COMPLIANCE CERTIFICATE

(September 30, 2020)

Adani Transmission Limited
OG Group

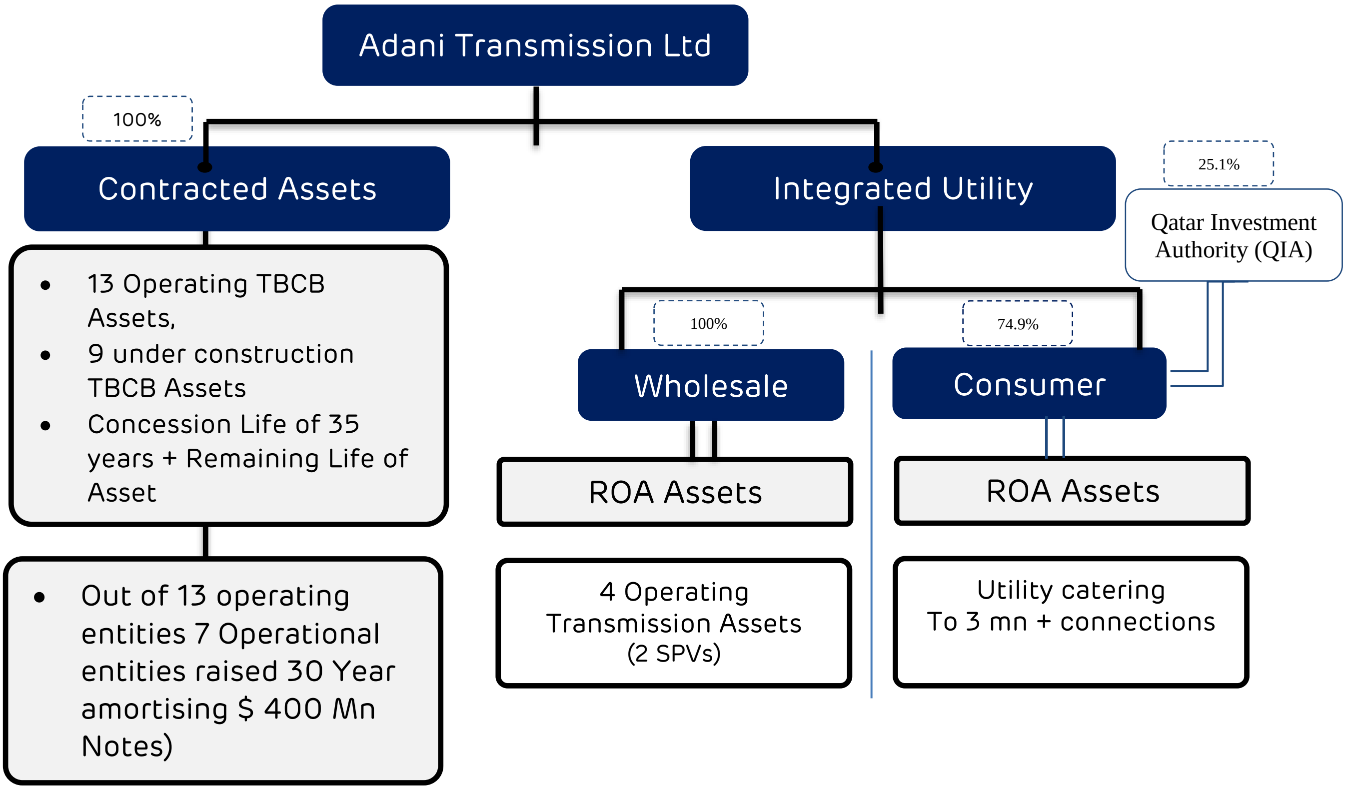
Contents

1. Executive Summary

1.1 Evolution of Adani Transmission Limited ("ATL")

Over a period of past few years, Adani Transmission has evolved from a high growth developing company to a mature asset operator with limited Greenfield risk. ATL has expanded its Pan India Presence from ~ 5,051 CKT Km in 2016 to currently ~ 15,550 CKT Km across nine states. ATL also marks its footprint in power distribution business with acquisition of Adani Electricity Mumbai Limited in FY19. Currently AEML caters to the electricity needs of over 3 million customers in Mumbai suburbs. This acquisition makes ATL the largest private Transmission and Distribution Company in the country.

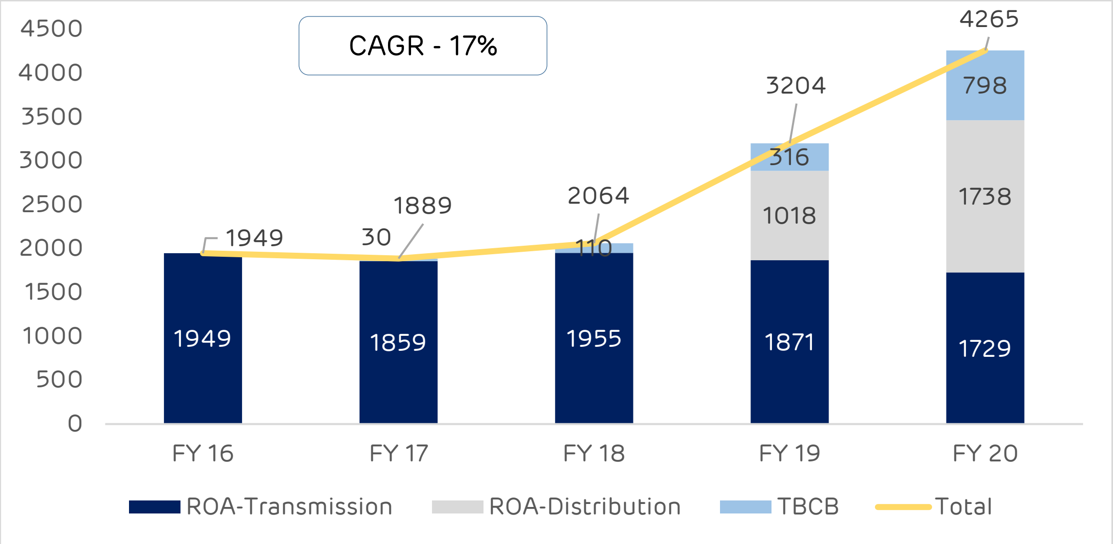
ATL business model:



1) % denotes shareholding

ATL, from its inception stage has been maintaining a high EBITDA performance with more than 90% margin in Transmission Business and more than 22% margin in Distribution business. ATL has grown @ CAGR of ~ 17% in the last 5 years.

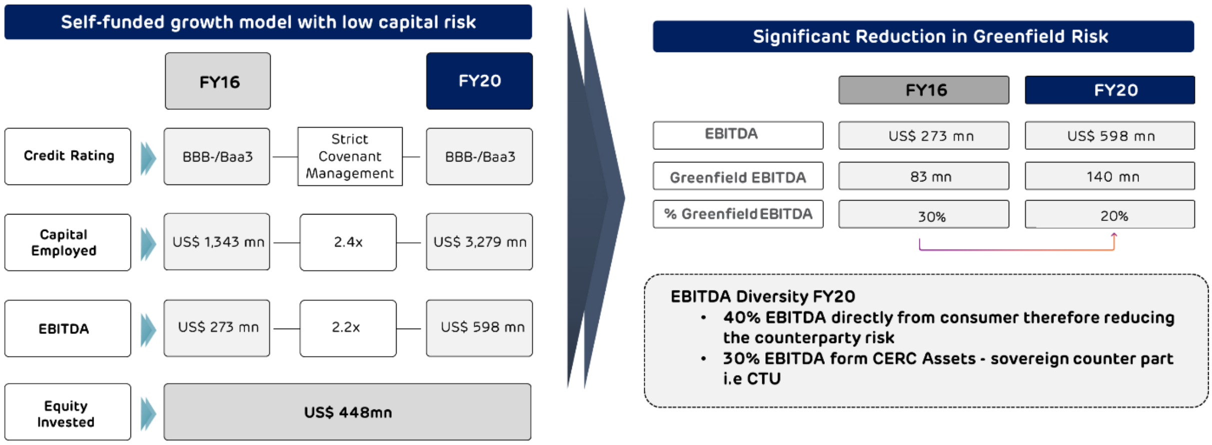
EBITDA – INR Cr.



Notes: #The Mumbai Distribution business, AEML (Adani Electricity Mumbai Ltd.), was acquired on 29th Aug 2018.

The above figures are excluding one-time income /(Reversal) of Rs.872.5 Cr. in FY17-18, Rs.(89.57) Cr. in FY 18-19 & Rs. 254 Cr. in FY 19-20. [Rs.110 Cr in Transmission and Rs.144 Cr in Distribution in FY 19-20.]

In-spite of the high growth over past few years, ATL has managed to reduce the Development and Capex risk with High Credit Discipline and no Equity Dilution



Recent Developments:

- Acquisition of operating transmission assets in Eastern region from Kalpataru Power Transmission Limited;
- With announcement of favorable regulatory order in respect of MEGPTCL (part of ATL Obligor group), ATL on consolidated basis will have annual recurring EBITDA benefit of ~INR 58 Cr.

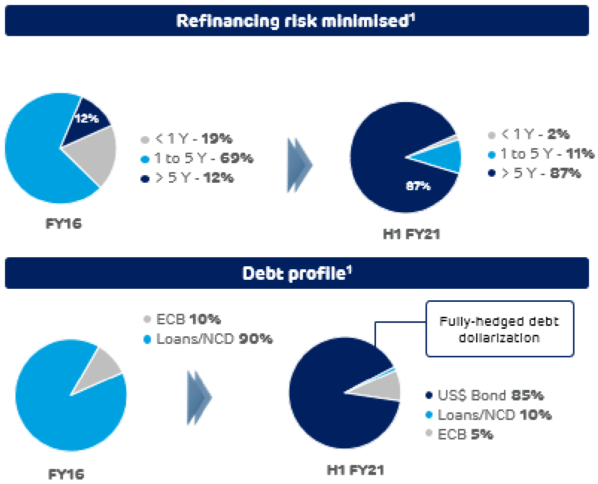
Regulatory Support in COVID-19 period for under construction entities:

As per recent circular by the Ministry of Power dated 27th July'20, central projects which were under construction phase as on 25th March'20 shall get an extension of five months in SCOD thus no cost and time overruns risk.

ATL's Capital Management Program:

Aligned with Adani group's philosophy of aligning tenor of Debt with the life of assets, ATL's Capital Management plan brings diversity and elongated maturity to firm's debt profile.

	As of 31st Mar 16	As of 30th Sep 20
Consolidated Net Debt	Rs. 85 bn	Rs. 166 bn
Cost of Debt (weighted) %	10.9%	9.2%
Average debt maturity for LT debt	5.8 years	10.3 years
Net debt to EBITDA (x)	4.6x	4.3x



Notes: 1) Debt excludes perpetual equity.

<u>ESG</u>

- Appointed External Agency for ESG Audit
- 12x growth in renewable power procurement (from 3% of total power mix to 30%) at Mumbai retail distribution business – 700 MW PPA has been signed.

1.2 Adani Transmission Obligor Group

ATL along-with its 2 wholly owned subsidiaries Adani Transmission (India) Limited ("ATIL") and Maharashtra Eastern Grid Power Transmission Company Limited ("MEGPTCL") formed an Obligor Group ("OG"). ATL OG group owned 4 ROA Assets as follows:

Sr.no	Asset Name	Regulator	License End Date
1	Mundra-Mohindergarh (HVDC Line)	CERC	Jul-38
2	Mundra-Sami-Dehgam Line	CERC	Jul-38
3	Tiroda-Warora Line	MERC	Jul-34
4	Tiroda-Aurangabad Line	MERC	Sep-35

All the assets are eligible for 10 years extension in license life

ATL OG has issued 2 international market 144A/RegS issuance as follows:

1. $ 500 Mn issued in Aug-2016 having bullet maturity of 10 years maturing in Aug-26
2. $ 500 Mn issued in Nov-2019 having amortising structure of 16.5 years final maturity in May-2036 with weighted average maturity of 10.14 years.

1.2.1 Operation and Business Continuity

All our line and substations operated normally and the average Availability across the obligor group remained above 99.75% in period Apr-Sep 2020.

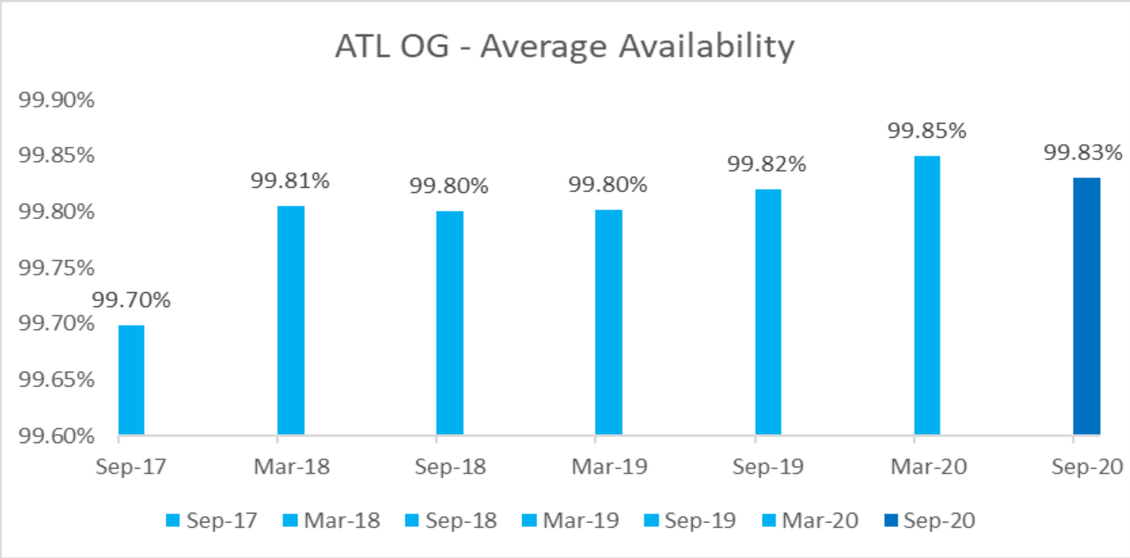
In this COVID-19 situation the management have taken due steps to ensure that operations remains as intact as they were during normalcy.

- **Operational staff quarantined at substations** (with no reliever and hence no social contact) all arrangements were made for congenial safe working and living.
- Tested preparedness for 100% remote working in a phased manner. Currently operating with minimum staff while others pursuing remote working.

Operating Performance:

- Strong operating performance despite the COVID Conditions.
- Average Availability for Sep,20 was 99.83% while in Sep,19 average availability was recorded as 99.82% across the assets under Obligor Group.
- Eligible for incentive income for maintaining higher availability over normative availability.

Operational performance of OG entities on aggregated basis is as follows:



Financial Performance:

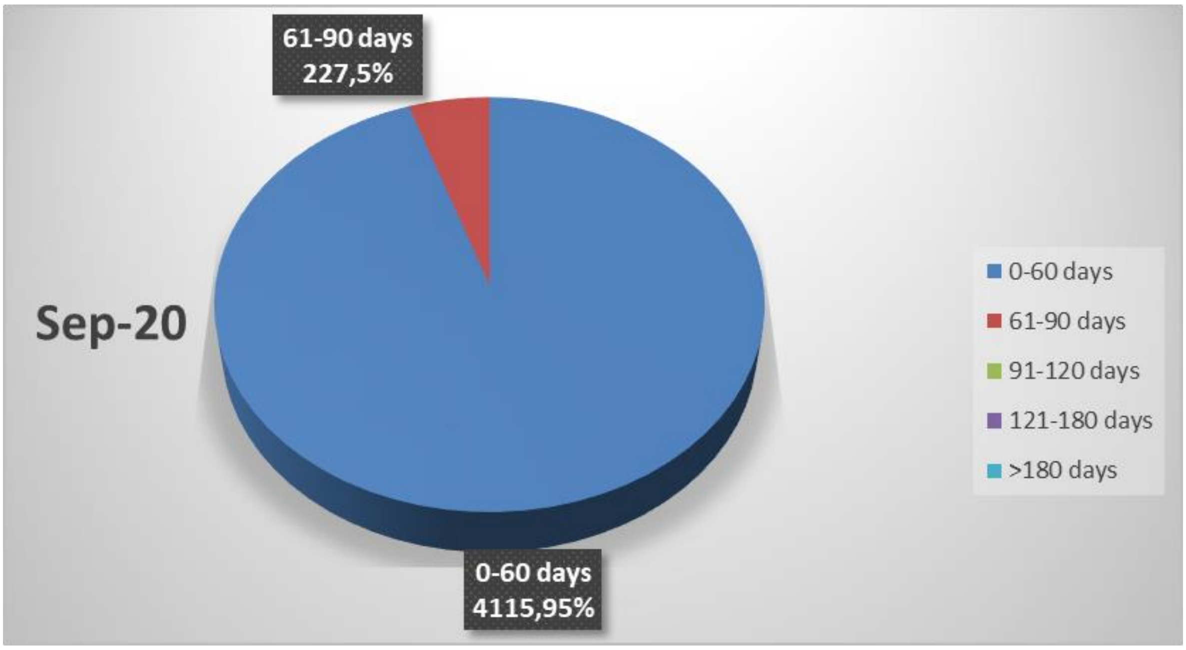
The overall financial performance of the obligor group had been in line our projected numbers.

