.
2. The Cash Flow Waterfall Mechanism as detailed in the Project Accounts Deed.
3. Management Information System (MIS) (for reconciliation of Ind AS and Legal definition) is provided in Annexure 7 to the Certificate.

9. **Computation of Operating Account Waterfall as per Project Account Deed for the Calculation Period ended as on March 31, 2022 (trailing 12 months ended on March 31, 2022). (From April 1, 2021 to March 31, 2022)**

Amount (INR Million)

Sr. No.	Particulars	Mar-22	Mar-21	Source*
	Net Operating Income			
	Revenue from Operations	69,089.40	60,492.70	Profit & Loss Account
	Add: Other Income (Incl. Interest income on Investments)	4,096.81	4,216.72	
	Add: Net Movement in Regulatory Deferral Balance	6,824.71	5,828.05	
I	**Net Operating Income**	**80,010.92**	**70,537.47**	
	Operating Expenses			Profit & Loss Account
	Cost of Power Purchased	27,364.09	19,145.09	
	Cost of Fuel	10,659.91	9,725.59	
	Transmission Charges	4,778.41	4,685.21	
	Purchases of traded goods	7.58	14.61	
	Employee Benefit Expense	7,986.81	8,561.67	
	Other Expenses	8,357.56	7,601.53	
II	**Total Operating Expenses**	**59,154,36**	**49,733.70**	
III	**Combined EBITDA (I-II)**	**20,856.56**	**20,803.77**	
IV	Less : Tax Paid	499.22	843.00	Statement of Cash Flow
V	Less : Interest on Working Capital (RCF)	461.50	867.21	Working Note 2a
VI	Opening Cash Balance	21,586.28	19,574.08	Working Note 1
VII	Cash Balance on Debt upsizing	-	-	
VIII	**Cash Flow Available for Debt Service (III-IV-V+VI+VII)**	**41,482.12**	**38,667.64**	
	Debt Service			
	Principal Repayment	-	-	
	Interest on Senior Creditors	7,498.19	6,429.13	Working Note 3
IX	**Less : Debt Service**	**7,498.19**	**6,429.13**	
	Reserve Funding & Transaction Cost			
	Investments in Debt Service Reserve Account	241.00	113.15	MIS
	Investments in Capital Expenditure Reserve Account	3,006,11	740.00	MIS
	Incurred Transaction Expenses	299.22	764.05	Working Note 4
	Investment in Contingency Reserve	248.44	-	Note 7b - financial statements
X	**Total Reserve Funding & Transaction Cost**	**3,794.77**	**1,617.20**	
XI	**Cash Available post Debt Service and Various Reserve funding of Senior Creditors and Transaction cost (VIII-IX-X)**	**30,189.16**	**30,621.31**	
XII	**Total Inflow**	**-**	**-**	

	Outflow			
	Working Capital Changes	801.34	2,171.92	Statement of Cash Flow
	Working Capital Loan	8,833.53	1,009.61	
	Repayment of Long-term borrowings	666.67	333.33	MIS
	Investment in Subsidiary	Nil	0.10	
	Commitment Fees paid for ECB Capex	52.05	188.50	Working Note 4
	Other Finance Charges & Borrowing Cost	412.39	430.23	
	Payments towards Capital Expenditure	2,723.89	3,401.71	Working Note 9
XIII	**Total Outflow**	**13,489.87**	**7,708.83**	
XIV	**Total Cash Balance (XI+XII-XIII)**	**16,699.29**	**22,912.48**	Working Note 7
	Less Funds earmarked			
a	Contingency Reserve Investment	257.42	227.40	MIS
b	Estimated Equity (internal accrual) for capital expenditure	Nil	6,160.47	
XV	**Total Funds earmarked**	**257.42**	**6,387.87**	
XVI	**Net Cash Available for Operating Expenses (XV-XVI)**	**16,441.87**	**16,524.61**	
XVII	Funds for Operating Expenses expected equivalent to 1-month period	4,779.22	4,144.48	
XIX	**Net Cash Available for transfer to Distribution Account (XVI-XVII)**	**11,662.65**	**12,380.13**	

* For working Notes Refer Annexure 7

We confirm that:

(a) in accordance with the workings set out in the attached Annexure 1, the Debt Service Cover Ratio for the Calculation Period ended on the relevant Calculation Date was 5.53x:1x.

(b) Copies of the Issuers Audited Aggregate Accounts of Obligor Group in respect of the Calculation Period is attached.

(c) as at the Calculation Date, the aggregate amount for transfer to our Distributions Account in accordance with the Operating Account Waterfall is Rs Nil .

(d) acting prudently, the cash balance which can be distributed as permitted under the relevant Transaction Documents is Rs 11,662.65 million

(e) to the best of our knowledge having made due enquiry, no Default subsists.

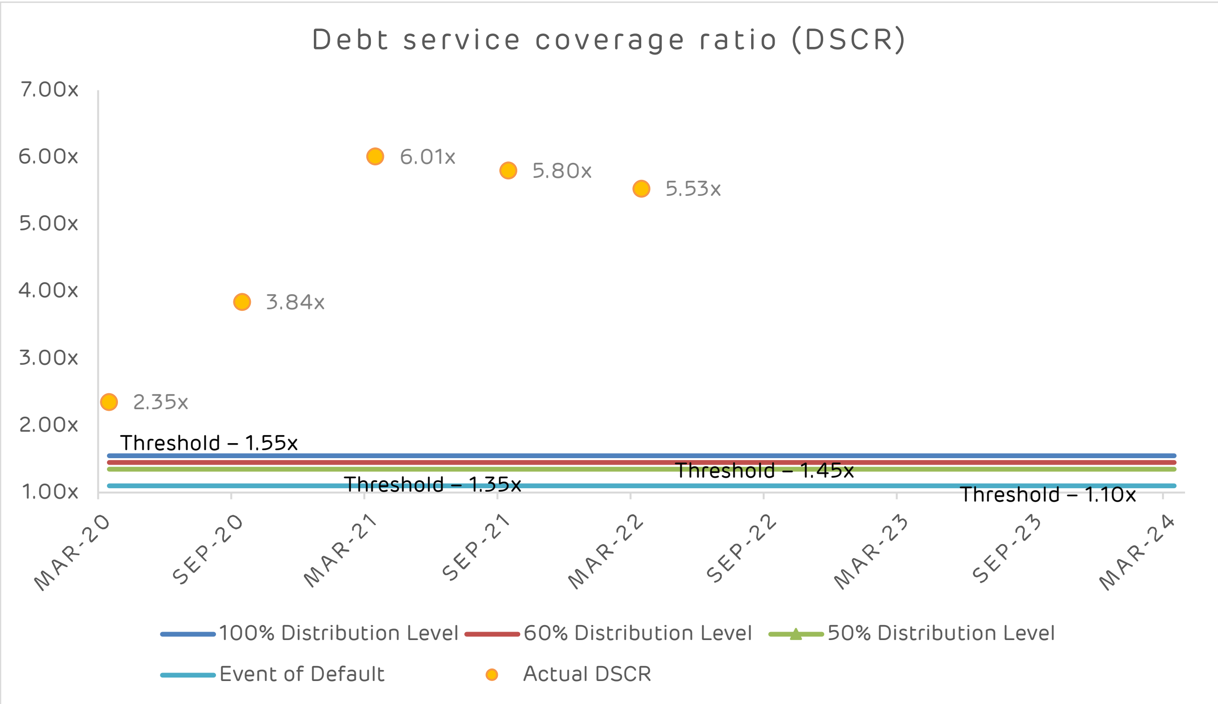
(f) Summary of the Covenants on for 12 months calculation period ended on calculation date

				Calculation Period & Date				
Sr. No.	**Particulars**	**Annexure**	**Ratios**	**Mar 2022**	Sep 2021	March 2021	Sept 2020	March, 2020
1	Debt Service Coverage Ratio (DSCR)	Annexure 1	> 1.1x	**5.53x**	5.80x	6.01x	3.84x	2.35x
2	Project Life Coverage Ratio (PLCR)	Annexure 2	> 1.80x	**3.37x**	3.33x	3.41x	3.79x	3.57x
3	Net Debt to Regulatory Asset Base (RAB)	Annexure 3	< 1.40x	**0.89x**	0.85x	0.81x	0.85x	0.82x
4	Fund from Operations / Net Debt	Annexure 4		**4.76%***	9.74%	16.03%	18.43%	30.07%

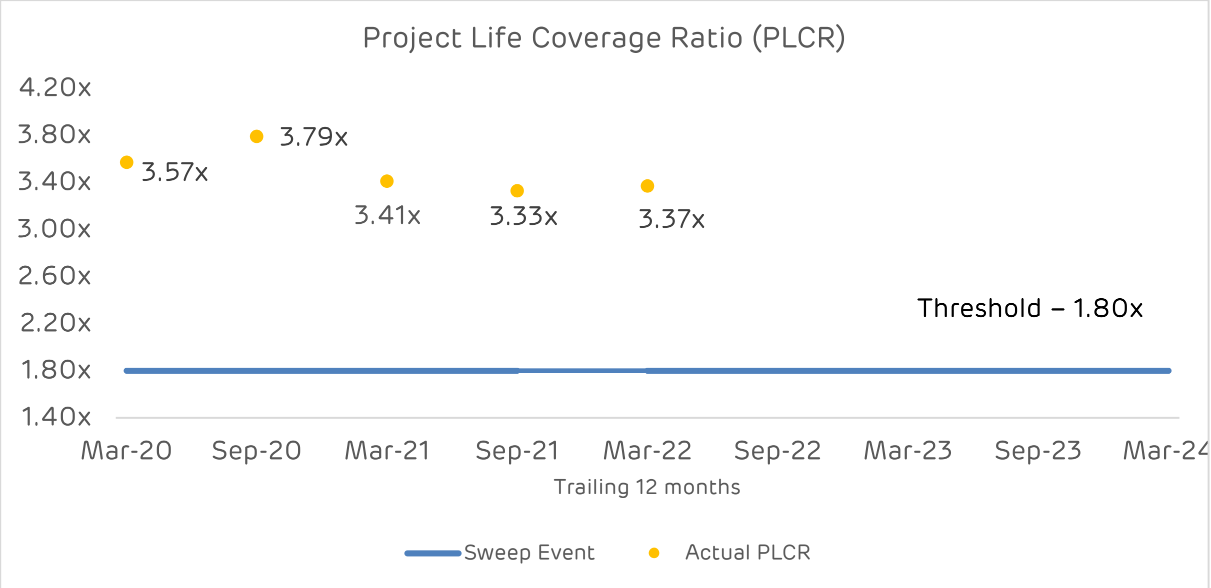
***We have utilized our FFO prudently in order to repay the working capital loan outstanding as on March 2022. In case of non utilization of FFO towards repayment of working capital loan, FFO/Net Debt will be resulted in 16.56% as on March 2022 and 17.74% as on March 2021.**

Note: Above covenants is calculated as per definitions given under Common Trust Deed (CTD) and Note Trust Deed (NTD) executed for USD 1,000 million and Accession Memorandum for USD 300 million. All covenants in forms of ratios are in compliance and are calculated on trailing twelve month basis at each calculation date

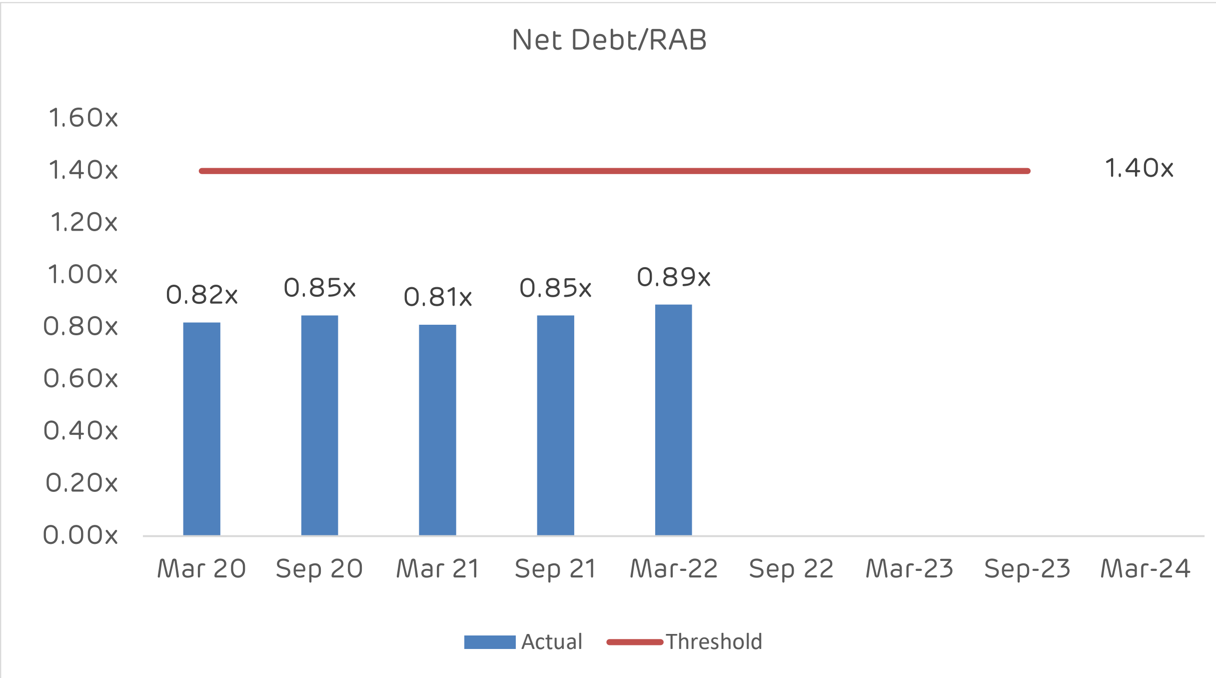
1. Debt Service Coverage Ratio (DSCR)



2. Project Life Coverage Ratio (PLCR)



3. Net Debt to RAB



Yours, faithfully

For Adani Electricity Mumbai Limited	For Power Distribution Services Limited
Name: Kandarp Patel	Name: Kunjal Mehta
Designation: Managing Director & CEO	Designation: Authorised Signatory

Encl.:

1. Legal form of compliance Certificate **Appendix 1**
2. Covenant calculations (Annexure 1 to 3)
3. Fund from Operations / Net Debt (Annexure 4)
4. Refinancing Plan (Annexure 5)
5. Investment Details (Annexure 6)
6. Legal form of Directors Certificate **Appendix 2**
7. Other Security Certificate
8. Working Notes (Annexure 7)
9. Obligor Group Audited Aggregated Accounts for 12 months ended on March 31, 2022
10. Annual Assurance Report on GHG Emission Intensity and Renewable Power Mix (RPM)

10. Appendix 1 - Form of Compliance Certificate

To: SBICAP Trustee Company Limited (the "Security Trustee")

Copy to: Madison Pacific Trust Limited (the "Note Trustee")

Copy to: Note Holders for U.S. $ 1,000,000,000 Senior Secured Notes Due 2030 and U.S. $ 300,000,000 Sustainability Linked Senior Secured Notes due 2031

From: Adani Electricity Mumbai Limited ("AEML") (as borrower)

Power Distribution Services Limited ("PDSL") (as Obligor)

Dated: June 21, 2022

Dear Sirs

Adani Electricity Mumbai Limited and Power Distribution Services Limited (together as "Issuers") – Common Terms Deed dated February 12, 2020 and Accession Memorandum dated July 13, 2021 (the "Common Terms Deed")

We refer to the Common Terms Deed. This is a Compliance Certificate given in respect of the Calculation Date occurring as on March 31, 2022 (the "**Calculation Date**"). Unless otherwise defined herein, terms used in the Common Terms Deed and Facility Agreement shall have the same meanings in this Compliance Certificate.

We confirm that:

(a) as at the Calculation Date, the aggregate amount for transfer to the AEML Distributions Account in accordance with the Project Accounts Deed is INR. 11,662.65 million; We have not transferred any amount to AEML distribution account.

(b) in accordance with the workings set out in the attached Annexure 1, the Debt Service Cover Ratio for the Calculation Period ended on the Calculation Date was 5.53x:1.0x;

(c) in accordance with the workings set out in the attached Annexure 2, the Project Life Cover Ratio for the Calculation Period ended on the relevant Calculation Date was 3.37x:1.0x;

(d) in accordance with the workings set out in the attached Annexure 3, the ratio of Net Debt to RAB for the Calculation Period ended on the relevant Calculation Date was 0.89x:1.0x;

(e) in accordance with the workings set out in the attached Annexure 4, the ratio of Funds From Operations to Net Debt for the Calculation Period ended on the relevant Calculation Date was 4.76%; We have utilized our FFO prudently in order to repay the working capital loan outstanding as on March 2022. In case of non utilization of FFO towards repayment of working capital loan, FFO/Net Debt will be resulted in 16.56% as on March 2022 and 17.74% as on March 2021.

(f) as at the Calculation Date, the cash balance in each of the Obligors' Project Accounts was as follows: (Refer Annexure 6)

Sr. No.	Account Name	Amount (INR million)
	AEML Cash and Cash Equivalents	
	AEML PAD Accounts (various)*	10,647.32
	AEML Non-PAD Account*	14,100.57
	Cash on Hand	7.99
	Cheques / Drafts on Hand	90.99
I	**Total AEML Cash & Cash Equivalents**	**24,846.87**
II	**PDSL Cash and Cash Equivalents***	16.05
III	**Total Obligor Group Cash Balance (I+II)**	**24,862,92**
	Restricted Cash & Cash Equivalents	
	Debt Service Reserve Account	
	Senior Secured Notes	1,606.80
	Sustainability Linked Notes (USD 300 million)	455.14
	Shareholders Affiliated Debts	747.01
	Total Debt Service Reserve Account	**2,808.95**
	Add: Capital Expenditure Reserve Account	5,354.68
IV	**Total Restricted Cash & Cash Equivalents**	**8,163.63**
	Cash Balance (III-IV)	**16,699.29**

* Includes accrued interest on Investment

(g) the amount of capital expenditure forecast to be undertaken by the Company in the six-month period commencing on the Calculation Date was INR 5.500.00 million

(h) as at the Calculation Date, the Obligors' EBITDA (on an aggregate basis) for the Calculation Period ended on the Calculation Date was INR 20,856.56 million.

(i) No refinancing plan during the six-month period commencing from March 31, 2022 Calculation Date.

(j) each of the Obligors is acting prudently and has completed the required maintenance.

(k) the total taxes, operations and maintenance expenses, power purchase costs, fuel costs and other operating expenses of the Obligor Group for the Calculation Period ending on the above Calculation Date was INR 59,154.36 million

(l) to the best of our knowledge, having made due enquiry, no Default subsists[1].

[In accordance with paragraph 1 (c) (*Compliance Certificate*) of Schedule 3 (*Undertakings*), the Company hereby encloses at Annexure 5 a refinancing plan for the six-month period commencing on March 31, 2022 , the Calculation Date.][2]

The details of all Authorised Investments in respect of each Project Account as at date of this Compliance Certificate are set in Annexure 6.

[1] If this statement cannot be made, the certificate should identify any Event of Default or Potential Event of Default, as applicable, that is subsisting and the steps, if any, being taken to remedy it.
[2] To be included if a refinancing plan has been prepared for any Calculation Period.