- The aggregated 12M trailing EBITDA for the year ended 30th Sep,20 is at INR 23,339 Mn. including one time income of INR 4400 Mn.

- Aggregated EBITDA for 6 Months period ended on 30th Sep,2020 was INR 12,606 Mn. including one time income of INR 3295 Mn.

- It has maintained Strong EBITDA Margin for H1 FY21 of 93.14% on aggregated basis.

Receivable Ageing Profile



(INR Mn)						
ATL OG*	**0-60 days**	**61-90 days**	**91-120 days**	**121-180 days**	**>180 days**	**Total Receivables**
Sep-20	4115	227				4342
Mar-20	3173					3173
Sep-19	3683					3683
Mar-19	3504					3504
Sep-18	3114					3114
Mar-18	3324	213				3537

***Including one month of unbilled receivables**

1.2.2 Other steps taken by Management in view of COVID-19

Although the lock down across the country have gradually withdrawn, looking at the spread of COVID situation, management continued to take following measures towards safety of our stakeholders and continuity of our business:

- Travel advisories strictly being adhered and IT & Technology enablement measures are in place to facilitate remote working & seamless connectivity
- **Regularly issuing updates on preventive measures &** guidelines communication to employees. Area-wise co-ordinates of medical team released for employees.
- **Hygiene, sanitization of workplaces** & sites ensured, and 100% thermal scanning has been enabled.
- Working closely with our associates & service partners through digital means to ensure continuity of their services.

Being a power transmitter we are, ensuring safety and also safeguarding health and hygiene of staff; we have been maintaining business continuity nearly 100% availability of assets and network.

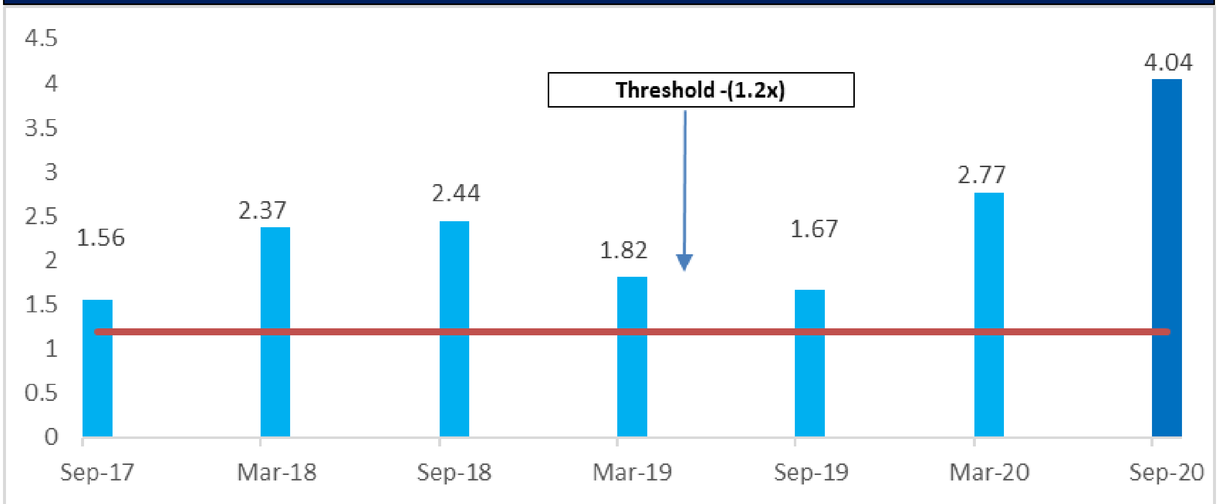
1.3 Summary of Key Covenants

The Obligor Group (as "OG") on aggregate basis has constantly achieved performance over threshold limits.

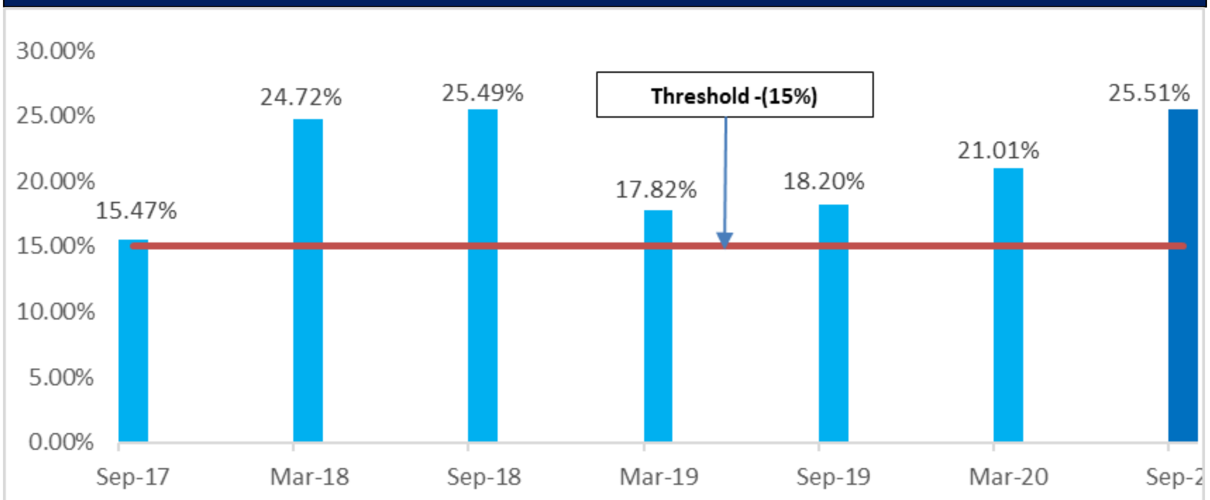
1) Financial Matrix

Summary of the Covenant		
Particulars	**Mar-20**	**Sep-20**
Debt Service Coverage Ratio **(DSCR) (Refer Annexure: 1)**	2.77	4.04
FFO / Net Debt **(Refer Annexure: 2)**	21.01%	25.51%
FFO Cash Interest **(Refer Annexure: 3)**	2.49	3.19

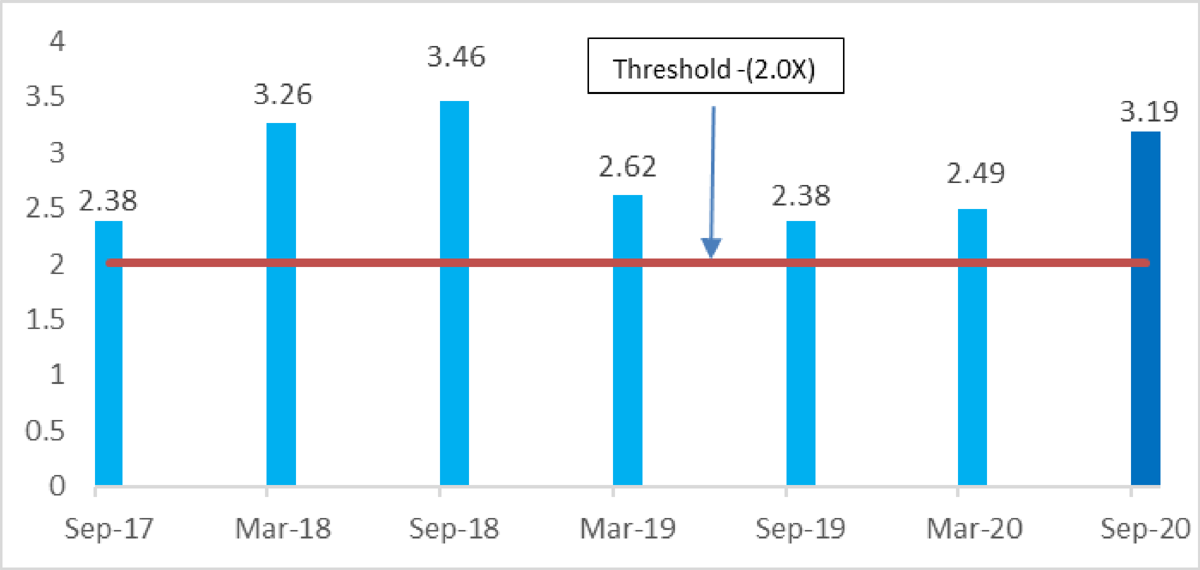
Debt Service Coverage Ratio (DSCR)



FFO to Net debt



FFO Cash Coverage



2. Information on Compliance Certificate and Its Workings

To:

IDBI Trusteeship Services Limited (the “Security Trustee”)

Madison Pacific Trust Limited (the “Note Trustee”)

Note Holders for U.S. $ 500,000,000 Senior Secured Notes Due 2026 and U.S. $ 500,000,000 Senior Secured Notes Due 2036

From:

Adani Transmission Limited

Adani Transmission (India) Limited and

Maharashtra Eastern Grid Power Transmission Limited (as Obligor)

Dated: 22nd December, 2020

Dear Sirs

ADANI TRANSMISSION LIMITED – Common Terms Deed dated 29th July, 2016 (the "Common Terms Deed")

We refer to the Common Terms Deed. This is a Compliance Certificate given in respect of the Calculation Date occurring on 30th September 2020. 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. Financial Audited Accounts of Restricted Group for 12 months period ended on September 30, 2020
2. The Cash Flow Waterfall Mechanism as detailed in the Project Account Deed

We hereby make the Operating Account Waterfall and distributable amount Calculation.

1. Computation of Operating Account Waterfall as per Note Trust Deed

Operating Account Waterfall for the Calculation Period		
Particulars	**Amount(INR Mn)**	**Source**
Net Revenue	25704	Working Note 1
Less:		
O&M Expenses & Statutory Dues	(3,652)	Working Note 2
Change in Working Capital	(4,498)	Working Note 3
Cash Available for Debt Servicing (A)	**17554**	
Debt Servicing:		
Interest Servicing	(6,913)	Cash Flow Statement
Principal Servicing	(679)	
Total(B)	**(7,592)**	
Balance in Debt Service Reserve Account(C)	**(343)**	Working Note 4
Cash Available from Debt Upsizing	**2,219**	Working Note 5
Cash Available for LRA and Distribution Account(A+B+C)	**11838**	
We didn't transfer any amount to Distribution Account		

Details of Cash Balance in Project Accounts as per Clause 1(C)(iii) of Schedule 3 (Undertakings) of Common Terms Deed

Details of Cash Balance in Various Projects Accounts		
Project Account Name	**Amount(INR Mn)**	**Source**
Debt Service Reserve Account	800	
Liquidity Reserve Account	7,000	
Other Cash and Bank Balance	787	
Total	**8587**	Working Note 6

We confirm that:

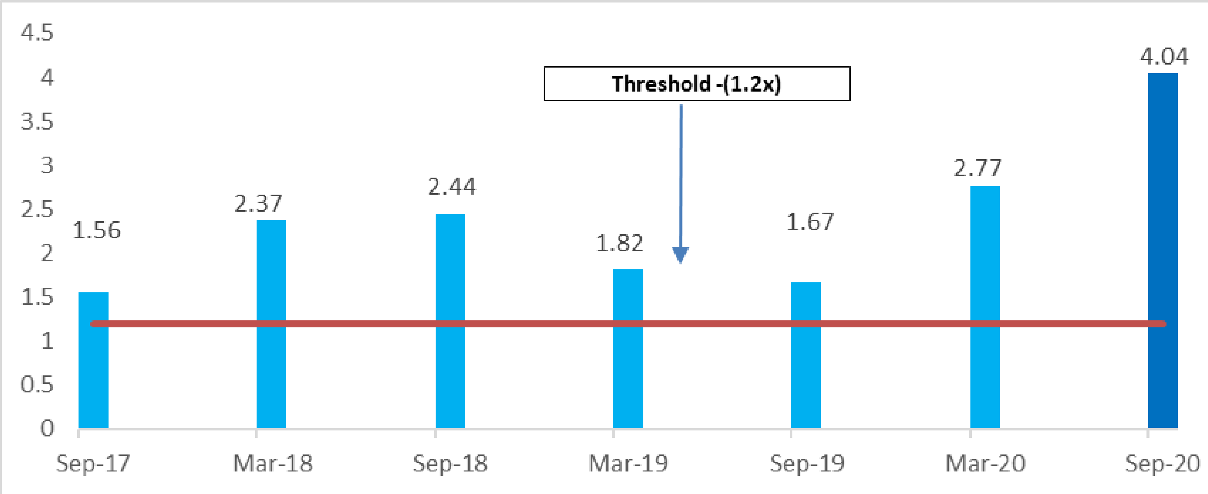
(a) in accordance with the workings set out in the attached Annexure 1, the Debt Service Cover Ratio for the Calculation Period ended on the relevant Calculation Date was 4.04:1.
(b) Copies of the Issuers audited Aggregated Accounts in respect of the Calculation Period is attached.
(c) as at the Calculation Date, the aggregate amount for transfer to our Distributions Account in accordance with the Operating Account Waterfall is Nil.
(d) to the best of our knowledge having made due enquiry, no Default subsists.

2. Summary of the Covenant

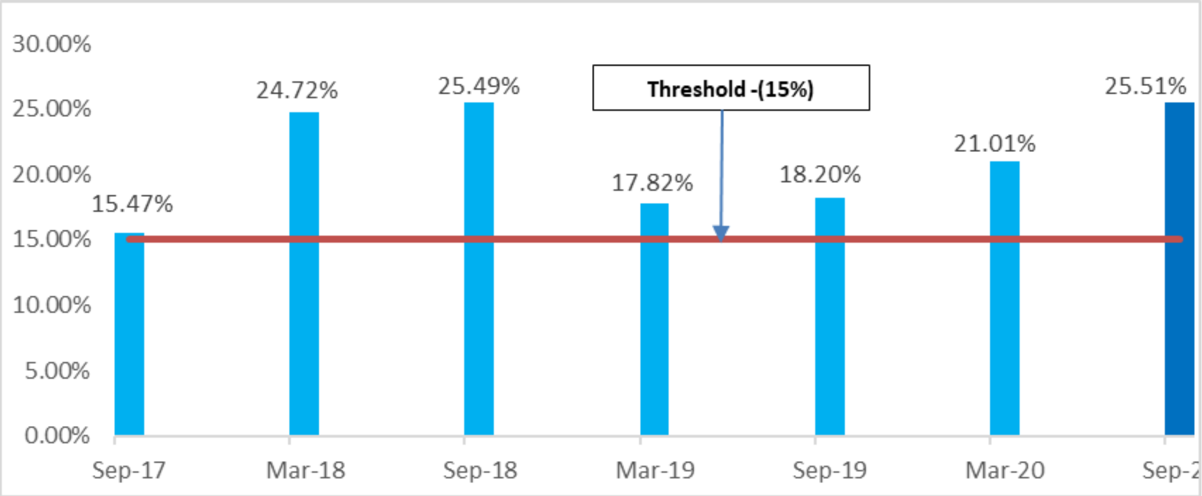
Summary of the covenant							
Particulars	**Sep-17**	**Mar-18**	**Sep-18**	**Mar-19**	**Sep-19**	**Mar-20**	**Sep-20**
Debt Service Coverage Ration **(DSCR) (Refer Annx-1)**	1.56	2.37	2.44	1.82	1.67	2.82	4.04
FFO / Net Debt **(Refer Annx-2)**	15.47%	24.72%	25.49%	17.82%	18.20%	18.13%	25.51%
FFO Cash Interest **(Refer Annx - 3)**	2.38	3.26	3.46	2.62	2.38	2.46	3.19