Yours, faithfully

For Adani Electricity Mumbai Limited	For Power Distribution Services Limited
Name: Kandarp Patel	Name: Kunjal Mehta
Designation: Managing Director & CEO	Designation: Authorised Signatory

11. Annexure I - Debt Service Coverage Ratio (DSCR) as on March 31, 2022

Amount (INR million)

Sr. No.	Particulars	Mar-22	Mar-21	Source*
	"Debt Service Cover Ratio" means, in relation to a Calculation Period ending on the relevant Calculation Date, the ratio of			
A	"Cashflow Available for Debt Service" means, for the Obligor Group in relation to a Calculation Period, Combined EBITDA less amounts paid during such period in cash in respect of Tax less interest on RCF for the relevant period incurred by the Obligor Group (if any) plus any Opening Cash Balance.	**41,482.12**	38,667.64	
I	Combined EBITDA	**20,856.56**	20,803.77	
II	Less : Tax Paid	**499.22**	843.00	Statement of Cash Flow
III	Less : Interest on Working Capital (RCF)	**461.50**	867.21	Working Note 2a
IV	Opening Cash Balance	**21,586.28**	19,574.08	Working Note 1
V	Cash Balance on Debt upsizing	**-**	-	
A	**Cash Flow Available for Debt Service (I-II-III+IV)**	**41,482,12**	38,667.64	
B	*Total Debt Service B (VI+VII)*	**7,498.19**	6,429.13	
VI	the sum of scheduled principal repayment (to the extent not refinanced and without considering any RCF) adjusting, if applicable, any opening cash carried forward from the previous Calculation Period in the relevant Senior Debt Redemption Account and the AEML Surplus Holdings Account,	**-**	-	
a	Schedule Principal Repayment (to the extent not refinanced and without considering any RCF)	**Nil**	Nil	
b	Less : opening cash carried forward from the previous Calculation Period in the relevant Senior Debt Redemption Account	**Nil**	Nil	
c	Less : opening cash carried forward from the previous Calculation Period in the relevant AEML Surplus Holdings Account	**Nil**	Nil	
	Schedule Principal Repayments (a-b-c)	**-**	-	
VII	interest payments to Senior Creditors and payments of any Costs (of recurring nature) to Senior Creditors in relation to Senior Debt due or accrued during that period and any Initial Termination Payment and where such Senior Debt is denominated in a currency other than INR the relevant amounts shall be calculated at the rate at which such Senior Debt is hedged under any Hedging Agreement.	**7,498.19**	6,429.13	Working Note 3
C	**Debt Service Coverage Ratio (A/B)**	**5.53**	6.01	

* For working Notes Refer Annexure 7

12. Annexure II – Project Life Coverage Ratio (PLCR)

Amount (INR million)

Sr. No.	Particulars	As on April 1, 2022	As on April 1, 2021	Source*
	"Project Life Cover Ratio" means, as of any given date of calculation:			
I	Net Present Value (discounted using the Discount Rate) of the Combined EBITDA forecast for the period from the calculation date until the end of the period covered by the MERC	**264,343.02**	245,944.63	MIS
II	Residual value of the Regulated Business as at such end date	**95,957.66**	80,039.39	
III	Less : Net present value (discounted using the Discount Rate) of the equity component of all Regulatory Capital Expenditure forecast for the period from the calculation date until the end of the period covered by the MERC Licenses;	**51,520.86**	45,417.01	
A	**Total A (I+II-III)**	**308,779.83**	280,567.01	
IV	Senior Debt (excluding RCF),	**93,582.38**	83,973.50	Working Note 8
V	Less : the amounts in the Senior Debt Service Reserve Account, Senior Debt Redemption Account and Senior Debt Restricted Amortisation Account outstanding as at such date.	**2,061.94**	1,709.88	Working Note 7
B	**Total B (IV-V)**	**91,520.44**	82,263.62	
C	Project Life Cover Ratio (A / B)	**3.37**	3.41	

* For working Notes Refer Annexure 7

13. Annexure III – Net Debt to RAB as on March 31, 2022

Amount (INR million)

Sr. No.	Particulars	Mar-22	Mar-21	Source*
	"Net Debt" means the total indebtedness of the Obligors (excluding any working capital debt) less any amounts held in the Senior Debt Restricted Amortisation Account, the Senior Debt Service Reserve Account, the Senior Debt Restricted Reserve Account, the Senior Debt Redemption Account and any cash balances.	**74,821.15**	59,351.14	
I	**Total Indebtness (Senior Debt and RCF Facility)**	**93,582.38**	93,473.69	Working Note 6
II	Less : Working Capital Loans (RCF)	**-**	8,833.53	
III	Less : Long Term Rupee Term Loans (RCF)	**-**	666.66	
IV	Less : Senior Debt Service Reserve Account	**2,061.94**	1,709.88	Working Note 7
V	Less : Senior Debt Restricted Reserve Account	**-**	-	
VI	Less : Senior Debt Redemption Account	**-**	-	
VII	Less : Cash Balances	**16,699.29**	22,912.48	Working Note 7
VIII	Less : Unutilised Loan Balance	**-**		
A	**Net Debt (I-II-III-IV-V-VI-VII)**	**74,821.15**	59,351.14	
	Regulatory Asset Base (RAB)			
	"**RAB**" means, as of any given date of calculation, an amount equal to the sum of	**84,410.34**	72,939.21	
I	the regulated asset base of the Borrower as set forth in the then-prevailing tariff order	**75,470.00**	69,149.50	MIS
II	all spent Regulatory Capital Expenditure pending capitalisation	**8,940.34**	3,789.71	Working Noe 10
B	**Total Regulatory Asset Base (RAB) (I+II)**	**84,410.34**	72,939.21	
	Net Debt to RAB (A/B)	**0.89**	0.81	

* For working Notes Refer Annexure 7

14. Annexure IV - Fund From Operation to Net Debt as on March 31, 2022

Amount (INR million)

Sr. No.	Particulars	Mar-22	Mar-21	Source
	"**Funds From Operations**" means EBITDA minus cash taxes paid and adjusted for any positive or negative adjustments in working capital minus cash net interest.	**3,559.38**	9,516.89	
	Combined EBITDA	**20,856.56**	20,803.77	
I	Less : Tax Paid	499.22	843.00	Statement of Cash Flow
A	Working Capital changes	(801.34)	(2,171.92)	
B	Working Capital loan changes	(8,853.53)	(1,009.61)	
II	**Add : adjustment in Working Capital (a+b)**	**(9,634,87)**	**(3,181.53)**	
III	Less : Cash Net Interest	7,163.09	7,262.35	Working Note 5
A	**Fund from Operations (I-II+III-IV)**	**3,559.38**	9,516.89	
	"Net Debt" means the total indebtedness of the Obligors (excluding any working capital debt) less any amounts held in the Senior Debt Restricted Amortisation Account, the Senior Debt Service Reserve Account, the Senior Debt Restricted Reserve Account, the Senior Debt Redemption Account and any cash balances.	**74.821.15**	59,351.14	
I	**Total Indebtness (Senior Debt and RCF Facility)**	**93,582.38**	3,473.69	Working Note 6
II	Less : Working Capital Loans (RCF)	-	8,833.53	
III	Less : Long Term Rupee Term Loans (RCF)	-	66.66	
IV	Less : Senior Debt Service Reserve Account	2,061.94	1,709.88	Working Note 7
V	Less : Senior Debt Restricted Reserve Account**	-	-	
VI	Less : Senior Debt Redemption Account**	-	-	
VII	Less : Cash Balances	16,699.29	22,912.48	Working Note 7
VIII	Less : Unutilised Loan Balance	-	-	
B	**Total Net Debt**	**74,821.15**	59,351.14	
	Fund From Operation to Net Debt (A/B)	**4.76%*** **	16.03%	

* For working Notes Refer Annexure 7

** Balance in this account is to maintain minimum balance

***We have utilized our FFO prudently in order to repay the working capital loan outstanding as on March 2022. In case of non utilization of FFO towards repayment of working capital loan, FFO/Net Debt would have resulted in 16.56% as on March 2022.

15. Annexure – V Refinancing Plan as on March 31, 2022

Not applicable right now as the same is to be provided 12 months ahead of maturity date.

16. Annexure VI – Details of all investments as per PAD as on March 31, 2022

Amount (INR million)

Sr. No.	Name of Project Account	Balance (a)	Investment* (b)	Mar-22 (a+b)	Mar-21
	AEML PAD Accounts				
	AEML Cash Collections Account	-	Nil	**-**	1.68
	AEML Cheque Collections Account	107.94	Nil	**107.94**	89.37
	AEML Non Energy Payment Collections Account	1.91	Nil	**1.91**	110.00
	AEML Utilisation Account*	1.42	2,294.63	**2,296.05**	2,049.49
	AEML Taxes Account	0.35	Nil	**0.35**	-
	AEML O&M Expenses Account	74.60	Nil	**74.60**	0.27
	AEML Senior Debt Restricted Amortisation Account	0.02	Nil	**0.02**	-
	AEML Senior Debt Service Reserve Account*	0.41	2,061.94	**2,062.35**	1,709.99
	AEML Senior Debt Redemption Account	2.27	Nil	**2.27**	-
	AEML Senior Debt Redemption Reserve Account	0.02	Nil	**0.02**	-
	AEML Capital Expenditure Reserve Account*	0.02	5,354.68	**5,354.70**	2,307.08
	AEML Subordinated Debt Payment Account	0.02	Nil	**0.02**	-
	AEML Subordinated Debt Reserve Account	0.02	747.01	**747.03**	696.12
	AEML Surplus Holdings Account	0.02	Nil	**0.02**	-
	AEML Distributions Account	0.02	Nil	**0.02**	-
	AEML Enforcement Proceeds Account	0.02	Nil	**0.02**	-
A	**AEML PAD Accounts**	**189.06**	**10,458.26**	**10,647,32**	6,964.00
B	AEML Non PAD Account*	456.04	13,644.53	**14,100.57**	20,387.78
C	**Total Fund Balance (A+B)**	**645.10**	**24,102.79**	**24,747.89**	27,351.78
E	Add : Cash on Hand	7.99	-	**7.99**	24.04
F	Add : Cheques / Drafts On Hand	90.99	-	**90.99**	249.74
I	**Total AEML Cash & Cash Equivalent Balance (C+D+E+F)**	**744.08**	**14,102.79**	**24,846.87**	27,625.56
II	**PDSL Cash Balance**	0.12	15.93*	**16.05**	0.10
	Total Obligor Group Cash Balance (I+II)	**744.20**	**24,118.72**	**24,862.92**	27,625.66

* Includes accrued interest on Investment

17. Appendix 2 - Form Certificate of Directors

June 21, 2022

To
Madison Pacific Trust Limited (the "Note Trustee")
54th Floor, Hopewell Centre
183 Queen's Road East
Wan Chai, Hong Kong

Dear Ladies and Gentlemen

Adani Electricity Mumbai Limited ("AEML") and Power Distribution Services Limited ("PDSL") (incorporated in the Republic of India with limited liability) U.S. $ 1,000,000,000 3.949 per cent Senior Secured Notes due 2030 and U.S. $ 300,000,000 3.867 per cent Sustainability Linked Notes due 2031 under the U.S. $ 2,000,000,000 Global Medium Term Note Programme

In accordance with the clause 6.5 of the Note Trust Deed dated February 12, 2020 (the "Note Trust Deed") and clause 13.1 (v) of the Trust Deed dated July 13, 2021 (as amended and/or supplemented from time to time, (the "Trust Deed") made between (1) Adani Electricity Mumbai Limited and Power Distribution Services Limited (the "Issuers") and (2) the Note Trustee, we, as Directors of the Issuers, hereby confirm that, having made all reasonable enquiries, to the best of the knowledge, information and belief of the Issuers that as at date not more than five days before the date of this certificate (the "Certification Date"):

a. As of June 16, 2022, no Event of Default or Potential Event of Default had occurred since November 10, 2021 (the last compliance certificate issue date).

b. from and including February 12, 2020 to and including June 21, 2022 each Issuer has complied in all respects with its obligations under the Note Trust Deed and Trust Deed.

Terms not defined herein shall have the same meanings as provided in the Note Trust Deed and Trust Deed.

Yours faithfully

For Adani Electricity Mumbai Limited	For Power Distribution Services Limited
KPatel	
Name: Kandarp Patel	Name: Anil Kumar Gupta
Designation: Managing Director & CEO	Designation: Director

June 21, 2022

To
Madison Pacific Trust Limited (the "Note Trustee")
54th Floor, Hopewell Centre
183 Queen's Road East
Wan Chai, Hong Kong

Dear Ladies and Gentlemen

Adani Electricity Mumbai Limited ("AEML") and Power Distribution Services Limited ("PDSL") (incorporated in the Republic of India with limited liability) U.S. $ 1,000,000,000 3.949 per cent Senior Secured Notes due 2030.

In accordance with the Common Trust Deed dated February 12, 2020 and Accession Memorandum dated July 13, 2021 (as amended and/or supplemented from time to time, the "Note Trust Deed") made between (1) Adani Electricity Mumbai Limited and Power Distribution Services Limited (the "Issuers") and (2) the Note Trustee, we hereby certify on behalf of the Issuers, that:

1. The Security Package (including project documents and insurance contracts, if any) in respect of which Security has been created are as follows:

(a) a first ranking mortgage of immovable properties of the Borrower, listed in Schedule ("**Identified Immoveable Properties**").
(b) a negative lien over other immovable properties of the Borrower, excluding the Identified Immoveable Properties.
(c) a first charge by way of hypothecation of all the movable assets of the Project, both present and future.
(d) a first pari-passu charge on all book debts, operating cash flows, receivables (excluding Past Period Regulatory Assets; post distribution cash flows and debenture liquidity reserve), commissions or revenues whatsoever arising out of the Project, both present and future.
(e) a first pari-passu charge on the Accounts under the Project Accounts Deed (excluding the Excluded Accounts) and amounts lying to the credit of such Accounts, both present and future.
(f) a first pari-passu charge/ assignment in relation to the MERC Licenses of the Project, subject to approval from MERC.
(g) a pledge over 100% of the entire paid-up equity and preference share capital of the Borrower.
(h) a negative lien of the PDSL in relation to the immoveable and moveable assets (including all book debts, operating cash flows, receivables, commissions, or revenues whatsoever of the PDSL), both present and future.
(i) Non-disposal undertaking on the shares of PDSL.

2. Stipulated Security Creation Timelines

(i) Security detailed under (b), (c), (d), (e), (g), (h) and (i) is already created and perfected by the relevant security providers (as applicable) within 90 (ninety days) from the first disbursement date ("**First Security Longstop Date**") for USD 1 bn.

(ii) Security detailed under (a) and (f) is created and perfected for USD 1 billion Notes by the relevant security providers (as applicable) within 90 (ninety days) from the date by which the Borrower has procured relevant regulatory approvals and completed formalities for release of charge of existing lenders (who are being refinanced through the proceeds of the bonds) ("**Second Security Longstop Date**").

3. Ranking of Security

The Security Interest created on the Security as aforesaid shall rank pari passu inter se the Senior Secured Creditors.

Terms not defined herein shall have the same meanings as provided in the Note Trust Deed.

Yours faithfully

For Adani Electricity Mumbai Limited	For Power Distribution Services Limited
Name: Kandarp Patel	Name: Kunjal Mehta
Designation: Managing Director & CEO	Designation: Authorised Signatory

June 21, 2022

To
Madison Pacific Trust Limited (the "Note Trustee")
54th Floor, Hopewell Centre
183 Queen's Road East
Wan Chai, Hong Kong

Dear Ladies and Gentlemen

Adani Electricity Mumbai Limited ("AEML") and Power Distribution Services Limited ("PDSL") (incorporated in the Republic of India with limited liability) U.S. $ 300,000,000 3.867 per cent Sustainability Linked Notes due 2031 under the U.S. $ 2,000,000,000 Global Medium Term Note Programme

In accordance with the Common Trust Deed dated February 12, 2020 and Accession Memorandum dated July 13, 2021 (as amended and/or supplemented from time to time, the "Note Trust Deed") made between (1) Adani Electricity Mumbai Limited and Power Distribution Services Limited (the "Issuers") and (2) the Note Trustee, we hereby certify on behalf of the Issuers, that:

1. The Security Package (including project documents and insurance contracts, if any) in respect of which Security has been created are as follows:

(a) a first ranking mortgage of immovable properties of the Borrower, listed in Schedule ("**Identified Immoveable Properties**").
(b) a negative lien over other immovable properties of the Borrower, excluding the Identified Immoveable Properties.
(c) a first charge by way of hypothecation of all the movable assets of the Project, both present and future.
(d) a first pari-passu charge on all book debts, operating cash flows, receivables (excluding Past Period Regulatory Assets; post distribution cash flows and debenture liquidity reserve), commissions or revenues whatsoever arising out of the Project, both present and future.
(e) a first pari-passu charge on the Accounts under the Project Accounts Deed (excluding the Excluded Accounts) and amounts lying to the credit of such Accounts, both present and future.
(f) a first pari-passu charge/ assignment in relation to the MERC Licenses of the Project, subject to approval from MERC.
(g) a pledge over 100% of the entire paid-up equity and preference share capital of the Borrower.
(h) a negative lien of the PDSL in relation to the immoveable and moveable assets (including all book debts, operating cash flows, receivables, commissions, or revenues whatsoever of the PDSL), both present and future.
(i) Non-disposal undertaking on the shares of PDSL.

2. Stipulated Security Creation Timelines

(i) Security detailed under (b), (c), (d), (e), (g), (h) and (i) is already created and perfected by the relevant security providers (as applicable) within 90 (ninety days) from the first disbursement date ("**First Security Longstop Date**") for USD 300 million.

(ii) Security detailed under (a) and (f) shall be created and perfected by the relevant security providers (as applicable) within 90 (ninety days) from the date by which the Borrower has procured relevant regulatory approvals and completed formalities for release of charge of existing lenders (who are being refinanced through the proceeds of the bonds) ("**Second Security Longstop Date**").

(iii) **Ranking of Security**

The Security Interest to be created on the Security as aforesaid shall rank pari passu inter se the Senior Secured Creditors.

(iv) The security creation and perfection for the first long stop date was October 20, 2021 for USD 300 million and we have completed within stipulated timeline. The security creation and perfection for the second-long stop date for USD 300 million is under process and we are obtaining relevant approval from the Regulator. MERC has approved the assignment of Transmission and Distribution License favouring security trustee on behalf of all senior lenders. The indenture of mortgage execution with respective regulatory authority is in process and they are approving the indenture of mortgage draft and issuance of stamp duty demand letter. Post that the security will be created and perfected.

Terms not defined herein shall have the same meanings as provided in the Note Trust Deed.

Yours faithfully

For Adani Electricity Mumbai Limited	For Power Distribution Services Limited
Name: Kandarp Patel	Name: Kunjal Mehta
Designation: Managing Director & CEO	Designation: Authorised Signatory

18. Annexure VII - Working Notes

Amount (INR million)

	Particulars	Amt	Amt	Source
	Working Note 1			
	Opening Cash Balance (as on April 1, 2021)			
a	Cash & Cash Equivalents	1,530.71		Note 14 - financial statements
	Investments (including income accrued)			
	Bank Balance Other than Cash and Cash Equivalents - At Amortised Cost	8,865.56		Note 15 - financial statements
	Fixed Deposit with Banks	4,779.90		Note 9 - financial statements
	Market Investment - classified under Loans	10,400.00		Note 8 - financial statements
	Contingency Reserve Investments	2,049.49		Note 7a & 7b - financial statements
b	**Total Investments (including income accrued)**	**26,094.95**		
I	Total Opening Cash Balance (a+b)	27,625.66		
	Restricted Cash & Cash Equivalents			
	Less : Debt Service Reserve Account			
	Senior Secured Notes	1,510.05		MIS
	Term Loans	199.93		MIS
	Shareholders Affiliated Debts	696.12		MIS
c	**Total Debt Service Reserve Account**	**2,406.10**		
D	Capital Expenditure Reserve Account	2,307.08		MIS
II	**Total Restricted Cash Balance**	**4,713.18**		
		22,912.48		
	Less : Interest Paid on Shareholders Affiliated Loans	1,326.20		MIS
	Total Opening Cash Balance	**21,586.28**		
	Working Note 2			
	Finance Cost Breakup			
I	**Interest on Rupee Term Loans**			
	Interest on Rupee Term Loans (Working Capital)	17.13		Note 28 - financial statements
	Interest on Foreign Currency Loans			
	Senior Secured Note			
	Interest	2,963.94		MIS
	Withholding Tax on Interest	171.18		
	Fees Amortised	85.29		
A	**Total Senior Secured Note**	**3,220.41**		Note 28 - financial statements

	Shareholders Affiliated Debts			
	Interest	1,344.66		MIS
	Fees Amortised	35.32		
B	**Total Shareholders Affiliated Debts**	**1,379.98**		Note 28 - financial statements
	External Commercial Borrowings (ECB)			
	Interest	126.99		MIS
	Withholding Tax on Interest	7.31		
	Fees Amortised	345.60		
C	**Total External Commercial Borrowings**	**479.90**		Note 28 - financial statements
	Sustainability Linked Notes (USD 300 million)			
	Interest	603.87		MIS
	Withholding Tax on Interest	34.88		
	Fees Amortised	22.44		
D	**Total Senior Secured Note - GMTN**	**661.19**		Note 28 - financial statements
II	**Total Interest on Foreign Currency Loans (A+B+C+D)**	**5,741.48**		
	Interest on Working Capital			
	Interest on Working Capital	442.01		MIS
	Fees Payments	2.36		
III	**Total Interest on Working Capital**	**444.37**		Note 28 - financial statements
	Hedge Cost on Foreign Currency Loans			
	Senior Secured Note	2,865.39		MIS
	Shareholders Affiliated Debts	199.02		
	External Commercial Borrowings	238.38		
	Sustainability Linked Notes (USD 300 million)	699.62		
IV	**Total Hedge Cost on Foreign Currency Loans**	**4,002.41**		Note 28 - financial statements
V	Interest on Security Deposits from Consumers at amortised cost	187.14		MIS
VI	Interest on lease obligation (Ind AS)	62.46		
VII	Interest - Others	2.37		
VIII	Foreign Exchange Fluctuation Loss	1,556.44		
IX	Other Finance Charges	14.46		
X	Interest Cost Capitalised	(424.50)		
	Total (I to X)	**11,603.76**		Note 28 - financial statements

	Working Note 2a			
	Interest on Working Capital			
	Interest on Rupee Term Loans (Working Capital)	17.13		Note 28 - financial statements
	Interest on Working Capital	444.37		
	Total Interest on Working Capital	**461.50**		
	Working Note 3			
	Finance Cost as per Definition in DSCR			
	Interest on			
	Senior Secured Notes	2,963.94		Working Note 2
	ECB Loan	126.99		
	Sustainability Linked Notes (USD 300 million)	603.87		
	Hedge Cost on			
	Senior Secured Notes	2,865.39		
	ECB Loan	238.38		
	Sustainability Linked Notes (USD 300 million)	699.62		
	Interest to Senior Creditors	**7,498.19**		
	Working Note 4			
	Finance Cost Outflow Breakup	**9,253.58**		Cash flow Statement
	Less : Payment of Lease Liability Obligation	161.20		MIS
	Less : Interest of Lease Liability Obligation	62.46		
	Less : Interest on Consumer Security Deposit	184.00		
	Less : Interest on Sub Debt	1,325.80		
	Less : Commitment Fess	52.05		
	Less : Transaction Cost	299.22		
	Less : Transaction Cost - Working Capital Loans	2.36		
	Less : Interest Others	2.37		
	Cash Net Interest	**7,163.48**		
	Working Note 5			
	Cash Interest Breakup			
	Interest on			
	Senior Secured Notes	2,949.52		MIS
	ECB Loan	162.80		
	Sustainability Linked Notes (USD 300 million)	432.91		
	Hedge Cost on			
	Senior Secured Notes	2,838.36		
	ECB Loan	292.72		
	Sustainability Linked Notes (USD 300 million)	7.35		
I	**Senior Creditor Debt Service**	**6,683.66**		
II	Working Capital (including Rupee Term Loan)	479.43		
	Cash Interest (I+II)	**7,163.09**		

	Working Note 6			
	Total Indebtness			
	External Commercial Borrowings - Foreign Currency			
	Senior Secured Notes (USD 1 billion)	71,258.00		MIS - at Spot Hedge Rate
	Sustainability Linked Notes (USD 300 million)	22,324.38		
	Total Indebtness	**93,582.38**		
	Working Note 7			
	Cash Balance			
I	**Cash & Cash Equivalents**			
a	Cash & Cash Equivalents	760.13		Note 14 - financial statements
	Investments (including income accrued)			
	Bank Balance Other than Cash and Cash Equivalents - At Amortised Cost	6,244.81		Note 15 - financial statements
	Fixed Deposit with Banks	5,163.35		Note 9 - financial statements
	Market Investment - classified under Loans	10,400.00		Note 8 - financial statements
	Contingency Reserve Investment in Government Securities	2,294.63		Note 7a & 7b- financial statements
b	**Total Investments (including income accrued)**	**24,102.79**		
I	**Total Cash & Cash Equivalents (a+b)**	**24,862.92**		
	Restricted Cash & Cash Equivalents			
	Debt Service Reserve Account			
	Senior Secured Notes - (USD 1,000 million)	1,606.80		MIS
	Sustainability Linked Notes (USD 300 million)	455.14		
	Senior Debt Service Reserve Account	**2,061.94**		
	Sub Debt Service Reserve Account	747.01		
c	**Total Debt Service Reserve Account**	**2,808.95**		
d	Capital Expenditure Reserve Account	5,354.68		MIS
II	**Total Restricted Cash Balance (c+d)**	**8,163.63**		
	Cash Balance (I-II)	**16,699.29**		
	Working Note 8			
	Senior Debt Outstanding (at Spot Hedging Rate)			
	External Commercial Borrowings in Foreign Currency			
	Senior Secured Notes (USD 1 billion)	71,258.00		MIS - at Spot Hedging Rate
	Sustainability Linked Notes (USD 300 million)	22,324.38		
		93,582.38		

	Working Note 9			
	Cash utilised from internal accrual for Capital Expenditure during the year			
	Cash Outflow towards Capital Expenditure	12,354.36		Cash flow Statement
	Add : Proceeds from Sale of Property, Plant and Equipment	84.67		
	Less : Consumer Contribution	253.33		
	Less : Capex Loan Utilised for Capital Expenditure	9,292.47		Working Note 9a
	Cash utilised from internal accrual to Fund Capital Expenditure	**2,723.89**		
	Working Note 9a			
	Capex Loan Utilised for Capital Expenditure			
a	**Capex Loan availed during the year**			
	Sustainability Linked Notes - USD 300 million in July 2021	22,319.80		Cash flow Statement
b	Less : Repayment of ECB Facility - 175 million in July 2021	13,027.33		MIS
	Capex Loan Utilised for Capital Expenditure	**9,292.47**		
	Working Noe 10			
	Regulatory Capital Expenditure pending capitalisation			
	Capital Work-In-Progress	3,154.84		Balance Sheet
	Capital Advance	685.50		Note 11 - financial statements
	Leasehold Land – Under Development	5,100.00		Note 6 (a) (iii) - financial statements
	Capital Expenditure pending capitalisation	**8,940.34**		
	Working Noe 11			
	DSRA Calculation			
		Required DSRA	**Actual DSRA**	
	Senior Secured Note			
A	USD 1bn - Six month of Interest - @ 3.949% pa on INR 71,257.20 million)	1,406.99	1,606.80	Working Note 7
B	USD 300 mn - Six month of Interest - @ 3.867% pa on INR 22,319.91 million)	431.64	455.14	
I	**Total Senior Debt DSRA**	**1,838.63**	2,061.94	
II	Shareholder Affiliated Debt			
	Subordinate Debt - Six month of Interest - @ 6.365% pa on INR 20,095.39 million)	639.57	747.01	Working Note 7
	Total DSRA (I+II)	**2,478.20**	**2,808.95**	

19. Annexure VIII – Detailed Information

1. Strategic Partner – Qatar Investment Authority (QIA)

In FY20, a subsidiary of Qatar Investment Authority (QIA) – Qatar Holding LLC, completed the acquisition of 25.10% stake in Adani Electricity Mumbai Ltd (AEML) from Adani Transmission Ltd (ATL).

QIA made an investment in AEML's shareholder subordinated debt (USD 282 million) on February 10, 2020. The total investment of QIA is ~$450 million. These funds will help to provide growth equity to the business to fund our capex plans while deleveraging the balance sheet.

QIA is a Large Infrastructure focused financial investor with track record of investing in world class global infrastructure projects. QIA Founded in 2006 is the Sovereign Wealth Fund of Qatar with assets under management of USD 335 billion. Some of the selected investment of QIA are as follows:

- 20% stake in Heathrow Airport, 7^{th} busiest airport globally by passenger traffic
- 20% stake in Hong Kong Electric, a major integrated utility player in Hong Kong
- 10% stake in Endeavour Energy, a power distribution company operating in New South Wales, Australia
- 8.6% stake in Iberdrola, one of the largest electric utilities globally operating in the UK, US, Spain, Portugal, and Latin America
- Investor in EDP Renováveis, leading renewable player globally with ~11 GW portfolio
- Investor in Patrick Terminals, the largest container terminal operator in Australia

1.2 AEML derives the following benefits with a strategic and marquee partner like QIA on Board.

- Derive from QIA experience of investing in large infrastructure projects globally
- Imbibe global best practices in AEML through shared learnings from QIA's investment in Global electric utility majors like Hong Kong Electric, Endeavour Energy, Iberdrola, EDP Renovaeis
- Benchmark AEML performance with international utilities and help AEML deliver world class infrastructure to the consumers of Mumbai with high efficiency standards
- Deep financial strength – access to large capital pool from international capital markets at competitive pricing
- Diverse and larger board will help enrich decision making process

2. Capital Management Program

AEML's Capital Management Program brings diversity along with lower cost of debt. Through this program, the acquisition debt was refinanced through USD 1 billion bond during February 2020 and the Company, established a 10 year USD 2 billion Global Medium-Term Notes program (GMTN) on July ,2021 towards its capital expenditure program in order to regulatory asset development for enabling 'asset hardening'.

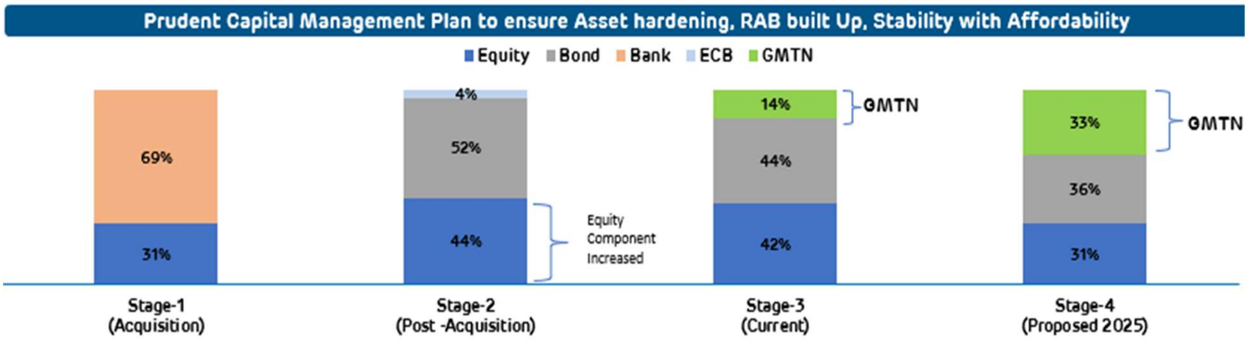
Global Medium Term Notes program (GMTN)

Adani Electricity Mumbai Limited (AEML), has setup of a USD 2 billion **Global Medium-Term Notes program** (GMTN). The GMTN program and the Sustainability Linked Bond issuance is the next step in AEML's Capital Management Plan. AEML also settled the maiden takedown of USD 300m under the program. The order-book for the takedown was oversubscribed by 9.2x by high quality real money global investors and the global geographical split of the investors was Asia – 49%, EMEA – 27% and North America – 24

The issuance bolsters the strong capital raising track record of the Adani Group from global capital market investors. The transaction settled on July 22, 2021, and the funds is utilized for refinancing of existing debt and regulatory asset development for enabling 'asset hardening'.

The assurance of the Sustainability Framework was completed through external agencies. Vigeo Eiris, a subsidiary of Moody's Investor Service, provided a second party opinion on AEML's Sustainability Framework. The baselines for the targets have been assured by third party verifiers – British Standards Institute and the statutory auditor of AEML.

AEML journey of evolving capital management



Stage -1 – Acquisition – Aug-18

- ATL acquired AEML business from R-Infra in Aug-18
- Debt from Domestic Banks Debt : Equity funding mix of 69:31
- Domestic Rating – AA Stable

Stage-2 – Post Acquisition – Feb -20

- **Contemporaneous closed 3 transactions ;**
  - ✓ Induction of QIA as Equity partner
  - ✓ Reduction of secured debt through shareholder sub-debt
  - ✓ Refinancing of balance senior debt through IG non amortizing bond issuance (Tenure 10Yrs)
- IG rating (i) Robust and predictable regulated return Business and (II) reduction in debt % in capital structure
- ECB Capex revolver facility to ensure fully funded Capex program (Avg Maturity 3 yrs)
- Take out from Bonds every 2 yrs

Stage-3 - Current Phase – Sep -21

- Introduced GMTN to replace ECB as well as fully fund the future regulated Capex for asset hardening
- GMTN offers Flexible Issue Size, Tenor & Currency
- Advantage of favorable Market Condition

Stage-4 - Capital Efficiency

- Diversified global investor base to provide stability
- Elongated maturities to provide liquidity for investment in Asset hardening
- Asset hardening will improve operational efficiency and effectively result in affordable tariff
- Prudent Capital Management plan to enhance credit quality

2.1 Advantage of Capital management Program

- Redesigning of the capital structure of the asset in line with asset life
- Reduction in Weighted Average Cost of Capital
- Increase in Tenure of debt repayment
- Increase in RAB & EBITDA due to bullet payment of debt

Redesigning of the capital structure of the asset in line with asset life as Adani Group philosophy

3. Ratings

International Rating

All three international rating agency has completed annual surveillance of AEML and has reaffirmed Investment Grade (IG) Rating capped at sovereign.

Rating Agency	Rating/Outlook	Rating/Outlook
	$ 1bn Senior Secured Notes	$ 300mn Sustainability Linked Note
Moody's	Baa3/Stable	Baa3/Stable
Fitch	BBB-/Negative	BBB-/Negative
S&P	BBB-/Stable	-

Domestic Rating

India Ratings & Research Private Limited has affirmed a rating of "IND AA+/Stable/A1+" of AEML with a stable outlook.

4. Fight against COVID – 19

Towards the end of financial year 2020, the world has witnessed a serious, global pandemic due to spread of deadly novel Coronavirus, and is continuing to impact our lives. This has put life and associated economic activities completely out of gear. AEML and its management team is conscious of its responsibilities to supply essential requirement like electricity to all households and to various essential services combating the activities related to prevention and cure of the virus. AEML has seamlessly continued the Generation, Transmission and Distribution of Power in these testing times due to the pandemic and is geared to maintain its deliverables even in the long-haul and about serving our responsibilities of reliable power supply.

In order to continue the business during COVID-19 Pandemic, AEML has taken initiatives for Employee Safety, Support to Society, Consumer Services and Digital transformation of Operation.

Adani Electricity rise to the challenge of COVID-19 to Support Society

- Distribution of 8 Dura Oxygen Cylinders to Sub District Hospitals Dahanu & Kasa, Vedanta Institute of Medical Science, TIMA hospital & Health Unit, Palghar
- Stabilizer Provided to Vedanta Institute of Medical Science
- AEML has supported MCGM to managed Vaccination center at Kurla, Mumbai Total beneficiaries vaccinated 42,350.
- Supply released to 2,957 flats and 9 hospitals with 500 bed capacity identified for quarantine purpose.
- Supply released within 24 hours to a 30,000 sq. feet camp at Versova ground built by Maharashtra Home Guards with a capacity to accommodate 500 people.

- Distribution of 08 Dura Oxygen Cylinders to Sub District Hospitals Dahanu & Kasa, Vedanta Institute of Medical Science, TIMA Hospital & Health Unit Palghar

- Stabilizer provided to Vendataa Institute of Medical Science

Measures taken for continuity of service to consumers.

- Digitized consumer facing processes (new connection, change of name etc)
- Launched Video calling facility for consumers where consumers can reach out to AEML representatives online.

Measures taken for enhancing collection

- Mobile Kiosks for roaming cash collection facility
- Collect payments through ATMs (Discussion with banks in progress)
- Silent Campaign: Emotional appeal on social media
- Appeal through employees' social network (based on 6 Degrees of Separation)
- Leverage social network of housing societies.

Adani Electricity has been providing uninterrupted electricity supply on priority, to all the affected locations in the western and eastern areas including hospitals that fall under their purviews such as a Maternity Care Centre in Shivaji Nagar, an MCGM hospital in Andheri and a few more residential areas that are under quarantine. In cooperation with MCGM, District Collector, Civil Defence Directorate and SRA authorities, AEML has provided electricity connections in various quarantine centers across the city, which lacked electricity access.

5. Consumer Initiatives

AEML by virtue of its nature of business is providing ample opportunities and means to its consumers for timely payment of the bills, along with the highest service standards in the Industry.

- Establishing AEML Multiprotocol Label Switching (MPLS) for all major locations and provide back-up links to avoid any major downtime of AEML Network
- Established Disaster Response (DR) Set-up at Hyderabad location for all critical application except SAP ISU which is in progress
- Material Requirement Planning enabled for enhanced productivity.
- 24X7 Security Operations Centre enabled and SIEM tool implemented for tracking and monitoring of critical server logs. SIEM monitoring helps to enhance security posture of AEML

5.1 Cost Effective Initiatives

Various cost-effective initiatives were considered and implemented to enhance efficiency, productivity and optimize costs. Major initiatives planned are listed below:

- Implementation of Advanced Distribution Management System (ADMS) to study:
  - Network connectivity/reconfiguration
  - Load flow
  - Fault isolation/restoration
  - Loading optimization for reducing loss
- Replacement of all 33kV and 11kV PILC cable network with XLPE cables of higher sizes
- Replacement of Oil Type Ring Main Units (RMUs) with Maintenance free dry type RMUs (SF6, vacuum)
- Implementation of Substation Equipment Parameters Monitoring System
- Installation of Theft Aversion Boxes (TAB) at Service Positions and Theft Proof LT Pillars (TPP) in theft prone areas
- **Conversion to Smart Meters** - Upgradation of consumer meters to smart meters will improve the accuracy in billing through minimization of human interface. This will also enable online recording of the energy consumption and facilitate the information to consumers on real time basis.

6. Cyber Security Management

We follow the reactive approach so as cyber security is concern as compared to proactive approach.

We have continuous monitoring process in place to measure and identify any new risk arise in the horizon with help of latest technology after doing prudent risk assessment and correct risk framework in the place.

AEML has established SRB (Solution Review Board) that is providing visibility for all the new digital initiatives from all security related perspectives. The members are experts in cyber security, network management, infrastructure, and architecture. The members consist of internal and external experts.

We have also got Architecture Review Board (ARB) at Adani Group level which also help and communicate new cyber security risk and review our IT security management.

AEML is only utility and one of the proud organization having
ISO - 27001 certification for SCADA system. (ISO -27001 is a specification for an information security management system (ISMS))
ISO – 27031 system which is IT disaster recovery management system and
ISO - 22031 which is Business continuity planned system.

Global Standard Benchmarking

We have benchmarked our cyber security framework with global standards. We are following standard set by National Institute of Standard and Technology (NIST) of USA for identification of risk, protection of risk, detection of risk and proper respond and recovery process.

7. Environmental, Social and Governance

7.1 Care for Planet Earth

We are committed to achieving excellence in environmental performance, preservation, and promotion to achieve a clean and healthy environment. We actively encourage various stakeholders such as our consumers, business partners, suppliers, and contractors to contribute towards these practices.

a. Reducing Carbon Footprint

Renewable energy procurement by AEML to leapfrog by 10X by FY23, which indicates the Companies initiative for green energy.

- 717 MUs of renewable energy procured (~ 8% of total energy procured).
- By FY27, we target to 60% procure power from renewable resources.
- AEML has tied up 700 MW grid connected hybrid power (solar and wind) at Rs. 3.24 per unit, delivering 50% CUF and already started receiving power
- On July 12, 2021, MERC has approved for power procurement of 500 MW RE + Thermal RTC Power. This is to further boost the RE contribution in AEML-D's energy mix
- AEML offers Green Energy flexibility to all Mumbai customers, through MERC approved scheme and additional through Green Energy certificates duly traceable to green Renewable Energy.
- Roof top Solar Panels installation & commissioning completed at Aarey, Versova & Ghodbunder EHV Sub Station. Total capacity added - 245 kW
- Energy saving programs implemented by the Company in past years, continues to accrue energy savings. We have cumulatively saved 75.23 mus through this program.
- The company has installed 6 public EV Charging station
- Recycled plastic bags to be converted to utility products (pen, mobile stand, hanger etc.) in line with Central and State Govt. decision to ban single use plastic

Electric Vehicle Initiative

AEML is forming strategic partnerships to promote Electric Mobility in Mumbai. From hosting a First of its kind Electric Vehicle Rally across the Green Lungs of Mumbai to powering charging infrastructure and battery swapping infrastructure across the City, Adani Electricity is committed to encourage emission free mobility. AEML is also enabling last mile deliveries using unique electric mobility solutions. Further, AEML has inducted a fleet of Electric Vehicles in its employee mobility and operations, while having taken a pledge to gradually replace its vehicle fleet with available EV options.

AEML has partnered with Yulu bike, facilitating 24x7 battery charging access across Mumbai. We together with Yulu plan to install over 500 battery swapping stations in the next 18 months across the city. With the common objective of working towards building a sustainable city by reducing traffic congestion and air pollution in Mumbai.

Mumbai Green Drive
AEML organized India's first all EV rally on 2nd Oct 2021 to encourage adoption of EV's in Mumbai

- Flagged off by Aditya Thackeray, Tourism and Env. Min, GoM
- 30+ EV's from all manufacturers participated
- 100+ Kms driven through Mumbai city & Sanjay Gandhi National Park

Last Mile Delivery
AEML partnering with chartered bike & yulubike to provide last mile connectivity to food & e-commerce delivery.

- AEML already powering 1000 e-Bikes adding 350K Units in AEML network
- To scale upto ~8 MU's in future

Taxi Fleet operator

- EV charging facility has been provided to MERU's electric vehicles.
- Adding 1 MUs in AEML network (40 vehicles)
- To scale up as more vehicles and fleet operators join

b. DTPS continues to outperform on environmental aspects – Not only beating own standard but beating world standard

Our plant at Dahanu is a world class state of the art plant. The plant can also be termed as a Green Plant on account of the various environment related initiatives undertaken by the Company, in its thrust to support the mother nature by saving the environment and the natural resources.

With sustainability at its core, Dahanu TPP is amongst the most environmentally friendly plants in India

- more than 100% fly ash utilization,
- amongst the tallest chimneys in India (~275m).
- 1st in India to install FGD to prevent Sulphur emissions / acid rain.
- The Ambient Air Quality Monitoring Stations keeps in check health of local consumers.

Effectiveness of water management through Rainwater harvesting

- Dug 10 number of bore wells to enhance ground water table.
- Construction of artificial ponds for storage of rainwater.
- Extensive use of Drip irrigation for horticulture – area under drip irrigation is 315 acres
- Total area of Dahanu Power Plant is 848.9 hectares. More than 425 hectares (50%) of area is covered under green belt against normative requirement of 280 hectares i.e., 1.5 times of normative requirements.

Water & Waste

Parameter	Design Value	FY22 Savings	Environment Benefit
Surface Water Utilization	5,480 cubic meter / per day	21.55 %	This has resulted in water savings of 431,017 M^3 during FY 2021-22 (Apr -21 to Mar 2022) against the design parameters which will fulfil water requirement of around 8747 persons for a year.*
Grease consumption	24 barrels / per annum	07 narrels	Reducing grease consumption has reduced generation of hazardous waste.
Waste oil generation	240 barrels / per annum	41 barrels	Reducing waste oil generation has reduced generation of hazardous waste
Make up water consumption	3%	0.405%**	

*Utilised

*In India per capita around 135 lit / day water is required, this saved water quantity will fulfill water requirement of around 3,192 persons for a year.

(Ref: Ministry of Jal Shakti Per Capita Availability of Water Posted On: 02 MAR 2020 5:40PM by PIB Delhi)

This becomes of much more importance when various countries of the world are fighting towards "Day Zero". The above amount of water management savings shows AEML's care for natural resources as a responsible entity.

Continuously reducing carbon emission:

- AEML achieved Heat Rate of 2,261 Kcal/kWh for FY22

  Installation of four solar panels in farmers farm for irrigation.

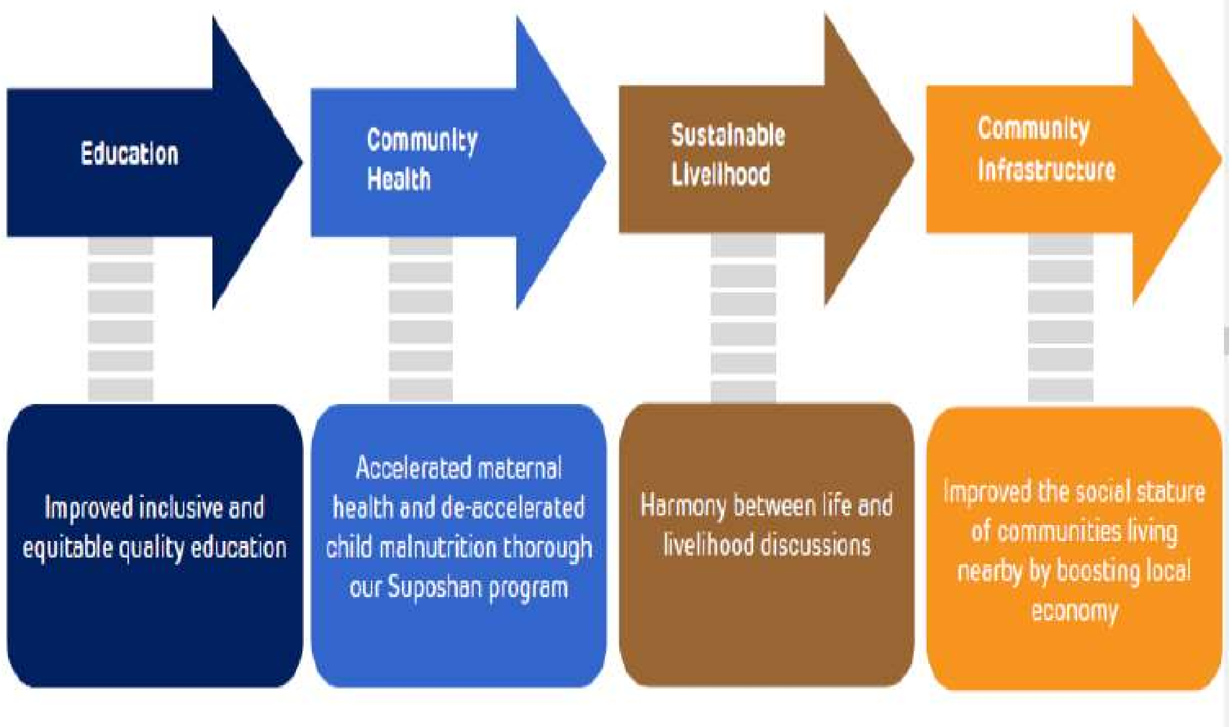
- Awarded Assessment Statement for "**Single Use Plastic "** – SUP by Bureau Veritas India to our Dahanu Plant

- Awarded Assessment for claim on **"Zero Waste to Landfill"** by Bureau Veritas India to our Dahanu Plant

- Awarded Assessment for claim on **"Water Efficiency Management System ISO 46001:2019"** by Bureau Veritas India to our Dahanu Plant

7.2 Care for Society

AEML though Adani Foundation, execution partner, has been striving to create sustainable opportunities for the marginalized communities. for their basic right of Quality Education, Health Facility, Quality and Sustainable Livelihood and Community Infrastructure



Community Infrastructure

Lightening the city of Mumbai

- AEML responsively tackled Social Responsibility and electrified Gorai village, tribal hamlet Navsachapada at Aarey Colony after 70 years
- AEML lightened up hutments by releasing new connections in Sidharth Nagar, Andheri (West) to 96 occupants, post receiving approval from the Maharashtra Coastal Zone, Management Authority (MCZMA), MHADA, and MCGM.
- Power supply released to Yagnik Nagar in Amboli after 25 years.
- Installed 111 streetlights across Chembur, Charkop, Jogeshwari, Bhayander and BKC for the safety of people.