3. Financial Matrix

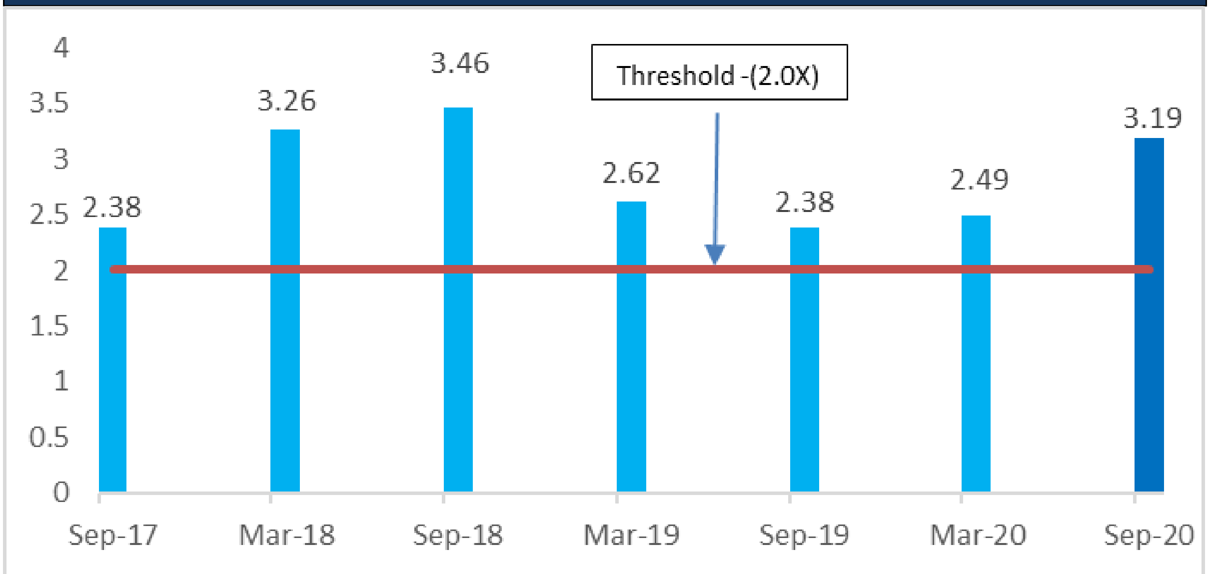
A.1 Debt Service Coverage Ratio (DSCR)



A.2 FFO to Net debt

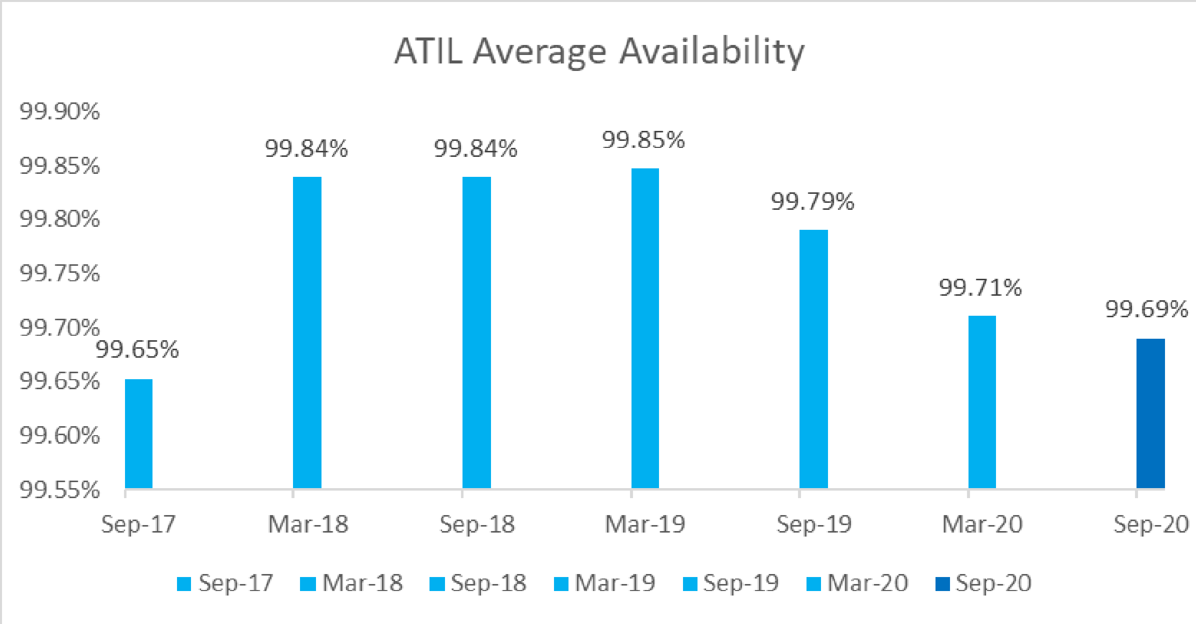


A.3 FFO Cash Coverage



4. Operational Performance (Availability)

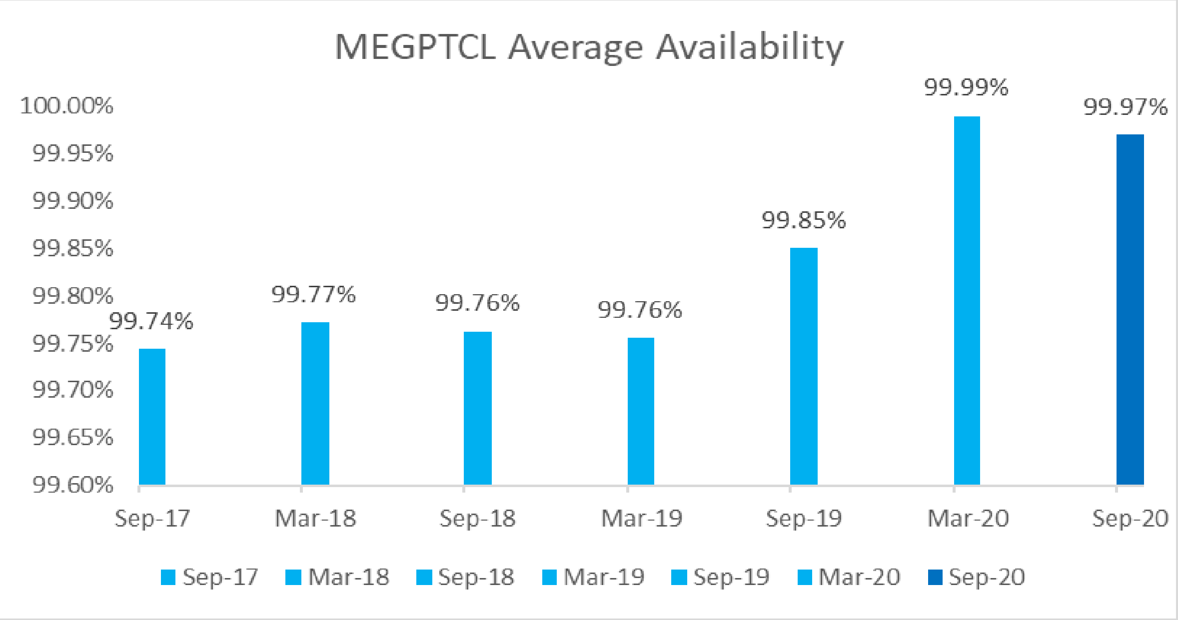
B.1 ATIL Average Availability



Note : ATIL consist of three lines – Mundra-Mohindargharh (HVDC), Mundra Dehgam (HVAC) and Tiroda-Warora (AC). Above table depicts average combined availability. Below are average availability of individual lines.

	HVDC (M-M)		HVAC (MSD)		AC (T-W)	
Period	Average	Normative	Average	Normative	Average	Normative
Sep-17	99.41%	96.00%	99.91%	98.00%	99.89%	98.00%
Mar-18	99.87%	96.00%	99.79%	98.00%	99.83%	98.00%
Sep-18	99.89%	96.00%	99.71%	98.00%	99.87%	98.50%
Mar-19	99.84%	96.00%	99.79%	98.00%	99.92%	98.50%
Sep-19	99.90%	96.00%	99.54%	98.50%	99.94%	99.00%
Mar-20	99.14%	96.00%	99.98%	98.50%	100.00%	99.00%
Sep-20	98.97%	96.00%	99.91%	98.50%	99.96%	99.00%

B.2 MEGPTCL Availability

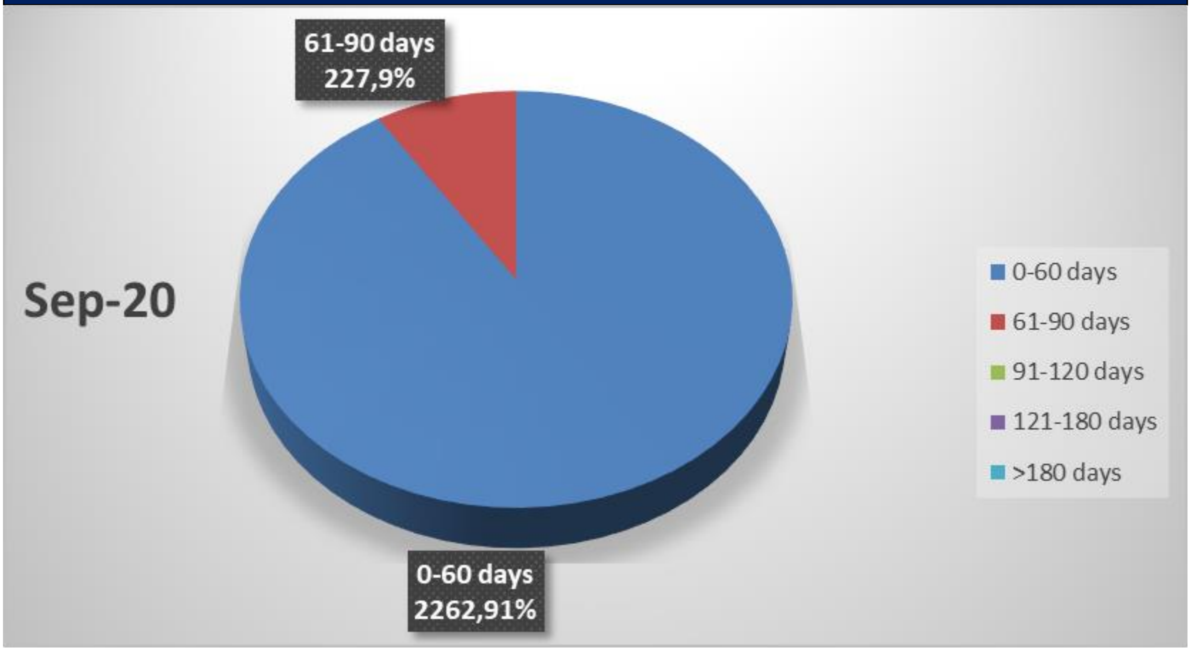


MEGPTCL (T-A)		
Period	Average	Normative
Sep-17	99.74%	98.00%
Mar-18	99.77%	98.00%
Sep-18	99.76%	98.50%
Mar-19	99.76%	98.50%
Sep-19	99.85%	99.00%
Mar-20	99.99%	99.00%
Sep-20	99.97%	99.00%

Entitled to receive the Incentive Over and above Normative Availability in each line.

5. Receivable Ageing:

C.1 ATIL Receivable

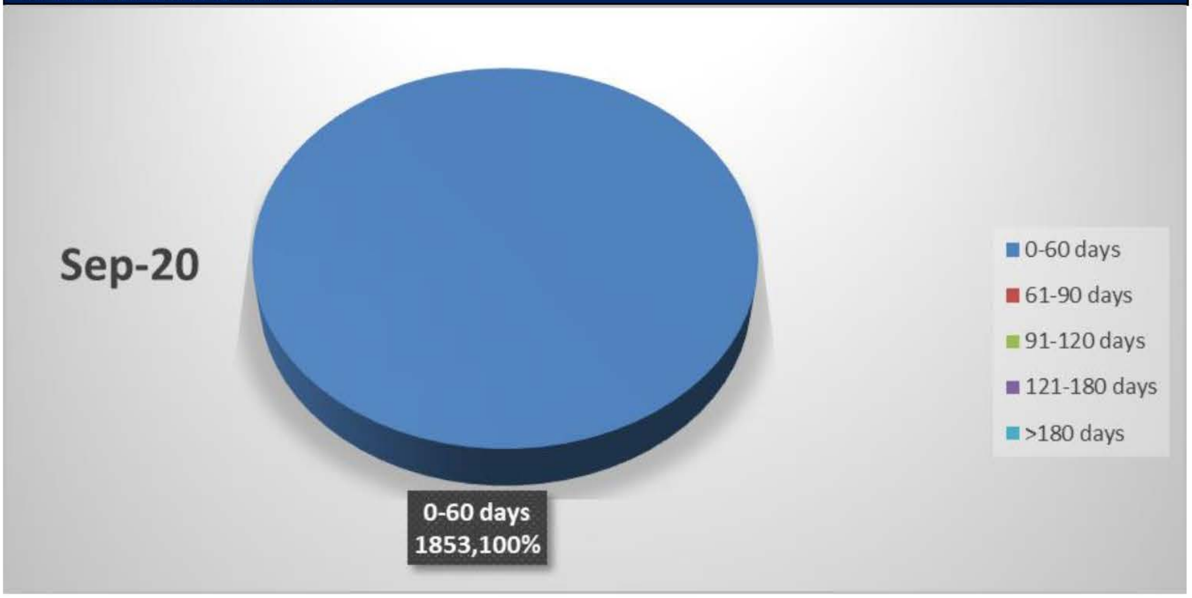


(INR Mn)

ATIL*	0-60 days	61-90 days	91-120 days	121-180 days	>180 days	Total Receivables
Sep-20	2262	227	0	0	0	2489
Mar-20	1829	0	0	0	0	1829
Sep-19	1973	0	0	0	0	1973
Mar-19	1909	0	0	0	0	1909
Sep-18	2094	0	0	0	0	2094
Mar-18	2401	213	0	0	0	2614

***Including one month of unbilled receivables**

C.2 MEGPTCL Receivable



(INR Mn)						
MEGPTCL*	**0-60 days**	**61-90 days**	**91-120 days**	**121-180 days**	**>180 days**	**Total Receivables**
Sep-20	1853	0	0	0	0	1853
Mar-20	1344	0	0	0	0	1344
Sep-19	1710	0	0	0	0	1710
Mar-19	1596	0	0	0	0	1596
Sep-18	1020	0	0	0	0	1020
Mar-18	923	0	0	0	0	923

***Including one month of unbilled receivables**

Signed:

For Adani Transmission Limited

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Authorised Signatory

Encl:

1) Computation of Debt Service Reserve Account
2) Covenant Calculations
3) Back-Stop Calculation
4) Obligor's Aggregated Accounts

6. Annexure:1

Computation of Debt Service Cover Ratio as per Clause 1(C)(ii) of Schedule 3 (Undertakings) of Common Terms Deed

Debt Service Cover Ratio Calculation as on 30-Sep-2020		
Calculation Period : 1-Oct-2019 to 30-Sep-2020		
Particulars	**Amount(INR Mn)**	**Source**
Opening Cash Balance*	7745	
Combined EBITDA	23339	Working Note 7
Less: Tax Paid	(1,284)	Cash Flow Statement
Less: RCF Interest	(297)	P&L Statement Schedule 35
Cash Flow Available for Debt Servicing (A)	29503	
Debt Servicing:		
Interest Servicing	6616	Cash Flow Statement excluding RCF Interest
Principal Servicing	679	
Total(B)	7295	
DSCR (A/B)		**4.04**
* Unencumbered Opening cash balance as on 01-10-2019		

7. Annexure: 2

Covenant Calculation

Fund from Operation to Net Debt Ratio (FFO/Net Debt) as on 30-Sep-2020		
Particulars	**Amount(INR Mn)**	**Source**
Combined EBITDA	23339	Working Note 7
Less: Tax Paid	(1,284)	Cash Flow Statement
Interest Servicing	(6,913)	Cash Flow Statement
FFO(A)	15142	
Total Debt	74057	Working Note 8
Less: Cash and Cash Equivalents	14691	Working Note 9
Net Debt (B)	59366	
FFO/Net Debt(A/B)		**25.51%**