Agwan village near Dahanu is not having drinking water facility. Due to marshy land condition ground water is not of drinking quality. Agwan villagers used to walk 3 to 4 kms to bring drinking water. AEML had installed Drinking water Filtration Plant at Agwan – Mothapada of capacity 5 m3/hr. around 5,500 people benefited.

Developing infrastructure and sanitation facility for girl students at Modern School, Marol, Andheri (E)

Support to Dahanu Education Trust's, K. L. Ponda High School to develop classroom infrastructure and 200 students benefited.

Supported MCGM in organizing two Vaccination centers. Total beneficiaries vaccinated 42,350

Health

Any country can develop, only if its people are healthy. AEML has undertaken certain initiatives, to imbibe a healthy standard of living.

Vaccination Drive for Employee and their families

AEML has launch of Vaccination drive to cover all our employees and their families across our locations in Mumbai and our township at Dahanu.

Swachhagraha with safety

To create a culture of cleanliness and spreading awareness on safety, it also targets children as change agents to bring about behavioral and attitudinal change. Activities and programs under this initiative are executed through Swachhagraha dals (Group) and Preraks in schools.

Adani Electricity with support from BMC launched 'Safety Swachhagraha' program in 2,269 schools in Mumbai under the gambit of the Prerak Training Program

Mahila Melawa (women's gathering) and health awareness programme organized in Dahanu.

Sustainable Livelihood Development

Representation of Local Population

AEML has always given due preference for representation of local population. AEML provided job to 153 fishermen in Dahanu plant.

Project Saksham (Skill Development)

This is an initiative by AEML to bridge the socio-economic gap by providing the needy & destitute women with skills which will make them competent and capable to earn a sustainable livelihood. The skill Centre shall have multiple skill development options and shall provide training in various courses like

- ✓ English Speaking
- ✓ Digital Literacy
- ✓ Financial Literacy
- ✓ Home Health Care
- ✓ Bill Distribution
- ✓ Meter Reading

Women Employment

In September 2020, Saksham Trust was invited to be a part of the project of Adani Electricity, Mumbai for providing unskilled women an opportunity for Equal work for Bill Distribution and Meter Reading for parts of Mumbai Region.

Currently there are 20 Women Bill Distribution Executives and 1 Women Computer Operator and 2 Women Supervisors and more 14 Women will be joining us for the Meter Reading Work by end of

April 2021. This opportunity by AEML had directly impacted 37 lives of under privileged women positively. Not just their lives but their whole family is growing along with them. These women had no standing or identity of their own in society and were dependent on other for even for a meal and this lockdown had made the lives very difficult for them to survive.

Self Employment

AEML in association with "NABARD" initiated a program "Integrated Tribal Development Project in selected 11 villages of Dahanu Taluka as 50:50 contribution. This project is executing through project implementing agency "MITTRA"

The programmed is phased over 7 years, for developing 1 acre "Wadi" for landowners. 1,000 landowners have registered and benefited

100 landless tribal registers for livelihood support in various specialised business

1,142 candidates trained and out of these 1,142 and 1,063 candidates respectively got employment in local Manufacturing units in Dahanu area

Tribal youth form the villages were trained to stitch one lakh masks at the institute managed by AEML.

Formation of Registered Cooperative society of farmers to market their products.

Education

More than 1,500 students have been provided educational material and installed E-Learning kits in 23 Zilla Parisad Schools in Dahanu areas.

7.3 Governance

The Adani Group/AEML has also aligned and strengthened all its business strategies on the foundation of ethical and radically transparent business operations. The AEML Board that consists of independent directors having dynamic and vast experience, continue to follow the highest standards of corporate governance and seek to embed and sustain a culture that ~~will~~ enable them to achieve their long-term strategic objectives, by building durable partnerships and upholding the core values of Trust, Courage and Commitment.

AEML Board governance comprises of Audit Committee, Nomination & Remuneration committee and Corporate Social Responsibility Committee with maximum composition of Independent Directors.

Qatar Investment Authority ~~(QIA)~~, that has a track record of investing in world class global infrastructure projects, is a strategic partner of AEML with 25.1~~0~~% equity holding.

Considering corporate governance more of an ethical requisite than a regulatory necessity, AEML has voluntarily adopted and evolved various practices of governance conforming to the highest ethical and responsible standards of business. These practices reflect the way business is conducted and value is generated.

AEML board comprises of 7 directors – 1 Executive Director. 4 Non-Executive/Non-Independent 2 Independent Directors (1 director is women).

AEML Board governance comprises of Audit Committee, Nomination & Remuneration committee and Corporate Social Responsibility Committee

Audit Committee	2/3rd strength is of Independent Directors Financial Due Diligence, Compliance, and approval of Related Party Transactions Headed by Independent Director,
Nomination & Remuneration committee	Headed by 50%Independent Director. Evaluation of Independent Directors and the Board of directors.
Corporate Social Responsibility (CSR) Committee	25% Independent Director. Recommend and monitor CSR activities & expenditure.

Detail Terms of reference of each committee and other information can be viewed on https://www.adanielectricity.com/Investor-Relations

We have also constituted management committee comprising experts of each function and having experience to overview the operations of the company.

Definitions and Abbreviations

The following terms used in this Compliance Certificate have the meanings set forth below.

AEML	Adani Electricity Mumbai Limited
PDSL	Power Distribution Services Limited
ADTPS	Adani Dahanu Thermal Power Station
TPM	Total Particulate Matter
SOx	Sulfur Oxides
NOx	Nitrogen Oxides
CUF	Capacity utilization factor
MCGM	Municipal Corporation of Greater Mumbai
HPSV	High Pressure Sodium Vapour
LED	Light emitting diode
ASAI	Average Service Availability Index
SAIFI	System Average Interruption Frequency Index indicates average number of interruptions,
SAIDI	System Average Interruption Duration Index indicates average outage duration for each customer served,
CAIDI	Customer Average Interruption Duration Index (CAIDI): indicates average time required to restore service during a predefined period of time.
RPM	Renewable Power Mix
GHG	Greenhouse Gas
FY	Financial Year
KPI	Key Performance Indicator
tCO2e	Tonnes (t) of carbon dioxide (CO2) equivalent (e)
SPT	Sustainability Performance Targets
FAC	Fuel Adjustment Charge
EBIDTA	Earning before Interest, Depreciation, Tax and amortization

Deloitte Haskins & Sells LLP

Chartered Accountants
One International Center
Tower 3, 27th-32nd Floor,
Senapati Bapat Marg,
Elphinstone Road (West)
Mumbai – 400013
Maharashtra, India

Tel: +91 22 6185 4000
Fax: +91 22 6185 4001

INDEPENDENT AUDITOR'S REPORT ON SPECIAL PURPOSE COMBINED FINANCIAL STATEMENTS

TO THE BOARD OF DIRECTORS OF ADANI ELECTRICITY MUMBAI LIMITED

Report on the Audit of the Special Purpose Combined Financial Statements

Opinion

We have audited the accompanying special purpose combined financial statements of Adani Electricity Mumbai Limited (the "Company") and Power Distribution Services Limited ("PDSL") (collectively, the "Obligor Group") as described in note 1 of the special purpose combined financial statements, which comprise the Special Purpose Combined Balance Sheet as at March 31, 2022, the Special Purpose Combined Statement of Profit and Loss (including other comprehensive Income), the Special Purpose Combined Statement of Changes in Net Shareholder's Investment and the Special Purpose Combined Statement of Cash Flows for the year ended March 31, 2022, and a summary of significant accounting policies and other explanatory information (collectively, the "Special Purpose Combined Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Special Purpose Combined Financial Statements is prepared, in all material respects, in accordance with the basis set out in note 2.2 to the Special Purpose Combined Financial Statements.

Basis for Opinion

We conducted our audit of the Special Purpose Combined Financial Statements in accordance with the Standards on Auditing (SAs) and other pronouncements issued by the Institute of Chartered Accountants of India (ICAI). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Special Purpose Combined Financial Statements section of our report. We are independent of the Obligor Group in accordance with the Code of Ethics issued by the ICAI together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 (the "Act") and the Rules made thereunder, and we have fulfilled our other responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a reasonable basis for our opinion on the Special Purpose Combined Financial Statements.

Emphasis of Matter - Basis of Accounting and Restriction on Use

We draw attention to notes 2.1 and 2.2 to the Special Purpose Combined Financial Statements, which describes the purpose and basis of preparation. The Special Purpose Combined Financial Statements have been prepared by the Obligor Group for the Company's Management for meeting the requirements of clause 1 (a) (ii) of Schedule 3 of the Common Terms Deed dated February 12, 2020 entered into between the Company, PDSL, Madison Pacific Trust Limited and SBICAP Trustee Company Limited in respect of the US Dollar denominated bonds listed on Singapore Exchange Securities Trading Limited (SGX-ST) and the US$ 400 million Facility Agreement dated February 13, 2020 entered into between the Company, PDSL, Arrangers, Original Lenders, Citicorp International Limited and SBICAP Trustee Company Limited, and accordingly may not be suitable for any other purpose, and should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. Our report is intended solely for the purpose stated in note 2.1 to the Special Purpose Combined Financial Statements and is not to be used, referred to or distributed for any other purpose without our prior written consent. Further, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

As a result, the Special Purpose Combined Financial Statements may not be suitable for another purpose.

Our opinion is not modified in respect of this matter.

Other Matter

The accompanying Special Purpose Combined Financial Statements include total assets of Rs 162.77 million as at 31 March, 2022 and net cash inflow of Rs 4.25 million for the year ended 31 March,2022 which have been extracted from the financial statements of Power Distribution Services Limited. The financial statements of Power Distribution Services Limited were audited by other auditors and the financial statements, other financial information and auditor's report have been furnished to us by the Obligor Group. Our opinion on the Special Purpose Combined Financial Statements, in so far as it relates to the amounts and disclosures included in respect of this entity, and our report as aforesaid in so far as it relates to the aforesaid entity, is based solely on the report of other auditors.

Our opinion is not modified in respect of this matter.

Management's Responsibility for the Special Purpose Combined Financial Statements

The Board of Directors of the Obligor Group are responsible for the preparation and presentation of these Special Purpose Combined Financial Statements that give a true and fair view of the financial position, financial performance, changes in Net Shareholder's investment and cash flows of the Obligor Group in accordance with the basis stated in Note 2.2 to the Special Purpose Combined Financial Statements for the purpose set out in "Emphasis of Matter- Basis of Accounting and Restriction on Distribution and Use" paragraph above.

The respective Board of Directors of the companies included in the Obligor Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Obligor Group 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 Special Purpose Combined Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Special Purpose Combined Financial Statements by the Directors of the Obligor Group, as aforesaid.

In preparing the Special Purpose Combined Financial Statements, Directors of the Obligor Group are responsible for assessing the Obligor Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Obligor Group or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of the Obligor Group are also responsible for overseeing the Obligor Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Special Purpose Combined Financial Statements

Our objectives are to obtain reasonable assurance about whether the Special Purpose Combined 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 and other pronouncements issued by ICAI 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 Special Purpose Combined Financial Statements.

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

- Identify and assess the risks of material misstatement of the Special Purpose Combined 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, but not for expressing an opinion on the effectiveness of the Obligor Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 Obligor Group'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 Special Purpose Combined 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 Obligor Group to cease to continue as a going concern.

Materiality is the magnitude of misstatements in the Special Purpose Combined Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Special Purpose Combined 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 Special Purpose Combined 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 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.

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

Mohammed Bengali
(Partner)
(Membership No.105828)
(UDIN: 22105828ALCRZR9883)

Place: Mumbai
Date: 15 June, 2022

ADANI ELECTRICITY MUMBAI LIMITED

adani

Obligor Group Special Purpose Combined Balance Sheet

(` in Millions)

Particulars	Note	As at 31 March, 2022	As at 31 March, 2021
ASSETS			
Non-current Assets			
Property, Plant and Equipment	6	1,34,877.10	1,29,852.66
Capital Work-In-Progress	6c	3,154.84	3,635.59
Right-of-Use Assets	6a	5,927.92	1,414.88
Intangible Assets	6b	10,381.86	10,043.00
Intangible Assets Under Development	6d	-	154.12
Financial Assets			
(i) Investments	7a	2,046.39	2,049.69
(ii) Loans	8	10,683.95	10,731.08
(iii) Other Financial Assets	9	7,002.31	6,398.22
Income Tax Assets (net)	10	39.10	39.14
Other Non-current Assets	11	719.01	2,885.57
Total Non-current Assets		**1,74,832.48**	**1,67,203.95**
Current Assets			
Inventories	12	2,044.91	1,934.99
Financial Assets			
(i) Investments	7b	248.44	-
(ii) Trade Receivables	13	4,858.52	5,780.59
(iii) Cash and Cash Equivalents	14	760.13	1,530.71
(iv) Bank Balances other than (iii) above	15	6,244.81	8,865.56
(v) Loans	8	70.09	67.20
(vi) Other Financial Assets	9	6,235.89	4,911.04
Income Tax Assets (net)	10	9.42	3.11
Other Current Assets	11	1,459.49	3,852.24
Total Current Assets		**21,931.70**	**26,945.44**
Total Assets before Regulatory Deferral Account		**1,96,764.18**	**1,94,149.39**
Regulatory Deferral Account - Assets		11,219.22	4,394.51
Total Assets		**2,07,983.40**	**1,98,543.90**
EQUITY AND LIABILITIES			
Equity			
Net Shareholder's Investment	16	46,986.31	47,122.45
Total Equity		**46,986.31**	**47,122.45**
Liabilities			
Non-current Liabilities			
Financial Liabilities			
(i) Borrowings	17	1,18,646.50	1,05,447.00
(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.		322.21	319.30
(iii) Lease Liabilities	19	262.51	506.97
(iv) Other Financial Liabilities	20	660.24	631.24
Provisions	21	5,722.79	5,422.02
Deferred Tax Liabilities (Net)	30	1,793.50	781.70
Other Non Current Liabilities	22	2,454.62	2,828.89
Total Non-current Liabilities		**1,29,862.37**	**1,15,937.12**
Current Liabilities			
Financial Liabilities			
(i) Borrowings	23	-	9,166.86
(ii) Trade Payables	18		
(A) total outstanding dues of micro enterprises and small enterprises; and		250.73	289.87
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		14,631.41	11,577.49
(iii) Lease Liabilities	19	185.92	428.95
(iv) Other Financial Liabilities	20	9,760.08	8,178.15
Provisions	21	637.98	585.47
Current Tax Liabilities	24	21.30	-
Other Current Liabilities	22	2,931.70	2,541.94
Total Current Liabilities		**28,419.12**	**32,768.73**
Total Liabilities before Regulatory Deferral Account		**1,58,281.49**	**1,48,705.85**
Regulatory Deferral Account - Liabilities		2,715.60	2,715.60
Total Equity and Liabilities		**2,07,983.40**	**1,98,543.90**

See accompanying notes forming part of the special purpose combined 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 : 15 June, 2022

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

Anil Sardana
Chairman
DIN: 00006867

Kandarp Patel
Managing Director & CEO
DIN.: 02947643

Kunjal Mehta
Chief Financial Officer

Jaladhi Shukla
Company Secretary

Place : Ahmedabad
Date : 15 June, 2022

ADANI ELECTRICITY MUMBAI LIMITED

adani

Obligor Group Special Purpose Combined Statement of Profit and Loss (` in Millions)

Particulars	Note	For the year ended 31 March,2022	For the year ended 31 March,2021
Income :			
Revenue from Operations	25	69,089.40	60,492.70
Other Income	26	4,096.81	4,216.72
Total Income		**73,186.21**	**64,709.42**
Expenses :			
Cost Of Power Purchased		27,364.09	19,145.09
Cost of Fuel		10,659.91	9,725.59
Transmission Charges		4,778.41	4,685.21
Purchases of traded goods		7.58	14.61
Employee Benefits Expense	27	7,986.81	8,561.67
Finance Costs	28	11,603.76	10,969.81
Depreciation and Amortisation Expenses	6,6a&6b	6,515.84	6,445.59
Other Expenses	29	8,357.56	7,601.53
Total Expenses		**77,273.96**	**67,149.10**
Loss Before Movement in Regulatory Deferral Balance and Tax		**(4,087.75)**	**(2,439.68)**
Add/(Less): Net Movement in Regulatory Deferral Balance		6,824.71	5,828.05
Profit Before Tax		**2,736.96**	**3,388.37**
Tax Expense:	30		
Current Tax		484.25	500.35
Deferred Tax		1,011.80	277.50
		1,496.05	**777.85**
Profit after tax	**Total A**	**1,240.91**	**2,610.52**
Other Comprehensive Income / (Expense)			
(a) Items that will not be reclassified to profit or loss			
-Remeasurement of Defined Benefit Plans		171.69	333.44
-Income Tax Impact		(30.00)	(58.26)
(b) Items that will be reclassified to profit or loss			
-Effective portion of gains and losses on designated portion of hedging instruments in a cash flow hedge		(1,518.74)	(1,006.63)
Other Comprehensive Expense	**Total B**	**(1,377.05)**	**(731.45)**
Total Comprehensive Income	**Total (A+B)**	**(136.14)**	**1,879.07**

See accompanying notes forming part of the special purpose combined 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 : 15 June, 2022

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

Anil Sardana
Chairman
DIN: 00006867

Kandarp Patel
Managing Director & CEO
DIN.: 02947643

Kunjal Mehta
Chief Financial Officer

Jaladhi Shukla
Company Secretary

Place : Ahmedabad
Date : 15 June, 2022

adani

Special Purpose Combined Statement of Changes in Net Shareholder's Investment

	As at 31 March, 2022	As at 31 March, 2021
	(` in Millions)	(` in Millions)
Opening Balance	47,122.45	45,243.38
Profit for the year	1,240.91	2,610.52
Other comprehensive Expense for the year (net of tax)	(1,377.05)	(731.45)
Closing Balance	46,986.31	47,122.45

Closing Balance of Net Shareholder's Investment represents the aggregate amount of Share Capital and other equity of each of the entities within the Obligor Group, and does not necessarily represent legal Share Capital for the purpose of the Obligor Group.

See accompanying notes forming part of the special purpose combined financial statements

As per our attached report of even date

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

Mohammed Bengali
Partner
Membership No. 105828

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

Anil Sardana
Chairman
DIN: 00006867

Kandarp Patel
Managing Director & CEO
DIN.: 02947643

Kunjal Mehta
Chief Financial Officer

Jaladhi Shukla
Company Secretary

Place : Mumbai
Date : 15 June, 2022

Place : Ahmedabad
Date : 15 June, 2022

ADANI ELECTRICITY MUMBAI LIMITED

adani

Obligor Group Special Purpose Combined Statement of Cash flows

(` in Millions)

	Particulars	For the year ended 31 March,2022	For the year ended 31 March,2021
A.	**Cash flow from operating activities**		
	Profit before tax	2,736.96	3,388.37
	Adjustments for:		
	Interest Income	(3,093.76)	(3,343.19)
	Delayed Payment Charges	(229.00)	(269.96)
	Unrealised Foreign Exchange Gain from Borrowings net of Hedging	1,556.44	1,667.98
	Amortisation of Consumer Contribution	(103.00)	(92.20)
	Gain On Sale / Fair Value Of Current Investments Measured at FVTPL	(11.31)	(397.33)
	Gain On Sale / Fair Value Of Current Investments Measured at FVTPL - Contingency Reserve Fund	-	(13.29)
	Finance Costs	10,047.32	9,301.83
	Depreciation and Amortisation Expense	6,515.84	6,445.59
	(Profit)/Loss on sale of Fixed Assets (Net)	(4.17)	(18.72)
	Sundry credit balances written back	(574.11)	-
	Provision no longer required written back	(387.42)	-
	Bad Debts Written Off	183.15	225.22
	Operating Profit before working capital changes	**16,636.94**	**16,894.30**
	Changes in Working Capital:		
	Adjustments for (Increase) / Decrease in Assets :		
	Trade Receivables	1,037.62	(485.81)
	Inventories	(109.92)	3,179.22
	Financial Assets - Current / Non Current	(1,324.27)	406.11
	Other Assets - Current / Non Current	2,409.82	(738.24)
	Regulatory Deferral Account - Assets	(6,824.71)	(1,917.18)
	Adjustment for Increase / (Decrease) in Liabilities :		
	Trade Payables	3,680.49	(2,540.83)
	Financial Liabilities - Current / Non Current	(60.50)	(711.47)
	Provisions - Current / Non Current	524.97	3,273.54
	Other Liabilities - Current / Non Current	(134.84)	(307.81)
	Regulatory Deferral Account - Liability	-	(2,327.70)
	Cash generated from operations	**15,835.60**	**14,724.13**
	Tax paid (Net)	(499.22)	(843.00)
	Net cash from operating activities (A)	**15,336.38**	**13,881.13**
B.	**Cash flow from investing activities**		
	Capital expenditure on Property, Plant and Equipment & Intangible Assets	(12,354.36)	(11,918.16)
	Proceeds from Sale of Property, Plant and Equipment	84.67	43.04
	(Purchase) / Sale of Mutual Funds / Other Investments-Net	(274.13)	218.68
	Investment in Subsidiary	-	(0.10)
	Bank balances not considered as Cash & Cash Equivalents	2,372.80	(7,731.28)
	Advances - Given	(6,072.20)	-
	Advances - received back	6,072.20	-
	Loans (given) / repaid (net)	44.24	5,901.10
	Delayed payment charges received	229.00	269.96
	Interest Received	2,998.56	2,979.63
	Net cash used in investing activities (B)	**(6,899.22)**	**(10,237.13)**
C.	**Cash flow from financing activities**		
	Increase in Service Line Contribution	253.33	142.87
	Proceeds from Long-term borrowings	22,319.80	7,675.43
	Repayment of Long-term borrowings	(13,694.00)	(333.33)
	Proceeds from Short-term borrowings	15,355.31	36,736.96
	Repayment of Short-term borrowings	(24,188.84)	(37,746.57)
	Payment of Lease Liability Obligation	(161.20)	(104.26)
	Interest of Lease Liability Obligation	(62.46)	(69.17)
	Interest & Other Borrowing Cost	(9,029.68)	(9,642.21)
	Net cash used in financing activities (C)	**(9,207.74)**	**(3,340.28)**
	Net (decrease) / increase in cash and cash equivalents (A+B+C)	**(770.58)**	**303.72**
	Cash and cash equivalents as at 01 April (Opening Balance)	**1,530.71**	**1,226.99**
	Cash and cash equivalents as at 31 March (Closing Balance)	**760.13**	**1,530.71**

ADANI ELECTRICITY MUMBAI LIMITED

Obligor Group Special Purpose Combined Statement of Cash flows

adani

(` in Millions)

Cash and Cash Equivalents Includes	**As at 31 March, 2022**	**As at 31 March, 2021**
Balances with banks		
- In current accounts	645.22	1,045.21
- Fixed Deposits	15.93	211.72
Cash On Hand	7.99	24.04
Cheques / Drafts On Hand	90.99	249.74
Total Cash & Cash Equivalents	**760.13**	**1,530.71**

See accompanying notes forming part of the special purpose combined 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 : 15 June, 2022

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

Anil Sardana
Chairman
DIN: 00006867

Kandarp Patel
Managing Director & CEO
DIN.: 02947643

Kunjal Mehta
Chief Financial Officer

Jaladhi Shukla
Company Secretary

Place : Ahmedabad
Date : 15 June, 2022

Notes to Obligor group Special Purpose Combined Financial Statements for the year ended 31 March, 2022

1 Corporate information

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

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

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

Power Distribution Services Limited ("PDSL"), (formerly known as Adani Electricity Mumbai Services Limited) is incorporated on 6 December 2019 and domiciled in India having its registered office at Adani House, Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad 380 009, Gujarat, India. It is subsidiary of Adani Transmission Limited (ATL) ("the Holding Company") and ultimate holding entity is S. B. Adani Family Trust (SBAFT). It is incorporated with the object to provide multiple services including human resource management, administrative support, information technology support, finance and accounts, audit and assurance support, treasury management, tax advisory, security support and training, other corporate support, business plan advisory, advisory on the implementation of best practices in line with global utility players, and advisory on process improvement. The above services are only indicative, and the nature and quantum of services may vary.

The Company and PDSL is together referred to as "the Obligor Group" in these Special Purpose Combined Financial Statements. The purpose and basis of preparation of this special purpose combined financial statement has been explained in Note 2.1 & Note 2.2.

The equity shares in the Company and PDSL are held by the Holding Company (74.90%) and Qatar Holding LLC (25.10%) , which have been referred to in these Special Purpose Combined Financial Statements as "Net Shareholder's Investment".

The Obligor Group Comprise of the Company and the following entity

Entity	Country of Incorporation
Power Distribution Services Limited	India

These financial statements of the Obligor Group for the year ended March 31, 2022 were authorised for issue by the board of directors on 15 June, 2022.

2.1 Purpose of the special purpose combined financial statements

The special purpose combined financial statements of Obligor Group have been prepared solely for the Company's Management for meeting the requirement of clause 1 (a) (ii) of Schdule 3 of the Common Terms Deed dated 12 February, 2020 and CTD Asscession Memoradum dated 13 July 2021 entered into between the Company, PDSL, Madison Pacific Trust Limited and SBICAP Trustee Company Limited in respect of the US Dollar denominated bonds listed on Singapore Exchange Securities Trading Limited (SGX-ST) and the US$ 400 million Facility Agreement dated 13 February, 2020 entered into between the Company, PDSL, Arrangers, Original Lenders, Citicorp International Limited and SBICAP Trustee Company Limited.

Arrangers Include Barclays Bank PLC, Citibank, N.A., Deutsche Bank AG, Emirates NBD Bank (P.J.S.C.), JPMorgan Chase Bank, N.A., MUFG Bank, Ltd. Qatar National Bank (Q.P.S.C.) and Standard Chartered Bank Singapore Limited.

The special purpose combined Financial statements presented herein reflect the Obligor Group's results of operations, assets and liabilities and cash flows as at and for the year ended 31 March, 2022. The basis of preparation and significant accounting policies used in preparation of these Special Purpose Combined Financial Statements are set out in note 2.2 and 3 below.

2.2 Basis of preparation and presentation

The Special Purpose Combined Financial Statements of the Obligor Group have been prepared in accordance with "recognition and measurement principles of Indian Accounting Standards issued by Institute of Chartered Accountants of India and as notified under the Companies (Indian Accounting Standards) Rules, 2015 (except Ind AS-33 on Earning Per Share) and other accounting principles generally accepted in India and the Guidance Note on Combined and Carve-out Financial Statements issued by the Institute of Chartered Accountants of India (ICAI).

As these special purpose combined financial statements have been prepared on a combined basis, it is not meaningful to show share capital or provide an analysis of reserves. Net Shareholder's investment, therefore, represents the difference between the assets and liabilities pertaining to combined businesses. Share capital of Obligor Group is held by the Holding Company (74.90%) and Qatar Holding LLC (25.10%). Earnings Per Share have not been presented in these Special Purpose Combined Financial Statements, as Obligor Group did not meet the applicability criteria as specified under Ind AS 33 – Earnings Per Share

Management has prepared these special purpose combined financial statements to depict the historical financial information of the Obligor Group.

The Special Purpose Combined Financial Statements have been prepared on a going concern basis under the historical cost convention except for Investments in mutual funds and certain financial assets and liabilities that are measured at fair values whereas net defined benefit (asset)/ liability are valued at fair value of plan assets less defined benefit obligation at the end of each reporting period, as explained in the accounting policies below.

As per the Guidance Note on Combined and Carve Out Financial Statements, the procedure for preparing combined financial statements of the combining entities is similar to that of consolidated financial statements as per the applicable Ind AS. Accordingly, when combined financial statements are prepared, intra-group transactions and profits or losses are eliminated. All the inter group transactions are undertaken on Arm's Length basis.The resulting financial position may not be that which might have existed if the combining businesses had been a stand-alone business.

Net Shareholder's investment disclosed in the Special Purpose Combined Financial Statements represents the aggregate amount of Share Capital and Other equity of each of the entities within the Obligor Group, and does not necessarily represent legal Share Capital for the purpose of the Obligor Group.

Accordingly, the following procedure is followed for the preparation of the Special Purpose Combined Financial Statements:

(a) Combined like items of assets, liabilities, equity, income, expenses and cash flows of the entities of the Obligor Group.

(b) Eliminated in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Obligor Group.

These Special Purpose combined financial statements are Combined Financial Statements and may not be necessarily indicative of the financial performance, financial position and cash flows of the Obligor Group that would have occurred if it had operated as separate stand-alone entities during the year presented or the Obligor Group's future performance. The Special Purpose Combined Financial Statements include the operation of entities in the Obligor Group, as if they had been managed together for the year presented.

Transactions that have taken place with other Group Companies (i.e. other entities which are a part of the Group and not included in the Obligor Group of entities) have been disclosed in accordance of Ind AS 24, Related Party Disclosures. The preparation of financial information in conformity with Ind AS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Obligor Group's accounting policies.

Income taxes are arrived at by aggregation of the tax expenses accrued by the combining businesses, after considering the tax effects of any adjustments which is in accordance with the Guidance Note on Combined and Carve-Out Financial Statements issued by the ICAI.

The financial statements have been prepared in "Indian Rupees" which is also the Obligor Group's functional currency and all amounts, are rounded to the nearest Million with two decimals, (Transactions below ` 5000.00 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 Obligor Group 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 Obligor Group 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 Group has identified twelve months as its operating cycle.

3 Summary of Significant Accounting Policies

3.01 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 Group 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 Group 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 Group is covered under Part B of Schedule II of the Companies Act, 2013, and has been provided on the straight line method at the rates and 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 Group has changed the Salvage value of Computers from 5 % to Nil w.e.f. 01 April 2020).

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

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

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

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

2 **Intangible Assets**

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

In respect of Intangible Asset ("Assets") pertaining to Mumbai Generation, Transmission and Distribution business acquired from Reliance Infrastructure Limited under a Court sanctioned scheme of arrangement with an appointed date of 1 April, 2018, in line with the requirements of the Court Scheme, the Group 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.

3.02 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 Group cash management.

3.03 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 Group are segregated.

3.04 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 Group 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.

3.05 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 Group 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 Group 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 Group balance sheet) when:

- the right to receive cash flows from the asset have expired, or
- the Group 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 Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group 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 Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group 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 Group has retained.

6 **Impairment of financial assets**
The Group 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 Group 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.

3.06 Financial liabilities and equity instruments

1 **Classification as debt or equity**
Debt and equity instruments issued by the Group 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 Group 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.

3.07 Reclassification of financial assets and liabilities

The Group 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 Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group 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 Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

3.08 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.

3.09 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.

3.10 Business combinations and Goodwill

The Obligor Group 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 Obligor Group 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.

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 Obligor 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.

3.11 Foreign currencies

The functional currency of the Group 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.

3.12 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 Group enters into forward, option, swap contracts and other derivative financial instruments. The Group 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 Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting.

The documentation includes the Group'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 Group 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.

3.13 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 Group 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 Group 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 Group's efforts or inputs to the satisfaction of a performance obligation to deliver power

As per tariff regulations, the Group 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 Group 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 Group.

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 Group 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.

3.14 Regulatory Deferral Account

The Group 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 Group 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

3.15 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.

3.16 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 Group recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- 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 Group 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 Group in respect of services provided by employees up to the reporting date.

3.17 Leases

At inception of a contract, the Group 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 Group 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 Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group 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 Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group 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 Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate. Subsequently, the lease liability is measured at amortised cost using the effective interest method.

3.18 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.

i) **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 Group 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.

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 Group 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.

3.19 Provisions, Contingent Liabilities and Contingent Assets.

1 **Provisions**

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group 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 Group 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.

3.20 Dividend distribution to equity shareholders of the Group

The Group 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.

4 Standards issued but not effective

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

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

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

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

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

Ind AS 103 – Business Combination - Reference to Conceptual Framework

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

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

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

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

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

5 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, management of the Group 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 30

Estimates used for impairment of transmission license - Note 31

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

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

Estimation of defined benefit obligation - Note 36

For the purpose of captilisation 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 Group and that are believed to be reasonable under the circumstances.

ADANI ELECTRICITY MUMBAI LIMITED
Notes to Obligor Group Special Purpose Combined financial statements
Note 6 : Property, plant and equipment (PPE)

adani

(` in Millions)

Particulars	Freehold Land	Buildings - Residential	Buildings- Others	Plant and Equipment	Distribution Systems	Street Light	Railway Siding	Jetty	Furniture and Fixtures	Vehicles	Office Equipment	Computers	Electrical Installations	Total
Gross carrying amount														
As at 1st April 2020	**26,368.70**	**1,040.94**	**7,840.34**	**44,905.88**	**49,816.99**	**1,714.66**	**68.74**	**12.56**	**195.51**	**265.09**	**153.35**	**740.12**	**249.48**	**1,33,372.36**
Additions	-	3.30	383.86	4,874.16	6,101.25	232.54	-	0.54	14.12	151.46	86.99	330.68	49.26	12,228.16
Disposals	-	-	-	55.91	-	-	-	-	-	15.75	0.26	-	0.66	72.58
Closing Gross carrying amount as on 31 March, 2021	**26,368.70**	**1,044.24**	**8,224.20**	**49,724.13**	**55,918.24**	**1,947.20**	**68.74**	**13.10**	**209.63**	**400.80**	**240.08**	**1,070.80**	**298.08**	**1,45,527.94**
Accumulated depreciation and impairment														
As at 1st April 2020	-	83.04	537.37	4,498.18	3,650.94	212.45	8.37	1.55	73.91	51.77	98.84	293.99	81.33	9,591.74
Depreciation charge for the year	-	34.26	289.88	3,357.55	2,120.74	103.10	4.14	0.84	25.43	36.04	24.34	104.54	30.94	6,131.80
Eliminated on disposal of assets	-	-	-	40.79	-	-	-	-	-	6.48	0.33	-	0.66	48.26
Closing accumulated depreciation as on 31 March, 2021	**-**	**117.30**	**827.25**	**7,814.94**	**5,771.68**	**315.55**	**12.51**	**2.39**	**99.34**	**81.33**	**122.85**	**398.53**	**111.61**	**15,675.28**
Net carrying amount - 31 March, 2021	**26,368.70**	**926.94**	**7,396.95**	**41,909.19**	**50,146.56**	**1,631.65**	**56.23**	**10.71**	**110.29**	**319.47**	**117.23**	**672.27**	**186.47**	**1,29,852.66**
Gross carrying amount														
As at 1st April 2021	**26,368.70**	**1,044.24**	**8,224.20**	**49,724.13**	**55,918.24**	**1,947.20**	**68.74**	**13.10**	**209.63**	**400.80**	**240.08**	**1,070.80**	**298.08**	**1,45,527.94**
Additions	-	4.91	489.39	3,322.30	5,970.00	374.13	-	0.84	7.04	68.61	47.35	771.04	177.53	11,233.14
Disposals	-	-	0.21	202.21	-	-	-	-	1.32	7.15	2.95	6.70	3.83	224.37
Closing Gross carrying amount as on 31 March, 2022	**26,368.70**	**1,049.15**	**8,713.38**	**52,844.22**	**61,888.24**	**2,321.33**	**68.74**	**13.94**	**215.35**	**462.26**	**284.48**	**1,835.14**	**471.78**	**1,56,536.71**
Accumulated depreciation and impairment														
As at 1st April 2021	-	117.30	827.25	7,814.94	5,771.68	315.55	12.51	2.39	99.34	81.33	122.85	398.53	111.61	15,675.28
Depreciation charge for the year	-	39.38	305.32	2,896.19	2,467.79	115.10	4.09	0.84	21.96	50.92	30.49	164.33	31.79	6,128.20
Eliminated on disposal of assets	-	-	0.21	126.44	-	-	-	-	1.25	3.46	2.80	6.70	3.01	143.87
Closing accumulated depreciation as on 31 March, 2022	**-**	**156.68**	**1,132.36**	**10,584.69**	**8,239.47**	**430.65**	**16.60**	**3.23**	**120.05**	**128.79**	**150.54**	**556.16**	**140.39**	**21,659.61**
Net carrying amount - 31 March, 2022	**26,368.70**	**892.47**	**7,581.02**	**42,259.53**	**53,648.77**	**1,890.68**	**52.14**	**10.71**	**95.30**	**333.47**	**133.94**	**1,278.98**	**331.39**	**1,34,877.10**

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 Group 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 Group are given below:

Relevant Line Item in Balancesheet	Decription of Property	Gross carrying value (` in Millions)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of	Property held since which date	Reason for not being held in the name of the Group
Property, Plant and Equipment	Land (Free hold)	24,774.72	BSES / Reliance Energy / Reliance Infrastructure Limited	No	28/08/2018	The title deeds in respect of land and certain residential properties are either in the erstwhile names of the Company viz: "Bombay Suburban Electric Supply Limited" / "Reliance Energy Limited" / "Reliance Infrastructure Limited". The Company is in process of updating the same from erstwhile Company's name to the name of the Company.
Property, Plant and Equipment	Building - Residental /Others	5,845.82	BSES / Reliance Energy / Reliance Infrastructure Limited	No	28/08/2018	
Right-of-Use Assets	Leasehold Land	78.84	BSES / Reliance Energy / Reliance Infrastructure Limited	No	28/08/2018	

(iii) Consequent to amendment in tariff regulations w.e.f. 01 April 2020, the Group in previous year had changed the useful life in respect of batteries and meters and accordingly depreciation for the year ended 31 March, 2021 is higher by Rs 611.92 Millions.
Further in line with the tariff regulations w.e.f. 01 April, 2020, the Group in previous year had changed the useful life in respect to certain Plant & Machinery and IT Equipment, accordingly depreciation for the year ended 31 March, 2021 is lower by Rs 134.03 Millions.

Note 6 a: Right of Use

(` in Millions)

Particulars	Right of Use			
	Land	Building	Right of Way	Total
Gross carrying amount				
As at 1st April 2020	137.49	1,293.04	401.54	1,832.07
On transition to Ind-AS 116				-
Additions	-	141.44	-	141.44
Derecognition	-	47.84	-	47.84
Closing Gross carrying amount as on 31 March, 2021	137.49	1,386.64	401.54	1,925.67
Accumulated amortisation & Impariment				
As at 1st April 2020	3.19	237.95	18.04	259.18
On transition to Ind-AS 116	-	-	-	-
Amortisation charge of the year	3.57	229.90	18.14	251.61
Derecognition	-	-	-	-
Closing accumulated amortisation as on 31 March, 2021	**6.76**	**467.85**	**36.18**	**510.79**
Net carrying amount - 31 March, 2021	**130.73**	**918.79**	**365.36**	**1,414.88**
Gross carrying amount				
As at 1st April 2021	137.49	1,386.64	401.54	1,925.67
Additions	5,103.24	-	-	5,103.24
Derecognition	-	365.72	-	365.72
Closing Gross carrying amount as on 31 March, 2022	5,240.73	1,020.92	401.54	6,663.19
Accumulated amortisation & Impariment				
As at 1st April 2021	6.76	467.85	36.18	510.79
Amortisation charge of the year	36.29	197.42	30.18	263.89
Derecognition	-	39.41	-	39.41
Closing accumulated amortisation as on 31 March, 2022	**43.05**	**625.86**	**66.36**	**735.27**
Net carrying amount - 31 March, 2022	**5,197.68**	**395.06**	**335.18**	**5,927.92**

Note 6b: Intangible Assets

(` in Millions)

Particulars	Computer Software	Transmission License	Total
Gross carrying amount			
As at 01 April 2020	241.98	9,816.20	10,058.18
Additions	189.39	-	189.39
Disposal	-	-	-
Closing Gross carrying amount as on 31 March, 2021	431.37	9,816.20	10,247.57
Accumulated amortisation & Impairment			
As at 01 April, 2020	142.39	-	142.39
Amortisation charge for the year	62.18	-	62.18
Eliminated on disposal of assets	-	-	-
Closing accumulated amortisation as on 31 March, 2021	**204.57**	**-**	**204.57**
Net carrying amount - 31 March, 2021	**226.80**	**9,816.20**	**10,043.00**
Gross carrying amount			
As at 01 April 2021	431.37	9,816.20	10,247.57
Additions	495.07	-	495.07
Disposal	-	-	-
Closing Gross carrying amount as on 31 March, 2022	926.44	9,816.20	10,742.64
Accumulated amortisation & Impariment			
As at 01 April 2021	204.57	-	204.57
Amortisation charge for the year	156.21	-	156.21
Eliminated on disposal of assets			-
Closing accumulated amortisation as on 31 March, 2022	**360.78**	**-**	**360.78**
Net carrying amount - 31 March, 2022	**565.66**	**9,816.20**	**10,381.86**

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 Group as having an indefinite useful life, as there is no foreseeable limit to the period over which the transmission business related assets are expected to generate net cash inflows for the Company.

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

Further during the year, the Company had entered into memorandum of understanding in name of the Company with M/s. Superheights Infraspace Private Limited (SIPL) (related party) for an amount of Rs. 5100.00 millions 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.4310.00 Millions and commenced substantial pre-construction activities.

The leasehold land amounting to Rs. 5100.00 Millions is included in the right of use assets. The Company will enter into formal lease agreement on completion of the construction of the substation as per the applicable regulatory requirements.