8. Annexure: 3

Covenant Calculation

Fund from Operation to Cash Interest Ratio as on 30-Sep-2020		
Particulars	**Amount(INR Mn)**	**Source**
Combined EBITDA	23339	Working Note 7
Tax Paid	(1,284)	Cash Flow Statement
Interest Servicing	(6,913)	Cash Flow Statement
FFO(A)	15142	
Interest Servicing	6913	Cash Flow Statement
FFO Cash Interest		**3.19**

9. Annexure: 4

Backstop Calculation

Backstop Calculation as on 30-Sep-2020	
Particulars	**Amount(INR Mn)**
Weighted Average Life (WALL)	
Σ (EBIDTA * Weighted Average Life) (A)	297529
Σ EBIDTA (B)	16736
Weighted Average Life (WALL) (A/B)	Dec-36
Sweep Covenant	
Backstop Date (1 year Prior to the WALL)	Dec-35
Backstop Period Start Date (10 year prior to the Backsto	Dec-25
Sweep Covenant i.e Senior Debt Redemption Amount (Applicable or Not Applicable)	Not Applicable

10. Annexure: 5

Working Notes

Working Note 1-Revenue Net off Trading Revenue		
Particulars	**Amount(INR Mn)**	**Source**
Total Revenue(A)	34280	P&L Statement
Trading Revenue(B)	8575	P&L Statement
Net Revenue(A-B)	**25704**	

Working Note 2-O&M Expenses & Statutory Dues		
Particulars	**Amount(INR Mn)**	**Source**
Employee Benefits Expense(A)	701	P&L Statement
Other Expenses(B)	1667	P&L Statement
Taxes Paid(C)	1284	Cash Flow Statement
Total(A+B+C)	**3652**	

Working Note 3-Change in Working Capital		
Particulars	**Amount(INR Mn)**	**Source**
(Increase) / Decrease in Operating Assets :		
Trade Receivables	(928)	Cash Flow Statement
Other financial assets and other assets	(4,688)	Cash Flow Statement
Inventories	(21)	Cash Flow Statement
Increase / (Decrease) in Operating Liabilities :		
Trade Payables	53	Cash Flow Statement
Other financial liabilities, other liabilities and provision	190	Cash Flow Statement
Working Capital Loan	896	Working Note 11
Total Changes in Working Capital	**(4,498)**	

Working Note 4-Addition in Debt Service Reserve Account		
Particulars	**Amount(INR Mn)**	**Source**
Debt Service Reserve Account as on September,20	800	
Debt Service Reserve Account as on September,19	457	
Total	**343**	

Working Note 5-Cash Available from Debt Upsizing		
Particulars	**Amount(INR Mn)**	**Source**
Total Proceeds from issuance of $500 Mn. 4.25% Senior Secured Notes(A)	**35,875**	
End Use:		
Rupee Refinancing		
NCD	23,156	
RTL	3,500	
CP	4,000	
General Corporate Purpose	3,000	
Total(B)	**33,656**	
Cash Available from Debt Upsizing	**2,219**	

Working Note 6-Cash and Bank Balance		
Particulars	**Amount(INR Mn)**	**Source**
Investments	570	Balance Sheet Schedule 12
Cash and Cash Equivalents	563	Balance Sheet Schedule 14
Other Bank balances	104	Balance Sheet Schedule 15
Fixed Deposits	7350	Balance Sheet Schedule 9
Total Cash and Cash Equivalent	**8587**	

Working Note 7-Combined EBITDA		
Particulars	**Amount(INR Mn)**	**Source**
Profit Before Tax	10,488	P&L Statement
Depreciation and Amortisation Expense	5,686	P&L Statement
Finance Costs	7,165	P&L Statement
EBITDA	**23,339**	

adani Transmission

Working Note 8-Total Debt		
Particulars	**Amount(INR Mn)**	**Source**
USD Bonds	71,221	Working Note 10
Other Short term Debt	2,836	Balance Sheet Schedule 25
Total Debt	**74,057**	

Working Note 9-Cash and Cash Equivalents and Free Cash Flow from Subsidiaries		
Particulars	**Amount(INR Mn)**	**Source**
Cash and Cash Equivalents	8587	Working Note 6
Free Cash Flow from subsidiaries	6104	Working Note 12
Total	**14691**	

Working Note 10-USD Bonds as per Hedge Rate			
Hedge Instrument	**Amount(USD Mn.)**	**Hedge Rate**	**Amount(INR Mn.)**
Principal only Swap	320	67.24	21517
Principal only Swap	249	71.77	17853
Forwards	180	74.00	13320
Forwards	249	74.5	18532
Total USD Debt			**71221**

Working Note 11-Increase in Working Capital Loan		
Particulars	**Amount(INR Mn)**	**Source**
Working Capital Loan as on September,2019		
Secured Borrowings from Banks	983	Balance Sheet Schedule 25
Unsecured Borrowings from Banks	957	Balance Sheet Schedule 25
Total	**1940**	
Working Capital Loan as on September,2020		
Secured Borrowings from Banks	1200	Balance Sheet Schedule 25
Unsecured Borrowings from Banks	1636	Balance Sheet Schedule 25
Total	**2836**	
Increase in Working Capital Loan	**896**	

Working Note 12-Free Cash Flow from subsidiaries	
Subsidiary	**Amount(INR Mn.)**
MTSCL[(1)]	296
ATSCL[(1)]	213
WTPL[(1)]	94
WTGL[(1)]	70
AEML[(2)]	4161
USPP[(3)]	1199
ATBSPL[(1)]	72
Total	**6104**

[(1)]Cash Flow calculated based on closing cash balance as on Sep,20, excluding restricted cash.

[(2)]AEML: Calculated from AEML Compliance certificate of Sep,20 as following:
75% of (Distribution Surplus – Already invested through Excluded Account)

[(3)]USPP: Taken from USPP Compliance certificate of Sep,20

DHARMESH PARIKH & CO.
CHARTERED ACCOUNTANTS

303/304, Milestone, Nr. Drive In Cinema, Opp. T.V. Tower, Thaltej,
Ahmedabad-380 054. Phone: 91-79-27474466 Fax: 91-79-27479955

INDEPENDENT AUDITOR'S REPORT ON SPECIAL PURPOSE COMBINED FINANCIAL STATEMENTS

The Board of Directors
Adani Transmission Limited
Ahmedabad.

Report on the Audit of the Special Purpose Combined Financial Statements for the twelve months ended 30th Sept, 2020.

Opinion

We have audited the accompanying special purpose combined financial statements of **Adani Transmission Limited**, (the "Company"), **Adani Transmission (India) Limited** and **Maharashtra Eastern Grid Power Transmission Company Limited** (collectively, the "Obligor Group") as described in note [1] of the special purpose combined financial statements, which comprise the Combined Balance Sheets as at September 30, 2020, the Combined Statement of Profit and Loss [including other comprehensive Income/(Loss)], the Combined Statement of Changes in Equity and the Combined Statement of Cash Flows for the twelve months ended September 30, 2020 and notes to the special purpose combined financial statements, including 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 [2.1] 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 note [2.1] to the Special Purpose Combined Financial Statements, which describes the purpose and basis of preparation. The Special Purpose Combined Financial Statements have been prepared for the purpose of Lenders requirements in relation to already issued USD denominated Notes by the Obligor Group. 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.

Dharmesh Parikh & Co.
FRN
112054W
Ahmedabad
Chartered Accountants

303/304, Milestone, Nr. Drive In Cinema, Opp. T.V. Tower, Thaltej, Ahmedabad-380 054. Phone: 91-79-27474466 Fax: 91-79-27479955

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 equity and cash flows of the Obligor Group in accordance with the basis stated in Note [2.1] 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.

Dharmesh Parikh & Co.
FRN
112054W
Ahmedabad
Chartered Accountants

DHARMESH PARIKH & CO.
CHARTERED ACCOUNTANTS

303/304, Milestone, Nr. Drive In Cinema, Opp. T.V. Tower, Thaltej,
Ahmedabad-380 054. Phone: 91-79-27474466 Fax: 91-79-27479955

As part of an audit in accordance with SAs and other pronouncements issued by ICAI, we exercise professional judgment and maintain professional scepticism 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.
- Evaluate the overall presentation, structure and content of the Special Purpose Combined Financial Statements, including the disclosures, and whether the Special Purpose Combined Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Place : Ahmedabad
Date : 14th December, 2020

Dharmesh Parikh & Co. Chartered Accountants FRN 112054W Ahmedabad

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

Chirag J Shah

(CA. CHIRAG SHAH)
Partner
Membership No. 122510.
UDIN - 20122510AAAAVF7901

adani
Transmission

Obligor Group Special Purpose Combined Balance Sheet as at 30th September, 2020

Particulars	Notes	As at 30th September, 2020 (₹ in Million)	As at 31st March, 2020 (₹ in Million)
ASSETS			
Non-current Assets			
Property, Plant and Equipment	6.1	72,593.0	75,394.5
Capital Work-In-Progress	6.2	40.1	39.0
Right of Use Assets (Net)		126.2	167.8
Goodwill		3,139.0	3,139.0
Intangible Assets	6.1	45.2	32.9
Financial Assets			
(i) Investments	7	44,353.9	41,932.2
(ii) Loans	8	10,433.0	8,982.8
(iii) Other Financial Assets	9	10,677.7	2,391.1
Income Tax Assets (Net)		-	235.2
Other Non-current Assets	10	9,210.0	8,748.3
Total Non-current Assets		**150,618.1**	**141,062.8**
Current Assets			
Inventories	11	258.2	237.0
Financial Assets			
(i) Investments	12	569.9	459.3
(ii) Trade Receivables	13	2,780.3	2,558.6
(iii) Cash and Cash Equivalents	14	563.2	8,045.3
(iv) Bank balances other than (iii) above	15	104.0	3,780.8
(v) Loans	16	208.4	6,107.3
(vi) Other Financial Assets	17	8,094.6	8,268.1
Other Current Assets	18	123.0	88.9
Total Current Assets		**12,701.6**	**29,545.3**
Total Assets		**163,319.7**	**170,608.1**
EQUITY AND LIABILITIES			
Equity			
Share Capital	19	10,998.1	10,998.1
Unsecured Perpetual Equity Instrument	20	27,186.1	32,794.2
Other Equity	21	38,184.3	34,060.0
Total Equity		**76,368.5**	**77,852.3**
Liabilities			
Non-current Liabilities			
Financial Liabilities			
(i) Borrowings	22	70,590.0	73,510.3
Provisions	23	270.0	251.3
Deferred Tax Liabilities (Net)	24	9,210.0	8,748.3
Total Non-current Liabilities		**80,070.0**	**82,509.9**
Current Liabilities			
Financial Liabilities			
(i) Borrowings	25	2,835.7	1,968.3
(ii) Trade Payables			
- Total outstanding dues of micro enterprises and small enterprises;		0.4	7.9
-Total outstanding dues of creditors other than micro enterprises and small enterprises	26	450.6	1,511.2
(iii) Other Financial Liabilities	27	3,071.9	6,443.6
Other Current Liabilities	28	275.8	141.8
Provisions	23	6.8	27.4
Current Tax liabilities (Net)	29	240.0	145.7
Total Current Liabilities		**6,881.2**	**10,245.9**
Total Equity and Liabilities		**163,319.7**	**170,608.1**

See accompanying notes forming part of the Obligor Group Special Purpose Combined Financial statements

For Dharmesh Parikh & Co.
Chartered Accountants
Firm Registration Number : 112054W

Chirag J Shah

CHIRAG SHAH
Partner
Membership No. 122510

Dharmesh Parikh & Co. FRN 112054W Ahmedabad Chartered Accountants

Place : Ahmedabad
Date : 14th December, 2020

FOR ADANI TRANSMISSION LIMITED

ANIL SARDANA
Managing Director and
Chief Executive Officer
DIN 00006867

KAUSHAL SHAH
Chief Financial Officer

JALADHI SHUKLA
Company secretary

Adani Transmission

Place : Ahmedabad
Date : 14th December, 2020

adani Transmission

Obligor Group Special Purpose Combined Statement of Profit and Loss for the twelve months ended 30th September, 2020

Particulars	Notes	For the twelve months ended 30th September, 2020 (₹ in Million)	For the year ended 31st March, 2020 (₹ in Million)
Income			
Revenue from Operations			
(i) From Transmission Business	30	23,256.0	19,912.8
(ii) From Trading Business	31	8,575.4	8,575.5
Other Income	32	2,448.2	2,342.5
Total Income		**34,279.6**	**30,830.8**
Expenses			
Purchase of Stock-in-Trade	33	8,572.4	8,572.1
Employee Benefits Expense	34	701.4	767.7
Finance Costs	35	7,164.9	7,629.6
Depreciation and Amortisation Expense		5,686.3	5,668.6
Other Expenses	36	1,666.8	1,610.2
Total Expenses		**23,791.8**	**24,248.2**
Profit Before Tax and before deferred assets recoverable /adjustable for the period		**10,487.8**	**6,582.6**
Tax Expense:	37		
Current Tax		1,817.0	1,149.7
Deferred Tax		1,308.8	1,426.9
Total Tax Expenses		**3,125.8**	**2,576.6**
Profit After Tax and before deferred assets recoverable /adjustable for the period		**7,362.0**	**4,006.0**
Deferred assets recoverable / adjustable (Refer note 50)		1,308.8	1,426.9
Profit After Tax for the period		**8,670.8**	**5,432.9**
Other Comprehensive Income/(Loss)			
(a) Items that will not be reclassified to Profit or Loss			
- Remeasurement of Defined Benefit Plans		7.5	(2.7)
Tax relating to items that will not be reclassified to Profit or Loss		-	-
(b) Items that may be reclassified to Profit or Loss			
- Effective portion of gains and losses on designated portion of hedging instruments in a cash flow hedge		611.4	1,582.0
Tax relating to items that will be reclassified to Profit or Loss		-	-
Total Other Comprehensive Income for the period (Net of Tax)		**618.9**	**1,579.3**
Total Comprehensive Income for the period		**9,289.7**	**7,012.2**
Profit for the year attributable to			
Owners of the Company		8,670.8	5,432.9
Non-controlling interests		-	-
		8,670.8	**5,432.9**
Other Comprehensive Income for the period attributable to:			
Owners of the Company		618.9	1,579.3
Non-controlling interests		-	-
		618.9	**1,579.3**
Total Comprehensive Income for the period attributable to			
Owners of the Company		9,289.7	7,012.2
Non-controlling interests		-	-
		9,289.7	**7,012.2**

See accompanying notes forming part of the Obligor Group Special Purpose Combined Financial statements

For Dharmesh Parikh & Co.
Chartered Accountants
Firm Registration Number : 112054W

Chirag Shah

Dharmesh Parikh & Co. FRN 112054W Ahmedabad Chartered Accountants

CHIRAG SHAH
Partner
Membership No. 122510

FOR ADANI TRANSMISSION LIMITED

ANIL SARDANA
Managing Director and
Chief Executive Officer
DIN 00006867

KAUSHAL SHAH
Chief Financial Officer

JALADHI SHUKLA
Company secretary

Adani Transmission

Place : Ahmedabad
Date : 14th December, 2020

Place : Ahmedabad
Date : 14th December, 2020

Obligor Group Special Purpose Combined Statement of Cash Flows for the twelve months ended 30th September, 2020