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

Depreciation / Amortisation		For the year ended 31 March, 2022 (` in Millions)	For the year ended 31 March, 2021 (` in Millions)
Depreciation on Tangible Assets		6,128.20	6,131.80
Amortisation on Intangible Assets		156.21	62.18
Amortisation on Right of Use		263.89	251.61
	Total	**6,548.30**	**6,445.59**
Less : Transferred to Capital work in progress		(32.46)	-
		6,515.84	**6,445.59**

adani

Note 5c: Capital work-in-progress

(a) Capital-work-in progress ageing schedule: (` in Millions)

Particulars	Amount in CWIP for a period of				Total
	<1 year	1-2 years	2-3 years	> 3 years	
As at 31 March, 2022					
- Projects in progress	2,367.57	309.47	86.17	369.82	**3,133.03**
- Projects temporarily suspended	2.15	8.73	9.45	1.48	**21.81**
Total	**2,369.72**	**318.20**	**95.62**	**371.30**	**3,154.84**
As at 31 March, 2021					
- Projects in progress	2,859.78	286.44	235.10	245.60	**3,626.92**
- Projects temporarily suspended	2.06	5.06	0.66	0.89	**8.67**
Total	**2,861.84**	**291.50**	**235.76**	**246.49**	**3,635.59**

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

CWIP	To be completed in				Total
	<1 year	1-2 years	2-3 years	> 3 years	
As at 31 March, 2022					
- Projects in progress					
220kV 120MVAR Reactor at AEML Gorai	1.85	-	-	-	**1.85**
- Projects temporarily suspended					
Low Tension network projects	1.73	-	-	-	**1.73**
Total	**3.59**	**-**	**-**	**-**	**3.59**
As at 31 March, 2021					
- Projects in progress					
Low Tension network projects	1.53	-	-	-	**1.53**
- Projects temporarily suspended					
Low Tension network projects	2.51	-	-	-	**2.51**
Total	**4.04**	**-**	**-**	**-**	**4.04**

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 Millions)

CWIP	To be completed in				Total
	<1 year	1-2 years	2-3 years	> 3 years	
As at 31 March, 2022					
- Projects in progress					
Main Plant DPR Jobs	2.29	-	-	-	2.29
Main Plant Non DPR Jobs	0.10	-	-	-	0.10
11KV Substation jobs	0.57	-	-	-	0.57
Receiving Station Jobs	8.16	-	-	-	8.16
Low Tension Network jobs	0.25	-	-	-	0.25
Others Non DPR Jobs	0.57	-	-	-	0.57
- Projects temporarily suspended	-				
Receiving Station Jobs	0.49	-	-	-	0.49
Total	**12.44**	**-**	**-**	**-**	**12.44**
As at 31 March, 2021					
- Projects in progress					
Main Plant DPR Jobs	6.83	-	-	-	6.83
- Projects temporarily suspended	-	-	-	-	-
Total	**6.83**	**-**	**-**	**-**	**6.83**

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

Note 5d: Intangible assets under development aging schedule:

(a) Intangible Assets Under Development ageing schedule: (` in Millions)

Particulars	Amount in CWIP for a period of				Total
	<1 year	1-2 years	2-3 years	> 3 years	
As at 31 March, 2022					
- Projects in progress	-	-	-	-	-
- Projects temporarily suspended	-	-	-	-	-
Total	-	-	-	-	-
As at 31 March, 2021					
- Projects in progress	127.63	26.49	-	-	**154.12**
- Projects temporarily suspended	-	-	-	-	-
Total	**127.63**	**26.49**	-	-	**154.12**

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

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

		Face Value of ` unless otherwise specified	No of Shares	As at 31 March, 2022 (` in Millions)	As at 31 March, 2021 (` in Millions)
7	**Investments**				
7a	**Non-current investments**				
	Investment in Equity Shares of Subsidiary (Unquoted) (Cost)				
	Adani Electricity Mumbai Infra Limited	10 (10)	10,000 (10,000)	0.10	0.10
	AEML SEEPZ Limited	10 (10)	10,000 (10,000)	0.10	0.10
	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)	2,017.76	2,020.69
	9.23% Central Government of India - 2043	100 (100)	2,20,000 (2,20,000)	28.43	28.80
			Total	**2,046.39**	**2,049.69**
	Aggregate Market Value of Quoted Investments			1,883.13	1,988.08
	Aggregate Carrying Value of Quoted Investments			2,046.19	2,049.49
	Aggregate Carrying Value of Unquoted Investments			0.20	0.20
	Aggregate amount of impairment in the value of investments			-	-

		Face Value of ` unless otherwise specified	No of Units	As at 31 March, 2022 (` in Millions)	As at 31 March, 2021 (` in Millions)
7b	**Current investments**				
	Investment in Mutual Funds units at FVTPL (Unquoted)				
	Contingency Reserve Investments				
	Investment in Tresury Bills at FVTPL (Quoted)	100 (Nil)	25,00,000 (Nil)	248.44	-
				248.44	-
	Aggregate Carrying Value of Unquoted Investments			248.44	-
	Aggregate Market Value of Unquoted Investments			248.44	-

		Non-Current		Current	
8	**Loans - At Amortised Cost**	**As at 31 March, 2022 (` in Millions)**	As at 31 March, 2021 (` in Millions)	**As at 31 March, 2022 (` in Millions)**	As at 31 March, 2021 (` in Millions)
	Housing loans to employee against hypothecation of the property	198.57	259.56	34.71	37.40
	(Secured, considered good)				
	Inter Corporate Deposit given to related party	10,400.00	10,400.00	-	-
	(Unsecured, considered good)				
	Loans to employees	85.38	71.52	35.38	29.80
	(Unsecured, considered good)				
		10,683.95	**10,731.08**	**70.09**	**67.20**

Type of Borrowers	Amount of loan or advance		Percentage to the total	
	As at 31 March, 2022	**As at 31 March, 2021**	**As at 31 March, 2022**	**As at 31 March, 2021**
Promotor	-	-	-	-
Director	-	-	-	-
Key Managerial Personnel	6.23	1.84	0.06%	0.02%
Related Party	10,400.00	10,400.00	96.71%	96.31%

(i)) Loans to Key Managerial Personnels are not repayable on demand and has defined repayments schedule and as per the company's Employees Loan Policy.
(ii) Inter Corporate Deposit given to related party is for a period of 3 years and repayable on demand or on maturity of 3 years wichever is earlier.

		Non-Current		Current	
9	**Other Financial Assets - At Amortised Cost**	**As at 31 March, 2022 (` in Millions)**	As at 31 March, 2021 (` in Millions)	**As at 31 March, 2022 (` in Millions)**	As at 31 March, 2021 (` in Millions)
	(Unsecured, considered good unless otherwise stated)				
	Security Deposits - Unsecured				
	Considered Good	186.48	187.04	-	-
	Considered doubtful	10.48	10.48	-	-
		196.96	197.52	-	-
	Less : Provision For Doubtful Deposits	(10.48)	(10.48)	-	-
	Total	**186.48**	**187.04**	-	-
	* Fixed Deposit with Banks	5,163.35	4,779.90	-	-
	# Derivative instruments designated in hedge accounting relationship	1,652.48	1,431.28	-	-
	Unbilled Revenue	-	-	5,075.59	4,911.04
	Other Financial Assets	-	-	1,160.30	-
		7,002.31	**6,398.22**	**6,235.89**	**4,911.04**

Note :

* Represents deposits towards Debt Service Reserve Account (DSRA), Capex Reserve Account (CRA) and Margin money.
# Refer footnote to Note 17 for security/charges created on hedging instruments.

10 Income Tax Assets (net)

	Non-Current		Current	
	As at 31 March, 2022 (` in Millions)	As at 31 March, 2021 (` in Millions)	**As at 31 March, 2022 (` in Millions)**	As at 31 March, 2021 (` in Millions)
Income Tax Assets (net)	39.10	39.14	9.42	3.11
	39.10	**39.14**	**9.42**	**3.11**

11 Other Assets

	Non-Current		Current	
	As at 31 March, 2022 (` in Millions)	As at 31 March, 2021 (` in Millions)	**As at 31 March, 2022 (` in Millions)**	As at 31 March, 2021 (` in Millions)
(Unsecured, Considered good)				
Advance to Suppliers	-	-	1,251.91	3,664.34
Balances with Government authorities	-	-	0.47	45.13
Prepaid Expenses	13.21	27.20	167.94	88.11
# Capital advances	685.50	2,834.99	-	-
Advance to Employees	20.30	23.38	39.17	54.66
	719.01	**2,885.57**	**1,459.49**	**3,852.24**

Capital Advance of Rs. 2710 millions given to Sunbourne Developers Private Limited (SDPL) (related party) towards property in BKC in earlier years is returned on cancellation of relevant agreement during the year.

12 Inventories
(Stated at lower of Cost and Net Realisable Value)

	As at 31 March, 2022 (` in Millions)	As at 31 March, 2021 (` in Millions)
Fuel	1,273.95	1,280.62
Fuel - In Transit	358.32	190.59
Stores & spares	412.64	463.78
	2,044.91	**1,934.99**

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

13 Trade Receivables

	As at 31 March, 2022 (` in Millions)	As at 31 March, 2021 (` in Millions)
Unsecured, considered good	4,504.88	5,780.59
Trade Receivables which have significant increase in credit risk	353.64	-
Credit Impaired	13.86	13.86
	4,872.38	5,794.45
Less : Provision for doubtful Trade receivables	(13.86)	(13.86)
	4,858.52	5,780.59

Note :

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

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

(iii) As at 31 March, 2022 - ` 771.50 million (31 March 2021 : ` 695.5 million) is from Maharashtra State Electricity Transmission Company Limited and ` 437.00 million (31 March 2021 : ` 495.10 million) 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 Group'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 Group considers for impairment its receivables from customers in its Mumbai distribution business. The risk of recovery in these businesses is reduced to the extent of security deposits already collected and held as collaterals. Balance amount receivable over and above the deposit is assessed for expected credit loss allowances. The Group 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.

13.1 Trade Receivables ageing Schedule

Particulars	Outstanding for following periods from due date of receipt						
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
As at 31 March, 2022							
(i) Undisputed Trade receivables – considered good	2,446.75	1,604.74	19.74	405.95	-	-	4,477.18
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	62.50	180.76	38.74	71.24	-	-	353.24
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	13.86	-	-	13.86
(iv) Disputed Trade Receivables considered good	5.98	16.65	3.63	1.44	-	-	27.70
(v) Disputed Trade Receivables - which have significant increase in credit risk	0.11	0.29	-	-	-	-	0.40
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(vii) Provision for Doubtful Debts	-	-	-	(13.86)	-	-	(13.86)
	2,515.34	**1,802.44**	**62.11**	**478.63**	**-**	**-**	**4,858.52**

Particulars	Outstanding for following periods from due date of receipt						
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
As at 31 March, 2021							
(i) Undisputed Trade receivables – considered good	1,871.62	2,623.41	832.51	9.21	-	-	5,336.75
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	26.68	193.94	87.04	109.77	-	-	417.43
(iii) Undisputed Trade Receivables – credit impaired	-	-	13.86	-	-	-	13.86
(iv) Disputed Trade Receivables considered good	8.70	11.49	3.28	2.89	-	-	26.36
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	0.01	0.04	-	-	-	0.05
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(vii) Provision for Doubtful Debts	-	-	(13.86)	-	-	-	(13.86)
	1,907.00	**2,828.85**	**922.87**	**121.87**	**-**	**-**	**5,780.59**

13.2 Movement in the allowance for doubtful trade receivables

	As at 31 March, 2022 (` in Millions)	As at 31 March, 2021 (` in Millions)
Balance at the beginning of the year	13.86	646.93
Add/(Less) : Provision made / (Written off) during the year (net of recoveries)	-	(633.07)
Balance at the end of the year	**13.86**	13.86

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.

14 Cash and Cash Equivalents - At Amortised Cost

	As at 31 March, 2022 (` in Millions)	As at 31 March, 2021 (` in Millions)
Balances with banks		
- In current accounts	645.22	1,045.21
- Fixed Deposits	15.93	211.72
Cash On Hand	7.99	24.04
Cheques / Drafts On Hand	90.99	249.74
Total Cash & Cash Equivalents as per Statement of Cash Flows	**760.13**	1,530.71

Reconciliation of liabilities from Financing Activities (` in Millions)

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)	1,05,780.33	22,319.80	(13,694.00)	4,240.37	1,18,646.50
Current Borrowings (Excluding Bank Overdraft)	8,833.53	15,355.31	(24,188.84)	-	-
Total	1,14,613.86	37,675.11	(37,882.84)	4,240.37	1,18,646.50

Reconciliation of liabilities from Financing Activities (` in Millions)

Particulars	As at 1st April, 2020	Cash flows		Non-cash Transaction	As at 31st March, 2021
		Proceeds	Repayment		
Non-current Borrowings (including Current Maturities of Non-current Borrowings)	1,01,840.31	7,675.43	(333.33)	(3,402.08)	1,05,780.33
Current Borrowings (Excluding Bank Overdraft)	9,843.14	36,736.96	(37,746.57)	-	8,833.53
Total	1,11,683.45	44,412.39	(38,079.90)	(3,402.08)	1,14,613.86

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

15 Bank Balance Other than Cash and Cash Equivalents - At Amortised Cost

	As at 31 March, 2022 (` in Millions)	As at 31 March, 2021 (` in Millions)
*** Bank Deposits with Original Maturity of more than 3 months but less than 12 months	6,244.81	8,865.56
	6,244.81	8,865.56

*** Includes deposits placed towards Margin Money and Debt Service Reserve Account (DSRA) amounting to Rs Nil (31 March 2021: Rs. 37.04 million).

16 Net Shareholder's Investment

	As at 31 March, 2022 (₹ in Millions)	As at 31 March, 2021 (₹ in Millions)
Opening Balance	47,122.45	45,243.38
Profit for the year	1,240.91	2,610.52
Other comprehensive Expense for the year (net of tax)	(1,377.05)	(731.45)
Closing Balance	46,986.31	47,122.45

17 Borrowings (At Amortised Cost)

	Non-current $$$		Current*	
	As at 31 March, 2022 (₹ in Millions)	As at 31 March, 2021 (₹ in Millions)	As at 31 March, 2022 (₹ in Millions)	As at 31 March, 2021 (₹ in Millions)
Secured				
Rupee Term Loans from Banks - 8.50%	-	333.33	-	333.33
External Commercial Borrowings in Foreign Currency				
Senior Secured Note - 3.949%	75,124.04	72,356.29	-	-
Term Loans from Banks - 2.99938% (3.9466%)	-	12,487.72	-	-
Sustainability Linked Notes - 3.867%	22,461.01	-	-	-
Unsecured				
External Commercial Borrowings in Foreign Currency				
Shareholders Affiliated Debts - 6.365%	21,061.45	20,269.66	-	-
Total	**1,18,646.50**	**1,05,447.00**	-	333.33

* Amount disclosed under the head "current borrowings" (Refer note 23)
$$$ Incudes processing fees netted of ₹ 1257.2 million (31 March 2021 - ₹ 1407.6 million)

Notes

<table>
<tr><th>Borrowings</th><th>Security</th><th>Terms of Repayment</th></tr>
<tr><td>Rupee Term Loans from Banks - 8.50%</td><td rowspan="6">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 AEML PPRA Account, the Debenture Liquidity Account, each of the AEML Post Distribution Cash Flow Accounts; any accounts opened for the purpose of managing any Excluded Cash Flows; and the AEML Distributions Account)) and amounts lying to the credit of such Accounts (both present and future);

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 immoveable properties;

h) a non-disposal undertaking over the immoveable 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.

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.</td><td>During the year, the Company prepaid Rupee term loans from Banks in full. As at 31 March 2021, the terms of repayment were : two equal annual instalments of Rs. 333.33 million starting from March 2021.</td></tr>
<tr><td>Senior Secured Note - 3.949% (and related hedging instruments)</td><td>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.</td></tr>
<tr><td>Term Loans from Banks - 2.99938% (3.9466%) (and related hedging instruments)</td><td>During the year, the Company prepaid term loans from Banks. As at 31 March 2021, the terms of repayment were as given below:
By way of bullet payment with an obligation to prepay the debt on occurrence of certain events. The Company can voluntarily prepay the Term Loan either in full or part.

The Future annual repayment obligations on principal amount are as under:-

a) 1 Installment amounitng to Rs 5,117.7 million in FY23.

b) 2 Installment of amounting to Rs 7,676.5 million in FY23.

Impact of recognition of borrowings at amortised cost using effestive interest method was Rs (306.5) million.</td></tr>
<tr><td>Sustainability Linked Notes - 3.87% (and related hedging instruments)</td><td>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.</td></tr>
<tr><td>Buyers credit</td><td rowspan="2">As at 31 March, 2022 there are no working capital and buyers credit outstanding. For working capital or buyers credit outstanding on 31 March, 2021, the rate of interest for Secured loans from banks ranged from 1.55 % to 5.7%.</td></tr>
<tr><td>Working capital short term loan</td></tr>
<tr><td>Shareholders Affiliated Debts - 6.365%</td><td>(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</td><td>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.</td></tr>
<tr><td>Working capital short term loan</td><td>Unsecured loans from banks</td><td>As at 31 March, 2022 there are no working capital outstanding. For working capital outstanding on 31 March, 2021, the rate of interest for Unsecured loans from banks was 4.25 %</td></tr>
</table>

18	Trade Payables	Non-Current		Current	
		As at 31 March, 2022 (` in Millions)	As at 31 March, 2021 (` in Millions)	**As at 31 March, 2022 (` in Millions)**	As at 31 March, 2021 (` in Millions)
	(A) total outstanding dues of micro enterprises and small enterprises; and	-	-	250.73	289.87
	(B) total outstanding dues of creditors other than micro enterprises and small enterprises.	322.21	319.30	14,631.41	11,577.49
		322.21	**319.30**	**14,882.14**	11,867.36

This information as required to be disclosed under Micro and Small Enterprises, to whom the Group 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 Obligor Group. This has been relied upon by the auditors.

	As at 31 March, 2022 (` in Millions)	As at 31 March, 2021 (` in Millions)
(a) the principal amount remaining unpaid to any supplier at the end of each accounting year	1,044.14	284.06
(b) Interest due on principal amount remaining unpaid to any supplier at the end of each accounting year	6.23	5.83
(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;	6.23	5.83
(e) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	6.23	5.83
(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.	6.23	5.83

Trade Payables ageing schedule

Particulars	Outstanding for following periods from due date of payment*					
	Not Due	<1 year	1-2 years	2-3 years	More than 3 years	Total
As at 31 March, 2022						
(a) MSME	97.69	94.95	21.02	24.58	12.47	250.71
(b) Others	1,605.87	10,557.62	1,277.99	495.94	95.46	14,032.88
(c) Disputed dues – MSME	-	-	-	-	-	-
(d) Disputed dues - Others	-	920.75	-	-	-	920.75
Total	**1,703.56**	**11,573.32**	**1,299.01**	**520.52**	**107.93**	**15,204.34**

Particulars	Outstanding for following periods from due date of payment*					
	Not Due	<1 year	1-2 years	2-3 years	More than 3 years	Total
As at 31 March, 2021						
(a) MSME	181.49	85.28	15.63	4.35	3.17	289.92
(b) Others	547.63	8,061.27	2,639.20	235.48	413.16	11,896.74
(c) Disputed dues – MSME	-	-	-	-	-	-
(d) Disputed dues - Others	-	-	-	-	-	-
Total	**729.12**	**8,146.55**	**2,654.83**	**239.83**	**416.33**	**12,186.66**

19	Lease Liabilities	Non-Current		Current	
		As at 31 March, 2022 (` in Millions)	As at 31 March, 2021 (` in Millions)	**As at 31 March, 2022 (` in Millions)**	As at 31 March, 2021 (` in Millions)
	Lease Obligation	262.51	506.97	185.92	428.95
		262.51	**506.97**	**185.92**	**428.95**

20	Other Financial Liabilities (At Amortised Cost)	Non-Current		Current	
		As at 31 March, 2022 (` in Millions)	As at 31 March, 2021 (` in Millions)	**As at 31 March, 2022 (` in Millions)**	As at 31 March, 2021 (` in Millions)
	Interest accrued but not due on borrowings	-	-	1,139.11	992.44
	Payable towards purchase of PPE	-	-	3,151.44	1,915.76
	Security Deposit from Consumers	-	-	4,716.97	4,748.00
	Regulatory Liabilities other than Distribution			29.34	65.28
	Security Deposit from Customers / Vendors	-	-	152.53	79.88
	Other Financial Liabilities	-	-	-	66.10
#	Derivative Instruments designated in hedge accounting relationship	660.24	631.24	570.69	310.69
		660.24	631.24	**9,760.08**	8,178.15

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

21 Provisions	Non-Current As at 31 March, 2022 (` in Millions)	Non-Current As at 31 March, 2021 (` in Millions)	Current As at 31 March, 2022 (` in Millions)	Current As at 31 March, 2021 (` in Millions)
Provision for Gratuity	1,600.91	1,320.16	325.68	319.55
Provision for Compensated absences	3,933.14	3,901.72	280.65	236.08
Provision for Other Employment Benefits	188.74	200.14	31.65	29.84
Total	**5,722.79**	**5,422.02**	**637.98**	**585.47**

22 Other Current Liabilities	Non-Current As at 31 March, 2022 (` in Millions)	Non-Current As at 31 March, 2021 (` in Millions)	Current As at 31 March, 2022 (` in Millions)	Current As at 31 March, 2021 (` in Millions)
Deferred Revenue - Service Line Contributions from Consumers	2,454.62	2,317.66	111.17	97.80
Statutory dues payable	-	-	2,121.30	1,834.49
Advances From Customer	-	511.23	667.39	584.00
Other Payables	-	-	31.84	25.65
	2,454.62	**2,828.89**	**2,931.70**	**2,541.94**

23 Borrowings (At Amortised Cost)	As at 31 March, 2022 (` in Millions)	As at 31 March, 2021 (` in Millions)
Secured loans from banks		
Current maturities of long-term borrowings	-	333.33
Buyers credit	-	923.53
Working capital short term loan	-	4,860.00
Unsecured loans		
Other Short term loan from banks	-	-
Working capital short term loan	-	3,050.00
	-	**9,166.86**

Security and Rate of Interest

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

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

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

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

24 Current Tax Liabilities	As at 31 March, 2022 (` in Millions)	As at 31 March, 2021 (` in Millions)
Current Tax Liabilities	21.30	-
	21.30	-

25	Revenue from Operations	For the year ended 31 March,2022 (` in Millions)	For the year ended 31 March,2021 (` in Millions)
a)	**Income from Sale of Power and Transmission Charges**		
	Income from Sale of Power and Transmission Charges	66,739.38	58,816.06
	(Less)/Add: Income to be adjusted in future tariff determination (Net)	35.94	219.74
	Sub Total (a)	66,775.32	59,035.80
b)	**Other Operating Income**		
	Insurance Claim Received	25.51	0.12
	Income in respect of Services rendered	420.43	65.51
	Sale of Coal Rejects / Fly Ash	165.87	89.39
	Street Light Maintenance Charges	1,417.67	1,018.31
	Amortisation of Service Line Contribution	103.00	92.20
	Miscellaneous Revenue	174.02	175.06
	Sub Total (b)	2,306.50	1,440.59
c)	**Sale of Traded Goods**		
	Sale of Traded Goods	7.58	16.31
		7.58	16.31
	Total	**69,089.40**	**60,492.70**