	Particulars	For the twelve months ended 30th September, 2020 (₹ in Million)
A.	**Cash flows from operating activities**	
	Profit before tax	10,487.8
	Adjustments for:	
	Depreciation and Amortisation Expense	5,686.3
	Gain on sale/Fair Vale of current investment measured at FVTPL - Contigency Reserve Fund	(14.5)
	Finance Costs	7,164.9
	Write down in Inventory Value	45.3
	Expected Credit Loss on Trade Receivables and Capital Advances	115.7
	Unclaimed Liabilities / Excess provision written back	(57.0)
	Gain on Sale of Non current Investment	(547.4)
	Provision for Stamp Duty Expense	226.0
	Interest income	(1,827.9)
	Operating profit before working capital changes	**21,279.2**
	Movement in Working Capital:	
	(Increase) / Decrease in Operating Assets :	
	Trade Receivables	(928.0)
	Other financial assets and other assets	(4,688.2)
	Inventories	(21.4)
	Increase / (Decrease) in Operating Liabilities :	
	Trade Payables	53.4
	Other financial liabilities, other liabilities and provision	190.4
	Cash generated/ (used) from operations	**15,885.4**
	Less: Taxes paid (Net of Refunds)	(1,284.0)
	Net cash flows generated from operating activities (A)	**14,601.4**
B.	**Cash flow from investing activities**	
	Payments of Capital expenditure on Property, Plant and Equipment, Intangible Asset including capital advance (Net)	(113.8)
	Payment for purchase of non-current financial assets	
	Equity Shares- subsidiaries	4,747.3
	Investment in Optionally Convertible Debentures of Subsidiary Company	(1,697.9)
	Proceeds from Redemption of Optionally Convertible Redeemable Debentures by Subsidiary Companies	-
	Investment in Convertible Redeemable Debentures by Subsidiary Companies	(337.6)
	Acquisition of Subsidiaries	(310.4)
	Sale/(Purchase) of current investment (net)	865.5
	Proceeds from / (Deposits in) Bank deposits (net) (Including Margin money deposit)	(6,805.3)
	Proceeds on Sale of Non current Investments	12,096.2
	Interest received	1,888.7
	Loans in Subsidaries (Net)	(6,031.3)
	Net cash flows from/(used in) investing activities (B)	**4,301.4**
C.	**Cash flow from financing activities**	
	Payment for Lease Liability including interest	(47.7)
	Proceeds from Long- term borrowings (Net)	5,773.7
	Proceeds/(repayment) from Short- term borrowings (Net)	(5,332.1)
	Distribution on Perpetual Securities Equity Instrument	(18.0)
	Repayment of Unsecured Perpetual Instrument	(18,896.2)
	Finance Costs Paid	(6,912.7)
	Net cash flows from/(used in) financing activities (c)	**(25,432.9)**
	Net increase / (decrease) in cash and cash equivalents (A+B+C)	**(6,530.1)**
	Cash and cash equivalents at the beginning of the period	**7,093.3**
	Cash and cash equivalents at the end of the period	**563.2**

Cash and Cash Equivalents Includes (Refer Note 14)	As at 30th September, 2020 (₹ in Million)
Balances with Banks	
-In Current Accounts	563.2
Total Cash and Cash Equivalents	**563.2**

Dharmesh Parikh & Co. FRN 112054W Ahmedabad Chartered Accountants

Adani Transmission

Obligor Group Special Purpose Combined Statement of Cash Flows for the twelve months ended 30th September, 2020

Refer below schedules for Cash & Bank balance

(₹ in Million)

Particulars	Schedule	As at 30th September, 2020
Cash and Cash equivalents (Balance in current accounts & FD with less than 3 months maturity)	14	563.2
Bank balance other than Cash & Cash equivalents (FD with more than 3 months maturity & Margin money)	15	104.0
Investment in trust securities	12	569.9
Fixed Deposits	9	7350.0
Total		**8587.1**

See accompanying notes forming part of the Obligor Group Special Purpose Combined Financial statements

For Dharmesh Parikh & Co.
Chartered Accountants
Firm Registration Number : 112054W

Chirag J Shah

CHIRAG SHAH
Partner
Membership No. 122510

Dharmesh Parikh & Co. FRN 112054W Ahmedabad Chartered Accountants

Place : Ahmedabad
Date : 14th December, 2020

FOR ADANI TRANSMISSION LIMITED

ANIL SARDANA
Managing Director and
Chief Executive Officer
DIN 00006867

KAUSHAL SHAH
Chief Financial Officer

JALADHI SHUKLA
Company secretary

Place : Ahmedabad
Date : 14th December, 2020

Adani Transmission Limited

Obligor Group Special Purpose Combined Statement of Changes in Equity for the twelve months ended 30th September, 2020

A. Equity Share Capital

Particulars	No. Shares	(₹ in Million)
Balance as at 1st October, 2019	1,099,810,083	10,998.1
Changes in equity share capital during the period :		
Issued of shares during the period	-	-
Balance as at 30th September, 2020	1,099,810,083	10,998.1

B. Unsecured Perpetual Equity Instrument

Particulars	(₹ in Million)
Balance as at 1st October, 2019	43,084.5
i) Add: Availed during the period	-
ii)(Less): Repaid during the period	(18,896.2)
iii) Add: Distribution on Unsecured Perpetual Equity Instrument (Net of Tax)	2,997.8
Balance as at 30th September, 2020	**27,186.1**

C. Other Equity

(₹ in Million)

Particulars	Reserve and Surplus						Item of other Comprehensive Income	Total
	Capital Reserve	General Reserve	Retained Earning	Contingency Reserve	Self insurance Reserve	Capital Redemption Reserve	Effective portion of cashflow Hedge	
Balance as at 1st October, 2019	**114.7**	**12,206.0**	**1,183.5**	**416.2**	**-**	**18,918.8**	**(928.9)**	**31,910.4**
Profit (Loss) for the period	-	-	8,670.8	-	-	-		8,670.8
Add/(Less): Other Comprehensive Income/(Loss) for the period (Net of tax)	-	-	7.5	-	-	-	611.4	618.9
Add/ (Less):Transfer from Retained Earning to Contingency Reserve	-	-	(160.0)	160.0	-	-	-	-
Add/(Less):Transfer from Retained Earning to Capital Redemption Reserve (CRR) on redemption of Optionally Convertible Redeemable Preference Shares (OCRP)	-	-	(5,284.7)	-	-	5,284.7	-	-
Add/(Less): Transfer from general reserves to self insurance reserve	-	(100.0)	-	-	100.0	-	-	-
(Less): Distribution on Unsecured Perpetual Equity Instrument	-	-	(3,015.8)	-	-	-	-	(3,015.8)
Balance as at 30th September, 2020	**114.7**	**12,106.0**	**1,401.4**	**576.2**	**100.0**	**24,203.5**	**(317.5)**	**38,184.3**

See accompanying notes forming part of the Obligor Group Special Purpose Combined Financial statements

For Dharmesh Parikh & Co.
Chartered Accountants
Firm Registration Number : 112054W

Chirag Shah

Dharmesh Parikh & Co. FRN 112054W Ahmedabad Chartered Accountants

CHIRAG SHAH
Partner
Membership No. 122510

Place : Ahmedabad
Date : 14th December, 2020

FOR ADANI TRANSMISSION LIMITED

ANIL SARDANA
Managing Director and
Chief Executive Officer
DIN 00006867

KAUSHAL SHAH
Chief Financial Officer

JALADHI SHUKLA
Company secretary

Adani Transmission Limited

Place : Ahmedabad
Date : 14th December, 2020

1 General information

Adani Transmission Limited ("The Company") is a public limited company incorporated and domiciled in India, It's ultimate holding entity is S. B. Adani Family Trust (SBAFT)., having its registered office at Adani House, Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad 380 009, Gujarat, India. The Company and its Twenty eight subsidiaries (together referred to as "the Group") is incorporated to carry on the business of establishing, commissioning, setting up, operating and maintaining electric power transmission systems and to peruse acquisition of available opportunity in power transmission systems/networks. The Group is providing transmission services in India spreading across Gujarat, Rajasthan, Maharashtra, Haryana, ,Chhattishgarh and Madhya Pradesh. The group is also developing additional projects in India spreading in Gujarat, Maharashtra, Rajasthan, Jharkhand, Bihar, & Uttar Pradesh. The Group has entered in Generation and Distribution business in Mumbai through acquisition of Integrated Mumbai suburban Power i.e. Business Generation, Transmission and Distribution (GTD). The Group has entered in to new business opportunities through OPGW fibres on transmission lines with the ambition of expanding its telecom solutions to Telcos, Internet service providers and long distance communication operators .The commercialization of the network shall be done through leasing out spare capacities to potential communication players.

Adani Transmission (India) Limited ("The Company") is a public limited company incorporated and domiciled in India and has its registered office at Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad 382 421, Gujarat, India. The principle activity of company is to establish, commission, operate and maintain Transmission Systems. The company is having a dedicated transmission line from Mundra to Dehgam, Mundra to Mohindergarh and Tiroda to Warora with total circuit length of approximately 3834 ckt km located in the states of Gujarat, Maharashtra and Haryana. The Company's main source of revenue is electricity transmission tariffs where the tariffs are set on "cost plus-basis" by the regulators i.e. Central Electricity Regulatory Commission(CERC) & Maharashtra Electricity Regulatory Commission(MERC). The "cost-plus basis" tariff is determined based on a number of components that are aggregated into an Annual Transmission Charges which is paid to the company by Maharashtra State Electricity Transmission Company Limited (MSETCL) & Power Grid Corporation of India Limited (PGCIL).

Maharashtra Eastern Grid Power Transmission Company Limited ("The Company") is a public limited company incorporated and domiciled in India and has its registered office at Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad 382 421, Gujarat, India. The company establish, commission, operate and maintain Transmission Systems. The Company operates the Tiroda-Aurangabad Transmission System, which is located in the state of Maharashtra, which is a 765 kV Transmission System of 1,217 ckms from Tiroda to Aurangabad. The Company's main source of revenue is electricity transmission tariffs where the tariffs are set on "cost plus-basis" by the regulators i.e. Maharashtra Electricity Regulatory Commission (MERC). This "cost-plus basis" tariff is determined based on a number of components that are aggregated into an Annual Transmission Charges which is paid to the company by Maharashtra State Electricity Transmission Company Limited (MSETCL).

The Parent Company and Certain subsidiaries of the Parent company which are collectively known as the "Obligor Group" (as more clearly explained in the note below) have issued USD denominated notes which are listed on Singapore Exchange Securities Trading Limited (SGX-ST).
The Obligor Group entities Comprise the Parent Company and the following wholly owned entities:-

Entities	Country of Incorporation
Adani Transmission (India) Limited	India
Maharashtra Eastern Grid Power Transmission Company Limited	India

2.1 Purpose of the Special Purpose Combined Financial Statements

The Special Purpose Combined Financial Information have been prepared for the purpose of lenders requirement in relation to already issued USD denominated notes by the Obligor Group. The Combined Financial Statements presented herein reflect the Obligor Group's results of operations, assets and liabilities and cash flows for the period presented. 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.The Group's results of operations, assets and liabilities and cash flows as at and for the twelve months ended 30th September, 2020 (referred as "period") . The basis of preparation and Significant accounting policies used in preparation of these Special Purpose Combined Financial Information are set out in notes below.

2.2 Basis of Preparation

The Combined Financial Statements of the Obligor Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015 amended from time to time 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)

Management has prepared these combined financial statements to depict the historical financial information of the Obligor Group. The 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 Indian Accounting Standards. 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 information presented in the combined financial statements of the Obligor Group may not be representative of the position which may prevail after the transaction. The resulting financial position may not be that which might have existed if the combining business had been a stand-alone business.

The following procedure is followed for the preparation of the 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 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 Combined Financial Statements include the operation of entities in the Obligor Group, as if they had been managed together for the period presented.
Earnings Per Share have not been presented in these Special Purpose Combined Financial Information, as The Group did not meet the applicability criteria as specified under Ind AS 33 – Earnings Per Share.

Transactions that have taken place with the 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 actually incurred 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 Function currency of the Obligor Group is Indian Rupee(INR). The Special Purpose Combined financial statements are presented in INR and all values are rounded to the nearest Million (Transactions below ₹ 5000.00 denoted as ₹ 0.00), unless otherwise indicated.

3 Significant accounting policies

a 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 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 obligor Group has identified twelve months as its operating cycle.

b Foreign Currency

In preparing the financial statements of the Group, transactions in currencies other than the entity's functional currency are recognised at the rate of exchange prevailing on the date of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated.

Exchange differences on monetary items are recognised in the statement of profit and loss in the period in which they arise except for:

(i) 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; and

(ii) exchange differences on transactions entered into in order to hedge certain foreign currency risks.

c 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.

The specific recognition criteria described below must also be met before revenue is recognised:

(i) Income from Transmission Lines

-Transmission income is accounted for based on tariff orders notified by respective regulatory authorities.

-The transmission system incentive / disincentive is accounted for based on certification of availability by respective Regional Power Committee.

-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.

(ii) Income from Services

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

(iii) Sale of 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.

(iv) Interest Income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and amount of the 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 the exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

d Taxation

Tax on Income comprises current tax and deferred tax. These are recognised in the 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 :

Tax on income for the current period is determined on the basis on estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals. 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. Management periodically evaluates positions taken in the tax returns with respect to situations for which applicable tax regulations are subject to interpretation and revises the provisions where appropriate.

ii) 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, unused tax losses and unused tax credits to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the 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.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Obligor Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

CERC / MERC tariff norms provide the recovery of Income Tax from the beneficiaries by way of grossing up the return on equity based on effective tax rate for the financial year shall be based on the actual tax paid during the year on the transmission income. Accordingly, deferred tax liability provided during the period is fully recoverable from beneficiaries and known as "Deferred Asset recoverable / adjustable" in accordance with guidance given by Expert Advisory Committee of The Institute of Chartered Accountant of India (ICAI) in its recent opinion on a similar matter. The same will be recovered when the related deferred tax liability forms a part of current tax.

e Property, Plant and Equipment (PPE)

Land and building held for use in the production or for administrative purposes are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Free hold land is not depreciated.

Property, plant and equipment are stated at original cost grossed up with the amount of tax / duty benefits availed, less accumulated depreciation and accumulated impairment losses, if any. Properties in the course of construction are carried at cost, less any recognised impairment losses. All costs, including borrowing costs incurred up to the date the asset is ready for its intended use, is capitalised along with respective asset. Capital work-in-progress is stated at cost, net of accumulated impairment loss, if any.

Depreciation is recognised based on the cost of assets (other than land) less their residual values over their useful lives.

i) Depreciation in respect of assets related to electricity generation, transmission and distribution business except (ii) & (iii) below are covered under Part B of Schedule II of the Companies Act, 2013, has been provided on the straight line method (considering a salvage value of 5%) at the rates using the methodology as notified by the respective regulators.

ii) In respect of assets other than (i) above, depreciation on fixed assets is calculated on straight-line method (SLM) (considering a salvage value of 5%) basis using the rates arrived on the basis on useful life as specified in Schedule II of the Companies Act, 2013. The estimated Useful lives, residual value and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

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.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. Estimated useful lives of assets are as follows:-

Type of Assets	Useful lives
Building	25-30 Years
Plant and Equipment	3-35 Years
Furniture and Fixtures	10-15 Years
Office Equipment	5-15 Years
Computer Equipment	3-6 Years
Vehicles	8-10 Years

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and any accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal.

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.

Estimated useful lives of the intangible assets are as follows:

Type of Assets	Useful lives
Computer Software	3-5 years

f Impairment of tangible and intangible assets other than goodwill

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.

g 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. 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 the statement of profit and loss in the period in which they are incurred.

h Inventories

Inventories are stated at the lower of weighted average cost or net realisable value. Costs include all non-refundable duties and all charges incurred in bringing the goods to their present location and condition. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Unserviceable/damaged stores and spares are identified and written down based on technical evaluation.

i Employee benefits

Defined benefit plans

The obligor Group has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees through Group Gratuity Scheme of Life Insurance Corporation of India. The obligor Group accounts for the liability for the gratuity benefits payable in future based on an independent actuarial valuation carried out using Projected Unit Credit Method considering discounting rate relevant to Government Securities at the Balance Sheet Date.

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.

Defined benefit costs in the nature of current and past service cost and net interest expense or income are recognized in the statement of profit and loss in the period in which they occur. Actuarial gains and losses on remeasurement is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur and is reflected immediately in retained earnings and not reclassified to profit or loss. Past service cost is recognised in the Statement of Profit and Loss in the period of a plan amendment.

Defined Contribution Plans

Retirement Benefits in the form of Provident Fund and Family Pension Fund which are defined contribution schemes are charged to the statement of profit and loss for the period in which the contributions to the respective funds accrue.

Compensated Absences

Provision for Compensated Absences and its classifications between current and non-current liabilities are based on independent actuarial valuation. The actuarial valuation is done as per the projected unit credit method as at the reporting date.

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.

j Leases

Effective from 1st April, 2019, The Group adopted Ind AS 116 – Leases and applied the standard to all lease contracts existing as on 1st April, 2019 using the modified retrospective method on the date of initial application i.e. 1st April, 2019.

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.

For these short-term and low value leases, the lease payments associated with these leases as an expense in the statement of Profit and Loss 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.

k Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the financial asset or settle the financial liability takes place either:

> In the principal market for the asset or liability, or

> In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the obligor Group.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. Fair value measurement and / or disclosure purposes in these financial statements is determined on such a basis, except for measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

The obligor Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

> Level 1 — Quoted (unadjusted) market prices 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

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per The Obligor Group's accounting policies.

For the purpose of fair value disclosures, the obligor Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

l 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 an entity 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 (other than financial assets and financial liabilities at fair value through profit or loss) 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 at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

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 obligor Group entity are recognised at the proceeds received, net of direct issue costs.

(A) Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis.

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) Classification of financial assets

Financial assets that meet the following conditions are subsequently measured at amortised cost (except for financial assets that are designated at fair value through profit or loss on initial recognition):

- The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- The contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For the impairment policy on financial assets measured at amortised cost.

All other financial assets are subsequently measured at fair value.

a) 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.

b) 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.

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

Investments in equity instruments are classified as at FVTPL, unless the Group irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.Other financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in the Statement of Profit and Loss.

2) Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial assets and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and transaction costs and other premiums or discounts) through the expected life of the financial assets, or where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest is recognised on an effective interest basis for debt instruments other than those financial assets classified as at Fair Value through Profit and Loss (FVTPL). Interest income is recognised in the Statement of Profit and Loss and is included in the "Other income" line item.

3) Derecognition of financial assets

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

the right to receive cash flows from the asset have expired, or

the Obligor 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 Obligor Group has transferred substantially all the risks and rewards of the asset, or (b) the Obligor Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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

4) Impairment of financial assets

The Group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, trade receivables and other contractual rights to receive cash or other financial asset.

Expected credit losses rate the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. The Group estimates cash flows by considering all contractual terms of the financial instrument through the expected life of that financial instrument.

The Group measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instruments has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that will results if default occurs within the 12 months after the reporting date and this, are not cash shortfalls that are predicted over the next 12 months.

If the Group measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Group again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Group uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

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For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward looking information.

5) Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in the Statement of Profit and Loss.

(B) 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 or at FVTPL.

4) Financial liabilities at Fair Value through Profit or Loss (FVTPL)

A financial liability may be designated as at FVTPL upon initial recognition if:

(a) such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;

(b) The financial liability whose performance is evaluated on a fair value basis, in accordance with the Group's documented risk management;

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in the Statement of Profit and Loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability.

Fair values are determined in the manner described in note 43.

5) Financial liabilities at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Trade and other payables are recognised at the transaction cost, which is its fair value, and subsequently measured at amortised cost.

6) Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income'.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL or amortisation cost, the foreign exchange component forms part of the fair value gains or losses and is recognised in the Statement of Profit and Loss.

7) Derecognition of Financial Liability

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

m 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.

n 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.

o Derivative financial instruments

The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, interest rate swaps and cross currency swaps. Further details of derivatives financial instruments are disclosed.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in the Statement of Profit and Loss immediately.

p **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 obligor group enters into forward contracts, Principle only Swaps (POS) and other derivative financial instruments. The Company does not hold derivative financial instruments for speculative purposes.

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

Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.
Any gains or losses arising from changes in the fair value of derivatives are taken directly to the statement of profit and loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to the statement of profit and loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial 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 obligor group formally designates and documents the hedge relationship to which the obligor group wishes to apply hedge accounting.
The documentation includes the obligor 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 obligor 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.

q **Cash & Cash Equivalents**

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

r **Statement of Cash Flows**

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.

s **Provision, Contingent Liabilities and Contingent Assets**

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

The amount recognized 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. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.
When the obligor Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

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.

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.

t 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 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 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.

u Under special purpose financials, obligor group has recognised Right of use Assets net of Lease liability.

4 Significant accounting judgements, estimates and assumptions

Critical accounting judgements and key sources of estimation uncertainty

The application of the obligor Group's accounting policies as described in Note 3, in the preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the acGrouping disclosures, and the disclosure of contingent liabilities. The estimates and assumptions are based on historical experience and other factors that are considered to be relevant.

The estimates and underlying assumptions are reviewed on an ongoing basis and any revisions thereto are recognized in the period in which they are revised or in the period of revision and future periods if the revision affects both the current and future periods. Actual results may differ from these estimates which could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

5 Significant accounting judgements, estimates and assumptions are as below

5.1 Property, plant and equipment[1]

i) Depreciation rates, depreciation method and residual value of property, plant and equipment[1]

Depreciation in respect of assets related to electricity Transmission business is provided on a straight line basis at the rates provided in Appendix II of Central Electricity Regulatory Commission (Terms and conditions of Tariff) Regulations, 2014. In case of other Assets depreciation on fixed assets is calculated on straight-line method (SLM) using the rates arrived at based on the useful life as specified in Schedule II of the Companies Act, 2013.

ii) Impairment of property plant and equipment[2]

At the end of each reporting period, the obligor group reviews the carrying amounts of its property, plant and equipment to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

5.2 Impairment of financial assets

Investments made / Intercorporate deposits ("ICDs") given to subsidiaries[2]

In case of investments made and Intercorporate Deposits ("ICD") given by the Group to its subsidiaries, the Management assesses whether there is any indication of impairment in the value of such investments and ICDs given. The carrying amount is compared with the present value of future net cash flow of the subsidiaries.

5.3 Taxation

i) Current tax[1]

The obligor Group has treated certain expenditure as being deductible for tax purposes. However, the tax legislation in relation to this expenditure is not clear and the Group has applied their judgement and interpretation for the purpose taking their tax position.

ii) Deferred tax assets[2]

Deferred tax assets are recognised for unused tax losses / credits to the extent that it is probable that taxable profit will be available against which the losses can be utilised. 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.

5.4 Impairment of Goodwill[2]

Goodwill is tested for impairment on an annual basis and whenever there is an indication that the recoverable amount of a cash generating unit is less than its carrying amount based on a number of factors including operating results, business plans, future cash flows and economic conditions. The recoverable amount of cash generating units is determined based on higher of value-in-use and fair value less cost to sell. The goodwill impairment test is performed at the level of the cash-generating unit or Obligor Groups of cash-generating units which are benefitting from the synergies of the acquisition and which represents the lowest level at which goodwill is monitored for internal management purposes. Market related information and estimates are used to determine the recoverable amount. Key assumptions on which management has based its determination of recoverable amount include estimated long term growth rates, weighted average cost of capital and estimated operating margins. Cash flow projections take into account past experience and represent management's best estimate about future developments. [Refer Note 3 (t)]

5.5 Judgment to estimate the amount of provision required or to determine required disclosure related to litigation and claim against the Obligor Group (Refer Note 38)

5.6 Fair value measurement of financial instruments[2]

In estimating the fair value of financial assets and financial liabilities, the obligor Group uses market observable data to the extent available. Where such Level 1 inputs are not available, the Group establishes appropriate valuation techniques and inputs to the model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in Note 39.

5.7 Defined benefit plans and other long-term employee benefits[2]

The present value of obligations under defined benefit plan and other long term employment benefits is determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual development in the future. These include the determination of the discount rate, future salary escalations, attrition rate and mortality rates etc. Due to the complexities involved in the valuation and its long term nature, these obligations are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

[1]Critical accounting judgments
[2] Key sources of estimation uncertainties

6.1 Property, Plant and Equipment

(₹ in Million)

Description of Assets	Tangible Assets								Intangible Assets	
	Land (Free hold)	Building	Plant & Equipment	Furniture and Fixtures	Office Equipments	Computer Equipment	Vehicles	Total	Computer Software	Total
I. Gross Carrying Value										
Balance as at 1st October, 2019	716.9	876.5	101,689.0	18.9	43.2	15.7	8.9	**103,369.1**	3.1	**3.1**
Additions during the Year	41.6	-	22.8	0.8	1.0	33.3	1.3	**100.8**	49.1	**49.1**
Disposals during the Year	-	-	-	-	-	-	-1.4	**-1.4**	-	-
Balance as at 30th September,2020	**758.5**	**876.5**	**101,711.7**	**19.7**	**44.2**	**49.0**	**8.8**	**103,468.5**	**52.3**	**52.3**
II. Accumulated depreciation										
Balance as at 1st October, 2019	-	141.1	25,079.9	5.4	11.2	3.2	1.9	**25,242.7**	1.8	**1.8**
Depreciation for the year	-	30.0	5,592.8	1.3	3.0	4.9	0.8	**5,632.8**	5.2	**5.2**
Eliminated on disposal of assets	-	-	-	-	-	-	-	-	-	-
Balance as at 30th September,2020	-	**171.2**	**30,672.7**	**6.7**	**14.2**	**8.1**	**2.7**	**30,875.5**	**7.1**	**7.1**

Description of Assets	Tangible Assets								Intangible Assets	
	Land (Free hold)	Building	Plant & Equipment	Furniture and Fixtures	Office Equipments	Computer Equipment	Vehicles	Total	Computer Software	Total
Net Carrying Value : **As at 30th September,2020**	**758.5**	**705.3**	**71,039.0**	**13.0**	**30.0**	**40.9**	**6.1**	**72,593.0**	**45.2**	**45.2**

6.2 CWIP

Description of Assets	As at 30th September, 2020 (₹ in Million)
Capital Inventory	40.1
Total	**40.1**

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7 Investments

	As at 30th September, 2020 (₹ in Million)	As at 31st March, 2020 (₹ in Million)
I. Investments - carried at Cost		
(a) Investments in Equity Instruments - Unquoted		
Investments in Subsidiary Companies (Face value of ₹ 10 each)		
4,40,00,000 (31.03.2020 : 4,40,00,000) Equity Shares of Sipat Transmission Limited of ₹ 10 each	440.0	440.0
9,11,00,000 (31.03.2020 : 9,11,00,000) Equity Shares of Raipur - Rajnandgaon-Warora Transmission Limited of ₹ 10 each	911.0	911.0
6,80,00,000 (31.03.2020 : 6,80,00,000) Equity Shares of Chhattisgarh-WR Transmission Limited of ₹ 10 each	680.0	680.0
84,99,999 (31.03.2020 : 84,99,999) Equity Shares of Adani Transmission (Rajasthan) Limited of ₹ 10 each	85.0	85.0
50,000 (31.03.2020 : 50,000) Equity Shares of North Karanpura Transco Limited of ₹ 10 each	0.5	0.5
89,40,000 (31.03.2020 : 89,40,000) Equity Shares of Maru Transmission Service Company Limited of ₹ 10 each	89.4	89.4
52,30,000 (31.03.2020 : 52,30,000) Equity Shares of Aravali Transmission Service Company Limited of ₹ 10 each	52.3	52.3
1,00,00,000 (31.03.2020 : 1,00,00,000) Equity Shares of Hadoti Power Transmission Service Limited of ₹ 10 each	100.0	100.0
80,00,000 (31.03.2020 : 80,00,000) Equity Shares of Barmer Power Transmission Service Limited of ₹ 10 each	80.0	80.0
70,00,000 (31.03.2020 : 70,00,000) Equity Shares of Thar Power Transmission Service Limited of ₹ 10 each	70.0	70.0
1,00,00,000 (31.03.2020 : 1,00,00,000) Equity Shares of Western Transco Power Limited of ₹ 10 each	118.4	118.4
1,00,00,000 (31.03.2020 : 1,00,00,000) Equity Shares of Western Transmission (Gujarat) Limited of ₹ 10 each	130.1	130.1
2,55,00,000 (31.03.2020 : 2,55,00,000) Equity Shares of Fatehgarh-Bhadla Transmission Limited of ₹ 10 each	255.0	255.0
9,62,50,000 (31.03.2020 : 8,22,50,000) Equity Shares of Ghatampur Transmission Limited of ₹ 10 each (Refer Note 1 below)	1,340.6	1,076.8
301,15,96,827 (31.03.2020 : 301,15,96,827) Equity Shares of Adani Electricity Mumbai Limited of ₹ 10 each	34,270.6	34,270.6
99,99,999 (31.03.2020 : 99,99,999) Equity Shares of Adani Transmission Bikaner Sikar Private Limited (Formerly known as 'KEC - Bikaner - Sikar Transmission Private Limited') of ₹ 10 each (Refer Note 1 below)	510.6	510.6
5,55,00,000 (31.03.2020 : 5,55,00,000) Equity Shares of OBRA-C Badaun Transmission Limited of ₹ 10 each	555.0	555.0
10,000 (31.03.2020 : 10,000) Equity Shares of AEML Infrastructure Limited of ₹ 10 each	0.1	0.1
3,43,49,149 (31.03.2020 : 10,000) Equity Shares of Bikaner Khetri Transmission Limited of ₹ 10 each	343.5	0.1
50,000 (31.03.2020 : 50,000) Equity Shares of WRSS XXI (A) Transco Limited of ₹ 10 each	0.5	0.5
50,000 (31.03.2020 : 50,000) Equity Shares of Lakadia Banaskantha Transco Limited of ₹ 10 each	0.5	0.5
50,000 (31.03.2020 : 50,000) Equity Shares of Jam Khambaliya Transco Limited of ₹ 10 each	0.5	0.5
10,000 (31.03.2020 : 10,000) Equity Shares of Arasan Infra Private Limited of ₹ 10 each	0.1	0.1
10,000 (31.03.2020 : 10,000) Equity Shares of Sunrays Infra Space Private Limited of ₹ 10 each	0.1	0.1
7,490 (31.03.2020 : 7,490) Equity Shares of Power Distribution Services Limited (Formerly known as 'Adani Electricity Mumbai Services Limited') of ₹ 10 each	0.1	0.1
50,000 (31.03.2020 : Nil) Equity Shares of Kharghar Vikhroli Transmission Private Limited of ₹ 10 each	0.5	-
Total (a)	**40,034.4**	**39,426.7**
(b) Investments in 0% Compulsory Convertible Debentures (CCD) - Unquoted		
Investments in wholly owned Subsidiary Companies (Face value of ₹ 100 each)		
31,57,031 (31.03.2020 : 31,57,031) CCD of North Karanpura Transco Limited of ₹ 100 each	315.7	315.7
33,75,915 (31.03.2020 : Nil) CCD of Bikaner Khetri Transmission Limited of ₹ 100 each	337.6	-
Total (b)	**653.3**	**315.7**
Total I (a+b)	**40,687.7**	**39,742.4**

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II. Investments - carried at Fair Value through profit or loss (FVTPL)

(a) Investments in 0% Optionally Convertible Redeemable Preference Shares - Unquoted Investments in wholly owned Subsidiary Company (Face value of ₹ 10 each)	As at 30th September, 2020 (₹ in Million)	As at 31st March, 2020 (₹ in Million)
3,45,00,000 (31.03.2020 : 3,45,00,000) Preference Shares of Adani Transmission Bikaner Sikar Private Limited (Formerly known as 'KEC - Bikaner - Sikar Transmission Private Limited') of ₹10 each	62.8	62.8
Total (a)	62.8	62.8
(b) Investments in 10.85% Optionally Convertible Debentures (OCD) - Unquoted		
Investments in wholly owned Subsidiary Companies (Face value of ₹ 100 each)		
3,18,25,373 (31.03.2020 : 2,38,13,373) OCD of Ghatampur Transmission Limited of ₹ 100 each	2,928.2	2,127.0
67,51,830 (31.03.2020 : Nil) OCD of Bikaner Khetri Transmission Limited of ₹ 100 each	675.2	-
Total (b)	3,603.4	2,127.0
Total II (a+b)	3,666.2	2,189.8
Total (I + II)	44,353.9	44,646.4

Aggregate carrying value of unquoted investments	As at 30th September, 2020 (₹ in Million)	As at 31st March, 2020 (₹ in Million)
Investment in Equity Instruments	40,034.4	39,426.7
Investment in Preference Shares	62.8	62.8
Investment in Compulsory Convertible Debentures	653.3	315.7
Investment in Optionally Convertible Debentures	3,603.4	2,127.0
Total	44,353.9	41,932.2

8 Loans at Amortised Cost

(Unsecured, considered good)

	As at 30th September, 2020 (₹ in Million)	As at 31st March, 2020 (₹ in Million)
Loans to Subsidiary Companies	10,369.6	8,923.5
Debt instruments carried at amortised cost (Unquoted)	63.4	59.4
	10,433.0	**8,982.8**

9 Other Financial Assets

(Unsecured, considered good)

	As at 30th September, 2020 (₹ in Million)	As at 31st March, 2020 (₹ in Million)
Fixed Deposits	7,350.0	
Security deposits	13.3	13.1
Derivative instruments designated in hedge accounting relationship	1,559.6	2,205.9
Advance for Business Acquisition (Refer Note 47)	-	172.1
Unbilled Revenue	1,754.8	-
Total	**10,677.7**	**2,391.1**

10 Other Non-current Assets

(Unsecured, considered good)

	As at 30th September, 2020 (₹ in Million)	As at 31st March, 2020 (₹ in Million)
Capital advances		
- Considered Good	-	-
- Considered Doubtful	13.9	13.9
	13.9	13.9
Less : Expected Credit Loss on Capital Advances	(13.9)	(13.9)
	-	-
Deferred assets recoverable / adjustable (Refer note 50)	9,210.0	8,748.3
Total	**9,210.0**	**8,748.3**

11 Inventories

(At lower of Cost and Net Realisable Value)

	As at 30th September, 2020 (₹ in Million)	As at 31st March, 2020 (₹ in Million)
Stores & spares	258.2	237.0
Total	**258.2**	**237.0**

Note

During the twelve months ended 30th September, 2020 ₹ 45.4 Million was recognised as an expense for inventories carried at net realisable value.