Details of Revenue from Contracts with Customers (disaggregated by type and nature of product or services)	For the year ended 31 March,2022 (` in Millions)	For the year ended 31 March,2021 (` in Millions)
Particulars		
Income from Sale of Power	63,345.78	55,659.99
Income from Transmission Charges (Net)	3,429.54	3,375.81
Income in respect of Services rendered	420.43	65.51
Sale of Coal Rejects / Fly Ash	165.87	89.39
Street Light Maintainence Charges	1,417.67	1,018.31
Sale of Traded Goods	7.58	16.31
Add: Cash Discount/Rebates etc	312.85	265.48
Total Revenue as per Contracted Price	**69,099.72**	**60,490.80**

Transaction Price - Remaining Performance Obligation

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

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

Contract Balances	For the year ended 31 March,2022 (` in Millions)	For the year ended 31 March,2021 (` in Millions)
Contract Assets		
Recoverable from Consumers		
Non-current	-	-
Current	-	-
Total Contract Assets	-	-
Contract liabilities		
Liabilities towards Consumers		
Non-current	-	-
Current	29.34	65.28
Total Contract Liabilities	29.34	65.28

Receivables		
Trade Receivables (Gross)	4,872.38	5,794.45
Unbilled Revenue for passage of time	5,075.59	4,911.04
(Less): Allowance for Doubtful Debts	(13.86)	(13.86)
Net Receivables	9,934.11	10,691.63

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

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

		For the year ended 31 March,2022 (` in Millions)	For the year ended 31 March,2021 (` in Millions)
Opening Balance			
Recoverable from consumers		-	-
Liabilities towards consumers		1,160.51	1,554.81
	A	1,160.51	1,554.81
Income to be adjusted in future tariff determination in respect of earlier year		-	(95.50)
Income to be adjusted in future tariff determination (Net)		(35.94)	(124.20)
Adjusted on completion of performace obiligation/Others		(427.84)	(174.60)
	B	(463.78)	(394.30)
Closing Balance			
Recoverable from consumers		-	-
Liabilities towards consumers		696.73	1,160.51
	(A+B)	696.73	1,160.51

26 Other Income

	For the year ended 31 March,2022 (` in Millions)	For the year ended 31 March,2021 (` in Millions)
a) **Interest Income**		
On Financial Assets carried at Amortised Cost		
Bank Deposits	1,063.45	985.93
Overdue Trade Receivables	224.54	300.00
Contingency Reserve Fund Investment - Non Current	132.97	38.37
Contingency Reserve Fund Investment - Current	5.30	130.58
Other Investments	-	237.43
On Intercorporate Deposits	1,144.00	1,168.74
Other interest	514.96	472.38
Interest on Security Deposits - Lease	8.54	9.76
b) **Gain/(Loss) on Investments**		
Gain On Sale / Fair Value Of Current Investments Measured at FVTPL	11.31	397.33
Gain On Sale / Fair Value Of Current Investments Measured at FVTPL - Contingency Reserve Fund	-	13.29
c) **Other Non-operating Income**		
Bad Debts Recovery	49.53	29.98
Sale of Scrap	117.82	86.32
Rental Income	2.67	2.13
Delayed Payment Charges	229.00	269.96
Foreign Exchange Gain (net)	-	49.62
Profit / (Loss) on Sale of Assets	4.17	18.72
Incentive Received	14.44	-
Sundry creditors written back	574.11	-
Miscellaneous Income	-	6.18
Total	**4,096.81**	**4,216.72**

			For the year ended 31 March,2022 (` in Millions)	For the year ended 31 March,2021 (` in Millions)
27		**Employee Benefits Expenses**		
	#	Salaries, Wages & Bonus	6,803.46	7,445.27
		Contribution To Gratuity	480.68	460.79
		Contribution to Provident and Other Funds	575.21	519.12
		Contribution to Superannuation Fund	77.63	79.09
		Compensated absences	420.03	567.11
		Staff Welfare Expenses	990.24	897.60
			9,347.25	9,968.98
		Less : Staff Cost Capitalised	(1,360.44)	(1,407.31)
		Total	**7,986.81**	**8,561.67**

Net of wage provisions no longer required written back of Rs 387.42 Millions (31 March 2021 : Nil)

			For the year ended 31 March,2022 (` in Millions)	For the year ended 31 March,2021 (` in Millions)
28		**Finance costs**		
	a)	**Interest Expense**		
		Borrowings - Amortised Cost		
		Rupee Term Loans	17.13	83.99
	$	Senior Secured Note	3,220.41	3,156.61
	$	Shareholders Affiliated Debts	1,379.98	1,356.62
	$	External Commercial Borrowings (Note 1 below)	479.90	420.19
	$	Sustainability Linked Notes	661.19	-
		Working Capital Loans	444.37	783.22
		Foreign Exchange Fluctuation Gain(net)-Borrowings (Note 3 below)	1,556.44	1,667.98
		Interest - Hedging Cost	4,002.41	3,484.18
		Interest on Intercorporate Deposit - Parent Company	-	-
		Others		
		Security Deposits From Consumers at amortised cost	187.14	210.63
		Interest on lease obligation	62.46	69.17
		Interest - Others	2.37	14.76
			12,013.80	**11,247.35**
		Less : Interest Cost Capitalised	(424.50)	(300.96)
			11,589.30	10,946.39
	b)	**Other Borrowing Costs**		
		Other Finance Cost	14.46	23.42
		Total	**11,603.76**	**10,969.81**

Note :

$ In Foreign Currency,

1 Includes Rs 284.5 million (31 March 2021: Rs nil) (unamortised upfront fees) charged off on refinancing of Rupee Term Loans with Foreign Currency Debt.

2 The weighted average capitalisation rate on the Company's general borrowings is 8.76 % (31 March 2021: 7.98 %) per annum.

3 Including Mark to Market loss of Rs 2,525.63 Million (31 March 2021: gain of Rs 5,121.13 Million) on Derivative Instruments designated in hedge accounting relationship.

29 Other Expenses

		For the year ended 31 March,2022 (` in Millions)	For the year ended 31 March,2021 (` in Millions)
	Consumption Of Stores & Spares	565.91	378.21
	Repairs & Maintenance		
	- Plant & Machinery	3,677.70	3,553.61
	- Buildings	202.18	178.28
	- Others	261.80	133.58
@	Short Term Lease Rental of Land,Building,Plant & Machinery Etc	126.20	113.52
	Vehicle Hire Charges	169.68	195.71
	Rates and Taxes	194.40	203.80
	Legal & Professional Expenses	1,468.68	1,162.75
	Directors' Sitting Fees	0.84	0.60
	Bank Charges	60.41	96.22
@@	Payment to Auditors	17.46	16.03
	Communication Expenses	79.61	96.76
	Travelling & Conveyance Expenses	84.53	105.66
	Insurance Expenses	97.60	237.26
	License fees	17.38	16.48
	Security Charges	311.71	322.52
	Seminar & Training Expenses	31.72	20.99
	Software Expenses	181.49	130.49
	Baddebt Write off (Refer Note 13.2)	183.15	225.22
	Bill Print/Collection/ Distribution	118.77	99.50
	Foreign Exchange Fluctuation Loss(net)	11.99	-
	Call Center Expenses	83.66	36.41
	Donations	3.00	-
@@@	Corporate Social Responsibility Expenses	56.86	35.63
	Electricity Expenses	5.07	4.14
	Printing & Stationery	13.76	16.02
	Advertisement & Publicity	92.57	34.99
	Water charges	36.84	41.68
	Other Miscellaneous Expenses	202.59	145.47
	Total	**8,357.56**	**7,601.53**

@ Lease Rentals inrespect of low value assets is immaterial.

@@ **(i) Payment to auditors (inclusive of GST)**

		For the year ended 31 March,2022 (` in Millions)	For the year ended 31 March,2021 (` in Millions)
	As auditor:		
	Statutory Audit Fees	13.28	12.55
#	Other Services	1.40	1.00
	Out of Pocket Expenses	0.12	-
	Applicable taxes	2.66	2.48
		17.46	**16.03**

\# Excluding fees of Rs. 12.46 million (plus taxes 2.24 million) for services towards Sustainability linked bond issue which is netted off in borrowings for purposes of calculating Effective Interest Rate.

@@@ **(ii) Corporate Social Responsibility Expenses**

Particulars	**For the year ended 31 March,2022**	**For the year ended 31 March,2021**
(i) Amount required to be spent by the company during the year	56.50	35.63
(ii) Total of previous years shortfall amounts	7.20	-
(iii) Amount of expenditure incurred:		-
(a) Construction or acquisition of any assets	-	-
(b) on purpose other than (a) above	2.83	5.93
- Donation to related party trust (not controlled by the Company)	61.31	22.50
Total amount of expenditure incurred	**64.14**	**28.43**
(iv) (Excess) / Shortfall at the end of the year	(0.44)	7.20
(v) Provision made towards CSR expenditure	-	7.20

(vi) Reason for shortfall : Nil (31 March 2021 : Company intended to spend the unutilised amount in subsequent year and had deposited the amount with Unspent Corporate Social Responsibility Account)

(vii) Nature of CSR activities : Primary Education, Community Health and Sanitation, Sustainable Livelihood Development and Urban / Rural Infrastructure Development.

30 Tax Expenses

1 Income Taxes recognised in the statement of profit & loss

	For the year ended 31 March,2022 (` in Millions)	For the year ended 31 March,2021 (` in Millions)
Current Income Tax (MAT)	484.25	500.35
Deferred Tax	1,011.80	277.50
	1,496.05	**777.85**

2 Income Tax recognised in other comprehensive income

	For the year ended 31 March,2022 (` in Millions)	For the year ended 31 March,2021 (` in Millions)
Current Income Tax		
-Remeasurement of Defined Benefit Plans	30.00	58.26
Total income tax recognised in other comprehensive income	**30.00**	58.26
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	30.00	58.26
	30.00	58.26

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

Profit Before Tax	2,736.96	3,388.37
Income tax using the company's domestic tax rate	956.40	1,184.03
Tax Effect of :		
- Non deductible Expenses	20.92	14.97
- MAT credit not recognised	477.78	494.00
- Tax on other Items	40.95	(11.04)
- Deferred Tax Asset on unabsorbed Depreciation in respect of earlier years	-	(901.59)
Income tax expense recognised in statement of profit and loss	**1,496.05**	780.37

Notes

a The tax rate used for the years 31 March, 2022 and 31 March, 2021 reconciliations above is the corporate tax rate of 34.944% payable by corporate entities in India on taxable profits under the Indian tax law.

b The rate used for calculation of Deferred tax is 34.944%, being statutory enacted rate at respective Balance Sheet date.

c The Union Cabinet on 20 November 2019 approved the proposal for introducing the Taxation Laws (Amendment) Bill, 2019 in order to replace the Ordinance, 2019. Accordingly, on 25 November 2019, the Taxation Laws (Amendment) Bill, 2019 (Bill) was introduced which received the assent of the President of India on 12 December 2019. The Taxation Laws Amendment Bill inserted Section 115BAA in the Income Tax Act, 1961 which provides domestic companies a non-reversible option to pay corporate tax at reduced rates effective 01 April, 2019 subject to certain conditions. PDSL has availed said benefit. 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,2022 (` in Millions)	For the year ended 31 March,2021 (` in Millions)
Unrecognised Tax Credits	507.76	552.38

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

(` in Millions)

	As at 31 March, 2022	As at 31 March, 2021
Within One Year	-	-
Greater than one year, less than five years	-	-
Greater than five years	1,940.08	1,432.32
No expiry date		-
Total	**1,940.08**	**1,432.32**

3 Deferred Tax

	For the year ended 31 March,2022 (` in Millions)	For the year ended 31 March,2021 (` in Millions)
Deferred tax Assets	13,353.73	10,887.09
Deferred tax Liabilities	15,147.23	11,668.79
Net Deferred Tax Assets / (Liabilities)	**(1,793.50)**	(781.70)

2021-22

	Opening Balance	Recognised in Profit & Loss	Closing Balance
Deferred Tax Assets in relation to			
Allowance for Doubtful Debts, Deposits, Advances and property tax payable	56.68	20.31	76.99
Provisions for employee benefits and others	2,018.86	126.94	2,145.80
Unabsorbed Depreciation	8,811.55	2,319.39	11,130.94
	10,887.09	2,466.64	13,353.73
Deferred Tax liabilities in relation to			
Property, Plant & Equipment and Intangible Assets	11,668.79	3,478.44	15,147.23
	11,668.79	3,478.44	15,147.23
Deferred Tax Asset/(Liability) (Net)	**(781.70)**	**(1,011.80)**	**(1,793.50)**

2020-21

	Opening Balance	Recognised in Profit & Loss	Closing Balance
Deferred Tax Assets in relation to			
Allowance for Doubtful Debts, Deposits and Advances	-	56.68	56.68
Provisions for employee benefits and others	-	2,018.86	2,018.86
Unabsorbed Depreciation	7,648.90	1,162.65	8,811.55
	7,648.90	3,238.19	10,887.09
Deferred Tax liabilities in relation to			
Property, Plant & Equipment and Intangible Assets	8,153.10	3,515.69	11,668.79
	8,153.10	3,515.69	11,668.79
Deferred Tax Asset/(Liability) (Net)	**(504.20)**	**(277.50)**	**(781.70)**

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 9,816.21 million), has been tested for impairment as at 31 March, 2022 wherein, recoverable amount of the TCGU has been determined applying value in use approach. The value in use of the TCGU has been determined using Discounted Cash Flow Method (DCF).

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

Based on the results of the TCGU impairment test, the estimated value in use of the TCGU was higher than its carrying amount, hence impairment provision recorded during the current year is ₹ Nil (31 March 2021 - ₹ Nil) Million. 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 :

(i) Discount Rate: 9.10 % (31 March 2021: 8.75 %) Post-Tax Discount rate has been derived based on current cost of borrowing and equity rate of return in line with the current market expectations

(ii) Capital expenditure / Capitalisation: Capital expenditure and capitalisation for 6 years (31 March 2021: 6 years) is estimated based on management projections subject to regulatory approval and thereafter Rs 5,000 million per annum (31 March 2021 Rs 3,250 million per annum)

32 Leases

(i) Disclosure under Ind AS 116 Leases:

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

Particulars	**As at 31 March, 2022 (` in Millions)**	As at 31 March, 2021 (` in Millions)
Opening Balance	935.92	1,040.20
Lease Liabilities on account of adoption of Ind AS 116	-	-
Interest on Lease Liabilities	62.46	69.17
Lease Liabilities on account of Leases entered / terminated during the year	(326.31)	93.60
Payments of Lease Liabilities / Other Adjustments	(223.64)	(267.05)
Closing Balance (refer note 19)	**448.43**	**935.92**

b) **Where the Company is a leassee :**
The Company has taken office premises on lease. Generally leases are renewed on mutual consent and at a prevalent market price and sub lease is restricted.

i Interest Expenses on lease liabilities amounts to Rs 62.46 millions (31 March,2021 Rs 69.17 millions)
ii The expense relating to payments not included in the measurement of the lease liability and recognised as expenses in the statemet of profit and loss during the year is as follows :

Low Value leases - Immaterial
Short-term leases - Rs 126.20 million (31 March, 2021 Rs 113.52 million)

iii Total Cash outflow for leases amounts to Rs 349.86 millions (31 March, 2021 Rs 380.60 million) during the year including cash outflow short term and low value leases.

c) The Group had a 25 year long term Power Purchase Agreement (PPA) with Vidharbha Industries Power Limited (VIPL), wherein the Group has committed to purchase the entire output generated from VIPL's generating station located at Butibori. In terms of the PPA, the Group 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 Group on assessment of the above arrangement has concluded, that considering the Group 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.

		As at 31 March, 2022 (` in Millions)	As at 31 March, 2021 (` in Millions)
33	**Contingent liabilities and Commitments**		
(A)	**Contingent liabilities :** Claims against the Group not probable and hence not acknowledged as debts consists of : -		
(i)	Demand disputed by the Group relating to Service tax on street light maintaince, wheeling charges and cross subsidy surcharges - Refer note 3	3,535.50	3,535.50
(ii)	Claims raised by the Government authorities towards unearned income arising on alleged tranfer of certain land parcels - Refer note 3	1,276.50	1,276.50
(iii)	Way Leave fees claims disputed by the Group relating to rates charged - Refer note 3	284.30	284.30
(iv)	Property related disputes - Refer note 3	25.90	25.90
(v)	Other claims against the Group not acknowledged as debts.	21.20	21.20
(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	13,812.80	13,812.80
(vii)	Claims pretaining to interest in respect of certain regulatary Liabilities	@@	-
(viii)	Liability in respect of disposal of bottom Ash	@@	-
(ix)	Liability in respect of termination of power purhcas lease agreement	@@	@@
		18,956.20	**18,956.20**

@@ Amount not determinable

Notes:

1 Amounts in respect of employee related claims/disputes, consumer related litigation, regulatory matters is not ascertainable.

2 Future cash flows in respect of above matters are determinable only on receipt of judgements/decisions pending at various forums/authorities.

3 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.

4 The above Contingent Liabilities to the extent pertaining to Regulated Business, which on unfavourable outcome are recoverable from consumers subject to MERC approval.

The Obligor Group, 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.

		As at 31 March, 2022 (` in Millions)	As at 31 March, 2021 (` in Millions)
(B)	**Capital Commitments :**		
(i)	Estimated amount of contracts remaining to be executed on capital account and not provided for	6,994.86	3,644.88
		6,994.86	**3,644.88**

(C) Other Commitments :

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

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

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

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, 2022			
Payables			
Silent Sentinels Electrical Consultant Pvt Ltd	Purchase of Service	0.08	Vendor
Receivables			
M S Gem Printers Pvt Ltd	Sale of Power	1.33	Consumer
B B Consulting N Eng Pvt Ltd	Sale of Power	0.08	Consumer
Uday Real Tdrs Pvt.Ltd	Sale of Power	0.08	Consumer
Unilink Tel Services (I) Pvt. Ltd.	Sale of Power	0.15	Consumer
Flex Foot Wear India Pvt. Ltd.	Sale of Power	0.05	Consumer
Kool Dring & Pack Private Limited	Sale of Power	0.20	Consumer
SSV Developeres & Indian Holiday Resort Private	Sale of Power	1.02	Consumer
Others - 361 Parties < 50K	Sale of Power	0.93	Consumer
As at 31 March, 2021			
Payables			
Silent Sentinels Electrical Consultant Pvt Ltd	Purchase of Service	0.08	Vendor
Receivables			
Bharti Infratel Services Limited	Sale of Power	0.37	Consumer
Interjewel Private Limited	Sale of Power	0.15	Consumer
Kunjan Silks Private Limited	Sale of Power	0.13	Consumer
Gem Printers Private Limited	Sale of Power	1.33	Consumer
B.B.Consulting 'N' Engineering Private Limited	Sale of Power	0.07	Consumer
Uday Realtors Private Limited	Sale of Power	0.08	Consumer
Unilink Tele Services (India) Private Limited	Sale of Power	0.15	Consumer
Navdurga Developments Private Limited	Sale of Power	0.09	Consumer
Flex Foot Wear India P.Ltd.	Sale of Power	0.05	Consumer
SSV Developeres & Indian Holiday Resort Private	Sale of Power	1.12	Consumer
Others - 354 Parties < 50K	Sale of Power	0.90	Consumer

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

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

35 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 (w.e.f. 08.12.2020)
(D) Key Management Personnel:	Mr. Kandarp Patel, Managing Director & CEO Mr. Kunjal Mehta, Chief Financial Officer (w.e.f. 02.05.2022) Mr. Rakesh Tiwary, Chief Financial Officer (upto 31.03.2022) Mr. Jaldhi Shukla, Company Secretary Mr. Anil Sardana, Director Mr. Sagar Adani , Director Mr. Anil Gupta, Director Mr. Sanjay Bhatt, Director (wef 23.06.2020) Mr. Anupam Sawhney, Director Mr. K Jairaj, Independent Director Ms. Chitra Bhatnagar, Independent Director (upto 27.10.2021) Ms. Chandra Iyengar (w.e.f 27.10.2021) Mr.Quinton Choi, Non Executive Director - (w.e.f 01.07.2020) Mr. Kenneth McLaren, Non Executive Director - (w.e.f 22.10.2020)
(E) Entity having significant influence	Qatar Holding LLC

(F) Enterprises over which (A) or (B) or (D) or (E) above have significant influence :
(where transactions have taken place during the year and previous year / balance outstanding)

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

(G) Employee Benefits Funds :	AEML Gratuity Fund AEML Superannuation Fund

(` in Millions)

Nature of Transaction	Name of Related Party	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Reimbursement of Expenses	Adani Transmission Limited	-	3.47
Inter Corporate Deposit (ICD) Received Back	Adani Properties Private Limited	-	5,800.00
Interest expenses on Shareholders Affiliated Debts	Qatar Holding LLC	1,344.66	1,318.65
Interest Income on ICD (Loans)	Adani Properties Private Limited	1,144.00	1,168.74
Investment in Equity share capital	AEML SEEPZ Limited	-	0.10

(` in Millions)