12 Investments

	As at 30th September, 2020 (₹ in Million)	As at 31st March, 2020 (₹ in Million)
Investment in Mutual Funds units at FVTPL (Unquoted)	-	459.3
Investment in Trust securities	569.9	-
Total	**569.9**	**459.3**

13 Trade Receivables (Unsecured otherwise stated)

		As at 30th September, 2020 (₹ in Million)	As at 31st March, 2020 (₹ in Million)
Unsecure, Considered Good		2,780.3	2,558.6
Credit Impaired		101.7	101.7
		2,882.0	**2,660.3**
(Less): Expected Credit Loss		(101.7)	(101.7)
	Total	**2,780.3**	**2,558.6**

Note:

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.

14 Cash and Cash equivalents

		As at 30th September, 2020 (₹ in Million)	As at 31st March, 2020 (₹ in Million)
Balances with banks			
In current accounts		563.2	7,069.1
Fixed Deposits (with original maturity for three months or less)		-	976.2
(Margin Money Against Bank Guarantees and Debt Service Reserve Account)			
	Total	**563.2**	**8,045.3**

15 Bank balance other than Cash and Cash equivalents

		As at 30th September, 2020 (₹ in Million)	As at 31st March, 2020 (₹ in Million)
Balances held as Margin Money		104.0	30.8
Others		-	3,750.0
	Total	**104.0**	**3,780.8**

16 Loans At Amortised Cost

(Unsecured, considered good)

		As at 30th September, 2020 (₹ in Million)	As at 31st March, 2020 (₹ in Million)
Loans to Subsidiary Companies (Refer Note 41)		205.1	6,104.1
Loans to Employees		3.3	3.2
	Total	**208.4**	**6,107.3**

17 Other Financial Assets

(Unsecured, considered good)

		As at 30th September, 2020 (₹ in Million)	As at 31st March, 2020 (₹ in Million)
Interest Receivable		1,071.8	1,114.0
Unbilled Revenue		6,537.7	5,002.0
Security deposits		7.0	7.3
Derivative instruments designated in hedge accounting relationship		261.5	2,111.8
Other Receivable		60.6	33.0
Advance to Related parties (Refer Note 41)		156.0	-
	Total	**8,094.6**	**8,268.1**

18 Other Current Assets

(Unsecured, considered good)

		As at 30th September, 2020 (₹ in Million)	As at 31st March, 2020 (₹ in Million)
Advance to Suppliers		39.9	27.6
Advance to Employees		0.7	0.9
Balances with Government authorities		49.9	43.2
Prepaid Expenses		32.5	17.2
	Total	**123.0**	**88.9**

19 Share Capital	As at 30th September, 2020 (₹ in Million)	As at 31st March, 2020 (₹ in Million)
Authorised Share Capital		
150,00,00,000 equity shares of ₹ 10 each	15,000.0	15,000.0
Total	**15,000.0**	**15,000.0**
Issued, Subscribed and Fully paid-up equity shares		
109,98,10,083 fully paid up equity shares of ₹ 10 each	10,998.1	10,998.1
Total	**10,998.1**	**10,998.1**

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

Equity Shares

	As at 30th September, 2020		As at 31st March, 2020	
	No. Shares	(₹ in Million)	No. Shares	(₹ in Million)
At the beginning of the year	1,099,810,083	10,998.1	1,099,810,083	10,998.1
Issued during the year	-		-	
Outstanding at the end of the year	**1,099,810,083**	**10,998.1**	**1,099,810,083**	**10,998.1**

b. Terms/rights attached to equity shares

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

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

	As at 30th September, 2020		As at 31st March, 2020	
	No. Shares	(₹ in Million)	No. Shares	(₹ in Million)
Equity shares of ₹ 10 each fully paid				
Shri Gautam S. Adani / Shri Rajesh S. Adani (on behalf of S.B. Adani Family Trust)	621,197,910	56.48%	621,197,910	56.48%
Adani Tradeline LLP (Formally known as Parsa Kente Rail Infra LLP)	99,491,719	9.05%	99,491,719	9.05%
Total	**720,689,629**	**65.53%**	**720,689,629**	**65.53%**

20 Unsecured Perpetual Equity Instrument	As at 30th September, 2020 (₹ in Million)	As at 31st March, 2020 (₹ in Million)
Opening Balance	43,084.5	34,080.3
Add : Availed during the period	-	7,000.0
(Less): Repaid during the period	(18,896.2)	(12,096.2)
Add: Distribution on Unsecured Perpetual Equity Instrument (Net of Tax)	2,997.8	3,810.1
Closing Balance	**27,186.1**	**32,794.2**

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21 Other Equity

		As at 30th September, 2020 (₹ in Million)	As at 31st March, 2020 (₹ in Million)
a. Surplus / (Deficit) in the Statement of Profit and Loss			
Opening Balance		1,183.5	1,139.6
Add : Profit for the period		8,670.8	5,432.9
Add/(Less): Other comprehensive income (Loss) arising from remeasurement of Defined Benefit Plans		7.5	(2.7)
(Less): Distribution on Unsecured Perpetual Equity Instrument		(3,015.8)	(3,833.0)
(Less): Transfer to Capital Redemption Reserve (CRR) on redemption of Optionally Convertible Redeemable Preference Shares (OCRP)		(5,284.7)	-
(Less): Transfer to Contingency Reserve		(160.0)	(170.8)
	Total (a)	**1,401.4**	**2,566.0**
b. Effective portion of cashflow Hedge (Refer Note i below)			
Hedge Reserve			
Opening balance		(928.9)	(1,763.3)
Add: Effective portion of cash flow hedge for the period		611.4	1,582.0
Closing Balance	Total (b)	**(317.5)**	**(181.3)**
c. Capital Reserve (Refer Note ii below)		114.7	114.7
	Total (c)	**114.7**	**114.7**
d. Self insurance Reserve (Refer Note iii below)			
Opening Balance		-	-
Add : Transfer from general reserve during the period		100.0	-
Closing balance	Total (d)	**100.0**	**-**
e. General Reserve (Refer Note iv below)		12,206.0	12,206.0
Opening Balance			
Less: Transfer to self insurance reserve		(100.0)	-
Closing Balance			
	Total (e)	**12,106.0**	**12,206.0**
f. Capital Redemption Reserve (Refer Note v below)			
Opening Balance		18,918.8	18,918.8
Add: Transfer from Retained Earning on redemption of Optionally Convertible Redeemable Preference Shares		5,284.7	-
Closing Balance	Total (f)	**24,203.5**	**18,918.8**
g. Contingency Reserve (Refer Note vi below)			
Opening Balance		416.2	265.0
Add: Transfer from Retained Earning		160.0	170.8
Closing Balance	Total (g)	**576.2**	**435.8**
	Total (a+b+c+d+e+f+g)	**38,184.3**	**34,060.0**

Notes:

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

ii) Capital Reserve of ₹ 114.7 Million were created due to acquisition of 100% stake in Maru Transmission Service Company Limited and 100% stake in Aravali Transmission Service Company Limited in the financial year 2016-17.

iii) During the period, ₹ 100 Million Self insurance reserve is created from general to mitigate future losses from un-insured risks and for taking care of contingencies in future by procurement of towers and other transmission line materials including strengthening of towers and equipment of AC substation.

iv) During the financial year 2015-16, General reserve of ₹ 12,206.0 Million was created pursuant to the demerger of transmission undertaking of Adani Enterprises Limited into the company out of which 100 millions are transferred to self insurance reserve in FY 20-21.

v) During the period Capital redemption reserve of ₹ 5,284.7 Million was created due to transfer on redemption of optionally convertible redeemable preference shares from retained earning.

vi) As per the provisions of MERC MYT Regulations read with Tariff orders passed by MERC, the Company being a Transmission Licensee, makes an appropriation to the Contingency Reserve fund to meet with certain exigencies. Investments in Trust securities have been made against such

vii) Retained earnings represents the amount that can be distributed by the Company as dividends considering the requirements of the Companies' Act, 2013. No dividend are distributed during the period by the Company.

22 Borrowing

	As at 30th September, 2020		As at 31st March, 2020	
	Non-current (₹ in Million)	Current (₹ in Million)	Non-current (₹ in Million)	Current (₹ in Million)
Secured				
Bonds				
4% USD Bonds	36,350.8	-	37,258.5	-
4.25% USD Bonds	34,239.1	2,187.1	36,251.8	1,299.0
Non Convertible Debentures				3,749.0
Total	**70,590.0**	**2,187.1**	**73,510.3**	**5,048.0**
Amount disclosed under the head Other current financial liabilities (Refer Note 27)	-	(2,187.1)	-	(5,048.0)
Net amount	**70,590.0**	**-**	**73,510.3**	**-**

Security

The above USD Bonds are secured by way of first ranking pari passu charge in favour of the Security trustee (for the benefit of the Bond/Debenture holders):

a. mortgage of land situated at Sanand.

b. hypothecation of all the assets (movable and immovable) including current assets of the company.

c. pledge over 100% equity shares of Adani Transmission (India) Limited (ATIL) and Maharashtra Eastern Grid Power Transmission Company Limited (MEGPTCL), both are wholly owned subsidiaries of the company.

d. accounts and receivables of ATIL and MEGPTCL and also the operating cash flows, book debts, loans and advances, commissions, dividends, interest income, revenues present and future of ATIL and MEGPTCL.

Terms of Repayment

(i) 4.00% 500 Million USD Bonds aggregating ₹ 36,885.0 Million are redeemable by bullet payment in FY 2026.

(ii) 4.25% 500 Million USD Bonds aggregating ₹ 36,700.6 Million are redeemable by Half yearly payment starting from May 2020 to May 2036.

23 Provisions

	Non-Current		Current	
	As at 30th Sept, (₹ in Million)	As at 31st March, 2020 (₹ in Million)	As at 30th Sept, 2020 (₹ in Million)	As at 31st March, 2020 (₹ in Million)
Net employee defined benefit liabilities				
Provision for Employee Benefits	113.5	94.8	6.8	27.4
	113.5	94.8	6.8	27.4
Provision for stamp duty Expense	156.5	156.5	-	
Total	**270.0**	**251.3**	**6.8**	**27.4**

24 Deferred tax liabilities (Net)

	As at 30th September, 2020 (₹ in Million)	As at 31st March, 2020 (₹ in Million)
Deferred Tax Liabilities		
Deferred tax liabilities (Net)	9,210.0	8,748.3
Total	**9,210.0**	**8,748.3**

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25 Borrowings

	As at 30th September, 2020 (₹ in Million)	As at 31st March, 2020 (₹ in Million)
Secured Borrowings - From Banks		
Working Capital Loan	1,200.0	1,968.3
Cash Credit From Banks	1,635.7	-
Total	**2,835.7**	**1,968.3**

Note:

Cash credits and working capital loans from banks in rupee terms from banks aggregating to ₹ 1635.7 Milllion is secured by first charge on receivables and on movable and immovable assets created out of the projects of ATIL and MEGPTCL on paripassu basis carrying rate of interest at 8.95% and 9.90% respectively in MEGPTCL & ATIL.

Rupee Short term loan from Bank aggregating to ₹ 1200.0 Million having an interest rate of 7.25% on Rupee Short term loans is secured by first charge on receivables and on immovable and movable assets created out of project on paripassu basis

26 Trade Payables

	As at 30th September, 2020 (₹ in Million)	As at 31st March, 2020 (₹ in Million)
Trade Payables		
- Total outstanding dues of micro enterprises and small enterprises	0.4	7.9
- Total outstanding dues of creditors other than micro enterprises and small enterprises	420.8	1,490.7
Accrual For Employees	29.8	20.5
Total	**451.0**	**1,519.1**

The Disclosure in respect of the amounts payable to Micro and Small Enterprises have been made in the standalone Financial Statements based on the information received and available with the Group. The Group has not received any claim for interest from any supplier as at the balance sheet date. Hence, disclosure as per MSME Act is not required. These facts has been relied upon by the auditors.

	As at 30th September, 2020 (₹ in Million)	As at 31st March, 2020 (₹ in Million)
(a) the principal amount remaining unpaid to any supplier at the end of each accounting year	0.4	7.9
(b) Interest due on principal amount remaining unpaid to any supplier at the end of each accounting year	0.0	0.0
(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;	-	-
(e) the amount of interest accrued and remaining unpaid at the end of each accounting year;	0.0	-
(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	-	-

27 Other Financial Liabilities

	As at 30th September, 2020 (₹ in Million)	As at 31st March, 2020 (₹ in Million)
Current maturities of long-term borrowings (Secured) (Refer Note 22)	2,187.1	5,048.0
Interest accrued but not due on borrowings	736.4	1,141.2
Retention money payable on purchase of fixed assets	-	10.0
Payable on purchase of fixed assets	10.3	10.7
Derivative instruments designated in hedge accounting relationship	138.1	233.7
Total	**3,071.9**	**6,443.6**

28 Other Current Liabilities

	As at 30th September, 2020 (₹ in Million)	As at 31st March, 2020 (₹ in Million)
Statutory liabilities	53.0	61.1
Advance from Customers	222.8	80.7
Total	**275.8**	**141.8**

29 Current tax liabilities (Net)

	As at 30th September, 2020 (₹ in Million)	As at 31st March, 2020 (₹ in Million)
Current Tax Liabilities (Net)	240.0	145.7
Total	**240.0**	**145.7**

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30 Revenue from Operations - From Transmission Business

	For the twelve months ended 30th September, 2020 (₹ in Million)	For the year ended 31st March, 2020 (₹ in Million)
Income from transmission charges		
Income from transmission lines (Refer Note 43)	23,256.0	19,911.2
Other Operating Revenue		
Sale of Services	-	1.6
Total	**23,256.0**	**19,912.8**

31 Revenue from Operations - From Trading Business

	For the twelve months ended 30th September, 2020 (₹ in Million)	For the year ended 31st March, 2020 (₹ in Million)
Sale of Traded Goods	8,575.4	8,575.5
Total	**8,575.4**	**8,575.5**

Details of Revenue from Contract with Customer :

Contract balances:

(a) The following table provides information about receivables, contract assets and contract liabilities from the contracts with customers.

Particulars	As at 30th September, 2020 (₹ in Million)	As at 31st March, 2020 (₹ in Million)
Trade receivables (Refer note 13)	2,780.3	2,558.6
Contract Assets (Refer note 17)	6,537.7	5,002.0
Contract Liabilities	-	-

The contract assets primarily relate to the Obligor group's right to consideration for services provided but not billed at the reporting date. The contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the obligor group issues an invoice to the Customer. The contract liabilities primarily relate to the advance consideration received from the customers.