Nature of Transaction	Name of Related Party	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Earnest Money Deposit (EMD) received	Adani Enterprises Limited	-	68.44
Earnest Money Deposit (EMD) Given Back	Adani Enterprises Limited	-	66.35
Contribution to Employee Benefits	AEML Gratuity Fund	10.80	9.60
	AEML Superannuation Fund	77.63	79.09
Reimbursement of Expenses-Given	Adani Electricity Mumbai Infra Limited	-	154.99
Purchase of Services	Karnavati Aviation Private Limited	90.03	90.03
	Adani Township & Real Estate Company Limited	-	2.00
	Mundra Solar Pv Limited	0.03	-
	Adani Hospitals Mundra Private Limited	8.98	-
	Adani Enterprises Limited	980.17	832.19
Services Given	Adani Institute For Education & Research	0.73	0.08
Sale of Goods	Adani Power (Mundra) Limited	-	0.17
	Adani Transmission (India) Limited	0.06	-
Purchase of PPE	Mundra Solar Pv Limited	-	4.68
Employee advance transferred In	Maharashtra Eastern Grid Power Transmission Co. Limited	-	0.42
Employee advance transferred Out	Adani Electricity Mumbai Infra Limited	-	9.35
Employees benefits Received	Adani Enterprises Limited		82.61
	Adani Power Maharashtra Limited		0.47
	Adani Total Gas Limited	0.24	5.91
Employees benefits Transferred	Adani Electricity Mumbai Infra Limited	-	149.25
	Adani Enterprises Limited	0.20	-
	Adani Power Rajasthan Limited	0.10	-
	Ahmedabad International Airport Limited	1.00	-
	Mangaluru International Airport Limited	0.30	-
	Adani Ports And Special Economic Zone Limited	0.10	-
	Valuable Properties Private Limited	0.30	-
	Adani Green Energy Limited	0.10	-
	Adani Power (Mundra) Limited	0.10	-
	Mumbai International Airport Limited	3.40	-
	Adani Krishnapatnam Port Limited	2.20	-
	Maharashtra Eastern Grid Power Transmission Co. Limited	0.40	-
	Adani Power Limited	2.70	-
Advance - Received Back	AEML Infrastructure Limited	0.50	33.65
Payment made on behalf of Group Companies	AEML Infrastructure Limited	0.72	0.52
	Adani Electricity Mumbai Infra Ltd	9.07	4.56
	AEML Seepz Limited	0.50	-
Payment made on behalf of Group Companies-Received Back	AEML Infrastructure Limited	0.82	-
	Adani Electricity Mumbai Infra Limited	13.19	-
Advance paid towards Purchase of property - Received back	Sunbourne Developers Private Limited	2,710.00	-
Towards acquisition of leasehold land	Superheights Infraspace Private Limited	5,100.00	-
Advance paid towards Purchase of Power	Adani Enterprises Limited	13,133.13	7,000.00
Advance paid towards Purchase of Power-Received back	Adani Enterprises Limited	6,072.20	2,500.00
Corporate Social Responsibility Contribution	Adani Foundation	61.31	22.50
Interest Income	Adani Enterprises Limited	501.20	349.00
Purchase of Power (net of discount)	Adani Enterprises Limited (excluding banking transactions)	12,847.33	3,607.04
	Adani Hybrid Energy Jaisalmer Four Limited	938.70	-
Rent Paid	Mumbai International Airport Limited	10.87	-
Remuneration paid	Mr. Kanderp Patel	46.10	35.50
	Mr. Rakesh Tiwary	18.80	14.90
Employee Loan given	Mr. Rakesh Tiwary	5.00	2.00
Sitting Fees	Mr. K Jairaj	0.56	0.50
	Ms. Chitra Bhatnagar	0.07	0.09
	Ms. Chandra Iyengar	0.21	-

(` in Millions)

Closing Balance	Name of Related Party	As at 31st March, 2022	As at 31st March, 2021
Balance Payable	Mundra Solar Pv Limited	0.96	0.08
	Adani Transmission Limited	-	27.20
	Karnavati Aviation Private Limited	30.01	7.53
	Adani Hybrid Energy Jaisalmer Four Limited	426.63	-
	Adani Enterprises Limited	3,149.58	-
	Superheights Infraspace Private Limited	790.00	-
	Mumbai International Airport Limited	3.40	-
	Adani Power Rajasthan Limited	0.10	-
	Ahmedabad International Airport Limited	1.00	-
	Mangaluru International Airport Limited	0.30	-
	Adani Ports And Special Economic Zone Limited	0.10	-
	Valuable Properties Private Limited	0.30	-
	Adani Power (Mundra) Limited	0.10	-
	Adani Krishnapatnam Port Limited	2.20	-
	Adani Power Limited	2.70	-
	Maharashtra Eastern Grid Power Transmission Co. Limited	0.40	-

Balance Receivable	Adani Enterprises Limited	-	2,728.15
	Adani Green Energy Limited	1.51	1.64
	Adani Properties Private Limited*	10,400.00	10,400.00
	Sunbourne Developers Private Limited	-	2,710.00
	AEML Infrastructure Limited	0.42	1.02
	Adani Electricity Mumbai Infra Limited	0.47	17.68
	AEML SEEPZ Limited	0.50	-
	Adani Power Maharashtra Limited	-	0.47
	Adani Total Gas Limited	-	5.91
Investment in Equity Shares of Subsidiary	Adani Electricity Mumbai Infra Limited	0.10	0.10
	AEML SEEPZ Limited	0.10	0.10
Employee Loan Balance Receivable	Mr. Rakesh Tiwary	6.19	1.80
Shareholders Affiliated Debt payable	Qatar Holding LLC	21,373.49	20,617.02
Interest accrued but not due on Shareholders Affiliated Debt	Qatar Holding LLC	532.83	514.00

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

Note:

All the above transactions are executed at arm's length basis.
The above disclosure does not include transaction with / as public utility services viz, electricity, telecommunications etc. in the normal course of business.

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

36 **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 Group has no obligation other than the contribution to the fund.

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

(` in Millions)

Particulars	31st March,2022	31st March,2021
Contribution to Provident Fund	434.55	381.25
Contribution to Employees Superannuation Fund	77.63	79.09
Contribution to Employees Pension Scheme	68.29	69.04

2 **Defined Benefit Plan**

Gratuity

The Company operates a funded gratuity plan in the form of a Trust, governed by Trustees approinted 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 March 31, 2022	Gratuity for the year ended March 31, 2021
Starting Period	April 01, 2021	April 01, 2020
Date of Reporting	March 31, 2022	March 31, 2021
Principal Assumptions in actuarial valuation		
Rate of Discounting	6.98%	6.86%
Rate of Salary Increase	10.25%	9.75%
Rate of Employee Turnover	1.00%	0.40%
Mortality Rate During Employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality (2006-08)
Change in the Present Value of Defined Benefit Obligation	**March 31, 2022**	**March 31, 2021**
Present value of Benefit Obligation at the beginning of the year	6,497.45	6,450.00
Liability Transferred in	-	51.46
Liability Transferred Out	(11.19)	(90.70)
Interest Cost	445.73	441.10
Current Service Cost	368.20	354.00
Benefit Paid From the Fund	(295.79)	(366.00)
Actuarial (Gain) / Losses on Obligation- Due to Change in Financial Assumptions	200.58	(11.80)
Actuarial (Gain) / Losses on Obligation- Due to Change in Demographic Assumptions	127.94	69.10
Actuarial (Gain) / Losses on Obligation-Due to Experience	(511.74)	(399.70)
Present Value of Benefit Obligation at the end of the year	**6821.18**	**6,497.45**
Change in the Fair Value of Plan Assets		
Fair Value of Plan Asset at the beginning of the year	4,857.74	4,888.78
Interest Income	333.25	334.31
Benefit Paid From the Fund	(295.79)	(366.00)
Contribution by the Employer	10.93	9.65
Return on Plan Assets Excluding Interest Income	(11.54)	(9.00)
Fair Value of Plan Asset at the end of the year	**4,894.59**	**4,857.74**

Amount Recognised in the Balance Sheet		
Present Value of Benefit Obligation at the end of the year	6,821.18	6,497.45
Fair Value of Plan Assets at the end of the year	4,894.59	4,857.74
Funded Status (Deficit)	**(1,926.59)**	**(1,639.71)**
Net (Liability) Recognized in the Balance Sheet	**(1,926.59)**	**(1,639.71)**
Provisions		
Current	325.68	319.55
Non-Current	1,600.91	1,320.16
Expenses Recognized in the Statement of Profit and Loss		
Current Service Cost	368.20	354.00
Net Interest Cost	112.48	106.79
Expenses Recognised	**480.68**	**460.79**
Expenses Recognised in Other Comprehensive Income (OCI)		
Actuarial (Gains) / Losses on Obligation for the year	(183.23)	(342.40)
Return on Plan Assets Excluding Interest Income	11.54	9.00
Net Expenses for the year recognised in OCI	**(171.69)**	**(333.40)**
Major Categories of plan assets		
Government Securities	81.02%	70.07%
Debt and other Instruments	10.71%	23.85%
Equity Instruments	8.27%	6.08%
Total	100%	100%
Expected Contribution for next financial year	**325.68**	**319.60**
Expected Maturity Analysis of undiscounted defined Benefit Obligation is as follows		
Within one year	350.69	274.62
Between 2 to 5 years	1,742.75	1,446.80
Between 6 to 10 years	3,669.23	3,477.25
Beyond 10 years	8,034.78	8,394.67
The weighted average duration of the defined benefit obligation	10.00	11.00
Sensitivity Analysis		
Projected Benefit Obligation on Current Assumptions	**6,821.18**	**6,497.45**
Assumptions - Discount Rate		
Sensitivity Level	1.00%	1.00%
Impact on defined benefit obligation –in % increase	-7.91%	-8.46%
Impact on defined benefit obligation –in ` Million	(539.27)	(549.44)
Impact on defined benefit obligation –in % decrease	9.03%	9.71%
Impact on defined benefit obligation –in ` Million	616.18	631.04
Assumptions - Future Salary Increase		
Sensitivity Level	1.00%	1.00%
Impact on defined benefit obligation –in % increase	8.49%	9.22%
Impact on defined benefit obligation –in ` Million	579.02	599.22
Impact on defined benefit obligation –in % decrease	-7.60%	-8.20%
Impact on defined benefit obligation –in ` Million	(518.26)	(532.96)
Assumptions - Employee Turnover		
Sensitivity Level	1.00%	1.00%
Impact on defined benefit obligation –in % increase	-1.72%	-1.72%
Impact on defined benefit obligation –in ` Million	(117.16)	(111.95)
Impact on defined benefit obligation –in % decrease	1.90%	0.74%
Impact on defined benefit obligation –in ` Million	129.59	48.10

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 Group 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.

37	Regulatory Deferral Account	As at 31st March, 2022 (` in Millions)	As at 31st March, 2021 (` in Millions)
	Regulatory Deferral Account - Liability		
	Regulatory Liabilities	2,715.60	2,715.60
	Regulatory Deferral Account - Assets		
	Regulatory Assets	11,219.22	4,394.51
	Net Regulatory Assets/(Liabilities)	8,503.62	1,678.91

Rate Regulated Activities

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

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

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

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

	Particulars	As at 31st March, 2022 (` in Millions)	As at 31st March, 2021 (` in Millions)
A	Opening Regulatory Assets (Net)	1,678.91	(2,565.97)
	Add:		
B	Income recoverable/(reversible) from future tariff / Revenue Gap for the year		
1	For Current Year	6,824.71	5,828.05
2	For Earlier Year	-	-
	Total a (1 + 2)	**6,824.71**	5,828.05
	Less:		
C	Recovered / (refunded) during the year ^	-	1,583.17
D	Net Movement during the year (C - D)	6,824.71	4,244.88
E	**Closing Balance (A - E)**	**8,503.62**	**1,678.91**

^Includes Rs 1439.8 Millions recovered during 31 March 2021 on account of final truing up for FY 2017-18 and FY 2018-19

38 Financial Instruments.

1 Fair Value Measurement

(` in Millions)

Particulars	31 March. 2022		31 March. 2021	
	Book Value	Fair Value	Book Value	Fair Value
Financial Assets				
Investment				
- Investment in Tresury Bills at FVTPL	248.44	248.44	-	-
- Government Securities	2,046.19	1,883.13	2,049.49	1,988.08
Trade Receivables	4,858.52	4,858.52	5,780.59	5,780.59
Loans Given	10,754.04	10,754.04	10,798.28	10,798.28
Cash and Cash Equivalents	760.13	760.13	1,530.71	1,530.71
Other Balances with Bank	6,244.81	6,244.81	8,865.56	8,865.56
Derivative instruments designated in hedge accounting relationship	1,652.48	1,652.48	1,431.28	1,431.28
Other Financial Assets	11,585.72	11,585.72	9,877.94	9,877.94
Total Financial Assets	**38,150.33**	**37,987.27**	**40,333.85**	**40,272.44**
Financial Liabilities				
Borrowings (Including Interest accrued & Current Maturities) - Fixed Rate	1,19,785.61	1,11,175.65	95,729.30	96,700.36
Borrowings (Including Interest accrued & Current Maturities) - Floating Rate	-	-	19,876.95	19,876.95
Lease Liability obligation	448.43	448.43	935.92	935.92
Trade Payables	15,204.35	15,204.35	12,186.66	12,186.66
Derivative instruments designated in hedge accounting relationship	1,230.93	1,230.93	941.93	941.93
Other Financial Liabilities	8,050.37	8,050.37	6,875.11	6,875.11
Total Financial Liabilities	**1,44,719.69**	**1,36,109.73**	**1,36,545.87**	**1,37,516.93**

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 Millions)

Particulars	Fair Value Hierarchy as at 31st March.2022				
	Date of Valuation	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Asset measured at Fair Value					
FVTPL financial investments - In Tresuary bills	31 March, 2022	248.44	-	-	248.44
Asset for which Fair Value are disclosed					
Amortised Cost financial investments:					
- Government Securities	31 March, 2022	1,883.13	-	-	1,883.13
Derivative instruments designated in hedge accounting relationship					
Derivative financial assets	31 March, 2022	-	1,652.48	-	1,652.48
Total		**2,131.57**	**1,652.48**	**-**	**3,784.05**
Liabilities measured at fair values					
Derivative instruments designated in hedge accounting relationship					
Derivative financial Liabilities	31 March, 2022	-	1,230.93	-	1,230.93
Liabilities for which fair values are disclosed					
Borrowings (Including Interest accrued & Current Maturities) - Fixed Rate	31 March, 2022	88,975.09	22,200.56	-	1,11,175.65
Borrowings (Including Interest accrued & Current Maturities) - Floating Rate	31 March, 2022	-	-	-	-
Total		**88,975.09**	**22,200.56**	**-**	**1,11,175.65**

(` in Millions)

Particulars	Fair Value Hierarchy as at 31st March.2021				
	Date of Valuation	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Asset measured at Fair Value					
FVTPL financial investments - Mutual Funds	31 March, 2021	-	-	-	-
Asset for which Fair Value are disclosed					
Amortised Cost financial investments:					
- Government Securities	31 March, 2021	1,988.08	-	-	1,988.08
Derivative instruments designated in hedge accounting relationship					
Derivative financial assets	31 March, 2021	-	1,431.28	-	1,431.28
Total		**1,988.08**	**1,431.28**	**-**	**3,419.36**
Liabilities measured at fair values					
Derivative instruments designated in hedge accounting relationship					
Derivative financial Liabilities	31 March, 2021	-	941.93	-	941.93
Liabilities for which fair values are disclosed					
Borrowings (Including Interest accrued & Current Maturities) - Fixed Rate	31 March, 2021	73,720.32	22,980.04	-	96,700.36
Borrowings (Including Interest accrued & Current Maturities) - Floating Rate	31 March, 2021	-	19,876.95	-	19,876.95
Total		**73,720.32**	**42,856.99**	**-**	**1,16,577.31**

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

3 Capital Management & Gearing Ratio

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

Gearing ratio

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

(` in Millions)

	As at 31st March, 2022	As at 31st March, 2021
Debt	1,19,785.61	1,15,606.25
Less : Cash & Bank Balance	12,168.29	15,176.17
Net debt	**1,07,617.32**	**1,00,430.08**
Total Capital	46,986.31	47,122.45
Capital & net debt	**1,54,603.63**	**1,47,552.53**
Net debt to Total Capital plus net debt ratio (%)	70%	68%

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

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

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

4 Financial risk management objectives and policies

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

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

The Company's risk management activities are subject to the management, direction and control of Central Treasury team of the Company under the framework of Risk Management Policy for Currency and Interest rate risk, as approved by the Board of Directors of the Company. The Company's Central Treasury team ensures appropriate financial risk governance framework for the Company through appropriate policies & procedures and financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. It is the Company's policy that no trading in derivatives for speculative purposes is undertaken.

The decision of whether and when to execute derivative financial instruments along with its tenure can vary from period to period depending on market conditions and the relative costs of the instruments. The tenure is linked to the timing of the underlying exposure, with the connection between the two being regularly monitored. All derivative contracts are executed with counterparties that are creditworthy. The outstanding derivatives are reviewed periodically to ensure that there is no inappropriate concentration of outstanding to any particular counterparty.

A. Market Risk

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

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, 2021.

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 38 (5))

Foreign Currency Exposures				
	As at 31 March, 2022		As at 31 March, 2021	
Particulars	Foreign Currency (In Millions)	` Million	Foreign Currency (In Millions)	` Million
In USD				
(i) Interest accrued but not due	14.66	1,111.19	12.96	947.51
(ii) Buyers Credit	-	-	12.63	923.55
(iii) Import Creditors and Acceptances	14.38	1,089.90	0.69	50.45
(iv) Bond	1,000.00	75,792.50	1,000.00	73,110.00
(iv) Bond - Sustainability Linked	300.00	22,737.75	-	-
(v) Shareholders Affiliated Debts	282.00	21,373.49	282.00	20,617.02
(vi)Term Loans from Banks	-	-	175.00	12,794.25
Derivatives				
-Call Options	(582.00)	(44,111.24)	(582.00)	(42,550.02)
-Cross Currency Swaps	(400.00)	(30,317.00)	(575.00)	(42,038.25)
-Forward coupon	(2.26)	(171.29)	(12.63)	(923.38)
-Forward principal	(300.00)	(22,737.75)	-	-
-Coupon Only Swaps	(5.38)	(407.76)	(5.98)	(437.20)
-Principal Only Swaps	(300.00)	(22,737.75)	(300.00)	(21,933.00)
Total	**21.40**	**1,622.04**	**7.67**	**560.93**
In Euro				
(i) Advance against Goods / Services	0.01	0.86	0.02	1.81
Total	**0.01**	**0.86**	**0.02**	**1.81**

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

(i) Foreign currency sensitivity analysis

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

(` in Millions)

	Effect on profit before tax and consequential impact on Equity			
	As at 31 March, 2022		As at 31 March, 2021	
	Appreciate	Depreciate	Appreciate	Depreciate
Rupee appreciate / (depreciate) by ` 1 against USD / EURO / GBP	21.41	(21.41)	7.69	(7.69)
Rupee appreciate / (depreciate) by ` 2 against USD / EURO / GBP	42.78	(42.78)	15.34	(15.34)
Rupee appreciate / (depreciate) by ` 3 against USD / EURO / GBP	64.23	(64.23)	23.08	(23.08)

Notes: 1) +/- Gain/Loss

II. Interest rate risk management

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

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

(i) Interest rate sensitivity:

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

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

` in Millions

	As at 31 March, 2022		As at 31 March, 2021*	
	increase	50 bps decrease	increase	decrease
Interest expense on loan	45.98	(45.98)	67.55	(67.55)
Effect on profit / (loss) before tax	(45.98)	45.98	(67.55)	67.55

*In Previous Year reporting, sensitivity of interest rate change of Rs 39.55 million was detrimined on the basis of working capital outstanding as on March 31 2021.

B. Credit risk management

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

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

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

	As at 31 March, 2022 (` in Millions)	As at 31 March, 2021 (` in Millions)
Trade receivables	4,858.52	5,780.59
Loans	10,754.04	10,798.28
Other financial assets	13,238.20	11,309.26
Total	**28,850.76**	**27,888.13**

Refer Note 13 for credit risk and other information in respect of trade receivables. Moreover, given the diverse nature of the consumer profile of the Company, trade receivables are spread over a number of customers with no significant concentration of credit risk. No single customer accounted for 10.0% or more of revenue basis in any of the years presented. The history of trade receivables shows a negligible provision for bad and doubtful debts compared to the volume/value of sales recorded. Other receivables as stated above are due from the parties / banks under normal course of the business having sound credit worthiness. and as such the Company believes exposure to credit risk to be minimal.

The Company has not acquired any credit impaired asset.

C. Liquidity risk management

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

(` in Millions)

Contractual Maturities of Financial liabilities	Less than 1 year	1 to 5 years	More than 5	Total
As at 31 March, 2022				
Borrowings**	6,371.81	20,931.00	1,36,253.00	1,63,555.81
Trade Payables	14,882.14	-	322.21	15,204.35
Lease Liabilities	185.92	227.51	35.00	448.43
Other Financial Liabilities	8,620.97	660.24	-	9,281.21
Total	**30,060.84**	**21,818.75**	**1,36,610.21**	**1,88,489.80**
As at 31 March, 2021				
Borrowings**	14,936.30	30,157.05	1,10,156.95	1,55,250.30
Trade Payables	11,867.36	-	319.30	12,186.66
Lease Liabilities	428.94	466.38	40.60	935.92
Other Financial Liabilities	7,185.71	631.24	-	7,816.95
Total	**34,418.31**	**31,254.67**	**1,10,516.85**	**1,76,189.83**

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

5 Derivative Financial Instrument

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

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

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

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

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

(` in Millions)

Derivative Financials Instruments	As at 31 March, 2022		As at 31 March, 2021	
	Assets	Liabilities	Assets	Liabilities
Current				
Cashflow hedge*				
-Call Options	581.00	687.59	1,372.08	875.03
-Cross Currency Swaps	473.88	217.40	303.60	59.10
-Forward	-	325.90	-	7.80
-Coupon Only Swaps	(57.90)	-	-38.10	-
-Principal Only Swaps	655.48	-	-206.30	-
Total	**1,652.46**	**1,230.89**	**1,431.28**	**941.93**

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

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

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

Particulars	As at 31 March, 2022			As at 31 March, 2021		
	Foreign Currency (In Millions)	₹ Million	Purpose	Foreign Currency (In Millions)	₹ Million	Purpose
In USD						
-Call Options	582.00	44,111.24	Hedging of foreign currency borrowing principal & interest liability	582.00	42,550.02	Hedging of foreign currency borrowing principal & interest liability
-Cross Currency Swaps*	700.00	53,054.75	Hedging of foreign currency borrowing principal & interest liability	575.00	42,038.25	Hedging of foreign currency borrowing principal & interest liability
-Forward	305.80	23,177.35	Hedging of foreign currency borrowing principal liability - Buyers credit	12.63	923.38	Hedging of foreign currency borrowing principal liability - Buyers credit
-Coupon Only Swaps	600.00	45,475.50	Hedging of foreign currency borrowing interest liability	600.00	43,866.00	Hedging of foreign currency borrowing interest liability
-Principal Only Swaps	300.00	22,737.75	Hedging of foreign currency borrowing principal liability	300.00	21,933.00	Hedging of foreign currency borrowing principal liability
Total	**2,487.80**	**1,88,556.59**		**2,069.63**	**1,51,310.65**	

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

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

40 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.