(b) Reconciliation the amount of revenue recognised in the statement of profit and loss with the contracted price:

	As at 30th September, 2020 (₹ in Million)	As at 31st March, 2020 (₹ in Million)
Revenue as per contracted price	23,318.7	19,976.6
Adjustments		
Less: Discounts	62.7	65.4
Revenue from contract with customers	**23,256.0**	**19,911.2**

32 Other Income

	For the twelve months ended 30th September, 2020 (₹ in Million)	For the year ended 31st March, 2020 (₹ in Million)
Interest Income		
- Bank	9.7	11.4
- Other	1,818.2	1,726.4
Gain on Sale/Fair Value of Current Investments measured at FVTPL	-	26.6
Gain on Sale/Fair Value of Current Investments measured at FVTPL - Contigency Reserve Fund	14.5	28.0
Gain on sale of Non current investment (Refer Note 47)	547.4	547.4
Sale of Scrap	1.4	0.7
Unclaimed liabilities / Excess Provision written back	57.0	2.0
Total	**2,448.2**	**2,342.5**

33 Purchase of Stock- in- Trade

	For the twelve months ended 30th September, 2020 (₹ in Million)	For the year ended 31st March, 2020 (₹ in Million)
Purchase of Stock-in-Trade	8,572.4	8,572.1
Total	**8,572.4**	**8,572.1**

34 Employee Benefits Expenses

	For the twelve months ended 30th September, 2020 (₹ in Million)	For the year ended 31st March, 2020 (₹ in Million)
Salaries, Wages and Bonus	636.6	704.6
Contribution to Provident and Other Funds	47.8	45.0
Employee Welfare Expenses	17.0	18.1
Total	**701.4**	**767.7**

35 Finance costs

	For the twelve months ended 30th September, 2020 (₹ in Million)	For the year ended 31st March, 2020 (₹ in Million)
Interest Expenses (refer note below)	4,189.7	5,252.5
Bank Charges & Other Borrowing Costs	94.0	180.0
Foreign Exchange Fluctuation Loss - Borrowings (Net)	-	13.2
Interest on Lease Obligation	45.1	43.0
Interest - Hedging Cost	2,836.1	2,140.9
	7,164.9	**7,629.6**

Note:
The Company earns income from restricted irreversible Investment until the Corresponding Debt is outstanding and accordingly, Interest Expense is shown after netting off of income earned on restricted irreversible Investment amounting ₹ 491.56 Million for 12 months ended 30th September, 2020 & 290 Million for the year ended 31st March, 2020.

36 Other Expenses

	For the twelve months ended 30th September, 2020 (₹ in Million)	For the year ended 31st March, 2020 (₹ in Million)
Operating Cost	597.9	549.3
Repairs and Maintenance - Others	1.9	2.3
Short Term Lease Rental	34.7	33.0
Rates and Taxes	6.1	4.2
Legal & Professional Expenses	331.0	311.7
Directors' Sitting Fees	2.4	2.3
Communication Expenses	11.3	13.0
Travelling & Conveyance Expenses	44.3	57.6
Loss on sale of fixed Assets	0.2	0.2
Insurance Expenses	18.4	15.9
Factory & Office Expenses	0.3	0.2
Corporate Social Responsibility expenses	177.7	173.9
Miscellaneous Expenses	53.6	59.4
Expected Credit Loss on Trade Receivables and Capital Advances	115.7	115.8
Write down in Inventory value	45.3	45.3
Provision for Stamp Duty Expense	226.0	226.0
Total	**1,666.8**	**1,610.2**

37 Income Tax

	For the twelve months ended 30th September, 2020 (₹ in Million)	For the year ended 31st March, 2020 (₹ in Million)
Current Tax :		
Current Income Tax Charge (MAT)	1,817.0	1,149.7
Deferred Tax	1,308.8	1,426.9
Total	**3,125.8**	**2,576.6**

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	(₹ in Million) As at 30th Sept, 2020
38 Contingent liabilities and commitments :	
(i) Contingent liabilities :	
a) VAT - Matter is related to FY 2013-14. The Company has filed appeal to Joint Commissioner Appeals against demand levied by sales tax department under MVAT act, 2002	24.0
b) Claim raised during the year by the MSETCL towards additional capital cost for the assets constructed in earlier years	313.1
	337.1

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. The above amounts are recoverable from the customer as part of the truing up exercise.

(ii) Bank Guarantee :

Bank guarantee given by Adani Transmission Limited on behalf of Special Purpose Vehicle (SPV) companies, which were taken over to carry out the business awarded under tariff-based bidding, towards performance of work awarded is ₹ 3,686.0 Million (Previous period ₹ 3,678.8 Million) Against which Bank guarantee taken by the company from vendors is ₹ 4,344.9 Million (Previous period ₹ 2,054.3 Million) in various form.

	(₹ in Million) As at 30th Sept, 2020
(iii) Commitments :	
a) Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of capital advance):	621.9
	621.9

b) The Company Adani Transmission Limited has funding commitments to a subsidiary, the occurrence and amounts of which are contingent on occurrence of future events.

39 Fair Value measurement:

The carrying value of financial instruments by categories as on 30th September, 2020 is as follows:

(₹ in Million)

Particulars	Fair Value through other Comprehensive Income	Fair Value through profit or loss	Amortised cost	Total Carrying Value in Books	Fair Value
Financial Assets					
Investments in Subsidiaries other than Obligor Group	-	3,666.2	-	3,666.2	3,666.2
Investments in Trust securities	-		569.9	569.9	569.9
Trade Receivables	-	-	2,780.3	2,780.3	2,780.3
Cash and Cash Equivalents	-	-	563.2	563.2	563.2
Other Bank balances	-	-	104.0	104.0	104.0
Loans	-	-	10,641.4	10,641.4	10,641.4
Derivatives instruments	(317.5)	2,138.5	-	1,821.0	1,821.0
Other Financial Assets	-	-	16,951.3	16,951.3	16,951.3
Total	**(317.5)**	**5,804.7**	**31,610.1**	**37,097.3**	**37,097.3**
Financial Liabilities					
Borrowings (Including current maturities)	-	-	75,612.8	75,612.8	75,612.8
Trade Payables	-	-	451.0	451.0	451.0
Derivatives instruments		138.1	-	138.1	138.1
Other Financial Liabilities	-	-	746.7	746.7	746.7
Total	**-**	**138.1**	**76,810.5**	**76,948.6**	**76,948.6**

Notes:

i) Above excludes carrying value of equity nature Investments in subsidiaries accounted at cost in accordance with Ind AS 27.

ii) The management assessed that the fair value of cash and cash equivalents, other balance with banks, trade receivables, loans, trade payables, other financial assets and liability approximate their carrying amount largely due to the short term maturities of these instruments.

iii) 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.

vi) The Obligor group 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.

40 Fair Value hierarchy

Particulars	As at 30th September, 2020	
	Level 1	Level 2
Assets measured at fair value		
Investments in Subsidiaries	-	3,666.2
Assets measured at amortised cost		
Loans	-	10,641.4
Derivative Instruments designated in hedge accouting relationship		
Derivative Instruments	-	1,821.0
Total	**-**	**16,128.6**
Liabilities for which fair values are disclosed		
Borrowings (Including Interst Accrued & Current Maturities)	75,134.0	2,839.6
Derivative Instruments designated in hedge accoutning relationship		
Derivative Instruments	-	138.1
Total	**75134.0**	**2,977.7**

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41 Related party disclosures :

As per Ind AS 24. Disclosure of transaction with related parties are given below:

> Ultimate Holding Entity	S. B. Adani Family Trust (SBAFT)
> Subsidiary Companies	Sipat Transmission Limited
	Raipur – Rajnandgaon – Warora Transmission Limited
	Chhattisgarh – WR Transmission Limited
	Adani Transmission (Rajasthan) Limited
	North Karanpura Transco Limited
	Maru Transmission Service Company Limited
	Aravali Transmission Service Company Limited
	Hadoti Power Transmission Service Limited
	Barmer Power Transmission Service Limited
	Thar Power Transmission Service Limited
	Western Transco Power Limited
	Western Transmission (Gujarat) Limited
	Fatehgarh-Bhadla Transmission Limited
	Ghatampur Transmission Limited
	Adani Electricity Mumbai Limited
	AEML Infrastructure Limited
	OBRA-C Badaun Transmission Limited
	Adani Transmission Bikaner Sikar Private Limited
	Bikaner Khetri Transco Limited (w.e.f. 19th September, 2019)
	WRSS XXI(A) Transco Limited (w.e.f. 14th October, 2019)
	Arasan Infra Private Limited (w.e.f. 5th November, 2019)
	Sunrays Infra Space Private Limited (w.e.f. 5th November, 2019)
	Lakadiabanaskantha Transco Limited (w.e.f. 13th November, 2019)
	Jamkhambhaliya Transco Limited (w.e.f. 13th November, 2019)
	Power Distribution Service Limited (Formerly known as 'Adani Electricity Mumbai Services Limited') (w.e.f. 6th December, 2019)
	Kharghar Vikhroli Transmission Private Limited (w.e.f. 25th June, 2020)
	Adani Electricity Mumbai Infra Limited (w.e.f. 3rd January, 2020)
> Key Managerial Personnel (KMP)	Mr. Gautam S. Adani, Chairman
	Mr. Rajesh S. Adani, Director
	Mr. Anil Sardana, Managing Director and Chief Executive Officer
	Mr. Kaushal Shah, Chief Financial Officer
	Mr. Jaladhi Shukla, Company Secretary
	Mr. K. Jairaj - Non Executive Director
	Dr. Ravindra H. Dholakia - Non Executive Director
	Ms. Meera Shankar - Non Executive Director
> Entities under Control/Significant influence of ultimate Controlling Entity	Adani Infra (India) Limited
	Adani Agri Fresh Limited
	Adani Power (Mundra) Limited
	Adani Foundation
	Belvedere Golf and Country Club Private Limited
	Adani Enterprises Limited
	Adani Estate Private Limited
	Adani Infrastructure Management Services Limited
	Adani Power Rajasthan Limited.
	Adani Township & Real Estate Co. Private Limited
	Kamuthi Solar Power Limited.
	Mundra Solar PV Limited
	Raipur Energen Limited
	Adani Power Limited
	Adani Power Maharashtra Limited
	Adani Transport Limited
	Parampujya Solar Energy Pvt Limited
	Udupi Power Corporation Limited

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Adani Transmission Limited

Adani Ports and Special Economic Zone Limited
Adani Institute for Education and Research
Karnavati Aviation Private Limited
Adani Green Energy Limited
Adani Water Limited
Adani Wilmar Limited
Adani Gas Limited
Adani Green Energy (Tamilnadu) Limited
Adani Green Energy (MP) Limited
Adani Power (Jharkhand) Limited

Note:
The names of the related parties and nature of the relationships where control exists are disclosed irrespective of whether or not there have been transactions between the related parties. For others, the names and the nature of relationships is disclosed only when the transactions are entered into by the obligor with the related parties during the existence of the related party relationship.

(A) Transactions with Related Parties

Particulars	With Subsidiary Companies*	With Entities under Control/Significant influence of ultimate Controlling Entity	With Key Managerial Personnel
For the twelve months ended	**30th September 2020**	**30th September 2020**	**30th September 2020**
Sale of Goods	-	756.9	-
Purchase of Goods	0.0	9.7	-
O&M Agreement Charges	-	360.9	-
Professional and Consultancy fees	-	168.6	-
Repairs and Maintanence Exp	-	0.2	-
Interest Income (Refer Note: 1)	1,636.3	55.3	-
Interest expenses	-	34.2	-
Interest on Fair Value of CCPS	7.6	-	-
Rent Expense	-	28.9	-
Staff Welfare Expense	-	0.2	-
Electricity Expense	-	5.7	-
Equipment Hire Charges	0.1	0.0	-
Distribution on Perpetual Equity Instrument (Refer Note: 2)	-	3,028.0	-
Reimbursement of the expenses	-	10.8	-
Reimbursement of the expenses received	-	0.0	-
Recovery of Expenses	197.6	-	-
Business Development expenses	-	0.0	-
Loans in subsdiaries (Net) (Refer Note: 3)	6,318.0	14.4	
Conversion of Loan into Purchase/Subscription of Investment	4,602.5	-	-
Unsecured Perpetual Equity Instrument (Net) (Refer Note: 4)		5,713.9	
Repayment of Perpetual Equity	-	6,800.0	-
Loan repaid (net)	-	1,227.9	-
Purchase/Subscription of Investment (including Preference Share)	1,239.6	-	-
Investment Decrease in Optionally Convertible Redeemable Debentures	6,080.6	-	-
Investment in Perpetual Equity Instrument (Refer Note: 5)		-	-
Conversion of Investment in Perpetual Equity Instrument into Purchase/Subscription of Investment	2,809.5	-	-
Investment in Optionally Convertible Debentures (OCD)	1,509.2	-	-
Investment in Compulsorily Convertible Debentures (CCD)	337.6	-	-
a) Short-term benefits	-	-	114.5
b) Post-employment benefits	-	-	4.7
Directors Sitting Fees	-	-	2.2
Corporate Socials Responsibility Expenses		80.9	-

*Subsidiaries other than included in obligor group

- All above transactions are in normal course of business and are made on terms equivalent to those that prevail arm's length transactions.

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Notes:

1. Interest on Loan given to Subsidiary Companies.
2. Accrued on Perpetual Equity infused by Entity under common control.
3. Financial support to Subsidiary Companies primarily for Green field Growth.
4. Long term equity support by way of Perpetual instruments from entities under common control.
5. Long term Financial support by way of Perpetual Equity Instruments to Subsidiary Companies.

(B) Balances with Related Parties

Particulars	With Subsidiary Companies*	With Entities under Control/Significant influence of ultimate Controlling Entity	With Key Managerial Personnel
	As at 30th September, 2020	As at 30th September, 2020	As at 30th September, 2020
Loans Receivable	10,560.3	14.4	-
Interest Receivable	1,040.1	14.1	-
Accounts Payable	0.0	137.9	-
Accounts Receivable	60.6	27.0	-
Compulsorily Convertible Debentures	653.3	-	-
Unsecured Perpetual Equity Instrument	-	27,186.1	-

*Subsidiaries other than included in obligor group

42 Financial Instruments and Risk Overview

a) Capital Management

The Obligor Group's objectives to managing capital is to safeguard continuity and healthy capital ratios is order to support its business and provide adequate return to share holders through continuing growth. The Obligor Group's overall strategy remains unchanged from previous year.

The Obligor Group sets the amount of capital required on the basis of annual business and long term operating plans which include capital and other strategic investment.

The funding requirement are met through a mixture of equity, internal fund generation and borrowing. The Obligor Group's policy is to use borrowing to meet anticipated funding requirements.

(₹ in Million)

Particulars	Refer Note	As at 30th September,
Total Borrowings (Including Current Maturities)	22,25 & 27	75,612.8
Less: Cash and bank balances	14 & 15	667.2
Less : Current Investments	12	569.9
Net Debt(A)		**74,375.7**
Equity Share Capital & Other Equity	19 & 21	49,182.4
Unsecured Perpetual Equity Instrument	20	27,186.1
Total Equity (B)		**76,368.5**
Total Equity and Net Debt C=(A+B)		**150,744.2**
Gearing Ratio (A)/(C)		**0.49**

No changes were made in the objectives, policies or processes for managing capital during the period ended as at 30th September, 2020 .

b) Financial Risk Management Objectives

The Obligor Group's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Obligor Group's operations/projects .The Obligor Group's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

In the ordinary course of business, the Obligor Group 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, Liquidity Risk and other price risks such as equity price risk. The Obligor Group's senior management oversees the management of these risks. It manages its exposure to these risks through derivative financial instruments by hedging transactions. It uses derivative instruments such as Principal only Swaps, Interest rate swaps, foreign currency future options and foreign currency forward contract to manage these risks. These derivative instruments reduce the impact of both favourable and unfavourable fluctuations.

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

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

In the ordinary course of business, the Obligor Group is exposed to Market risk, Credit risk, and Liquidity risk.

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 foreign currency risk.

1) Interest rate risk

The Obligor Group is exposed to changes in market interest rates due to financing, investing and cash management activities. The Obligor Group's exposure to the risk of changes in market interest rates relates primarily to the Obligor Group's long-term debt obligations with floating interest rates and period of borrowings. The Obligor Group enters into interest rate swap contracts or interest rate future contracts to manage its exposure to changes in the underlying benchmark interest rates.

Interest rate sensitivity

The sensitivity analysis below have been determined based on the exposure to interest rates at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease represents management's assessment of the reasonably possible change in interest rates.

If interest rates has been 50 basis points higher / lower and all other variables were held constant, the Obligor Group's profit for the period ended 30th September, 2020 would decrease / increase by ₹ 6 Million. This is mainly attributable to interest rates on variable rate borrowings.

2) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Obligor Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Obligor Group's operating activities. The Obligor Group manages its foreign currency risk by hedging transactions that are expected to realise in future. Accordingly, as at period end the Obligor group does not have any unhedged outstanding foreign exposure and hence the obligor group is not exposed to any foreign currency risk as at period end.

The obligor has taken various derivatives to hedge its bonds and interest thereon. The outstanding position of derivative instruments are as under:

Nature	Purpose	As at 30th September, 2020	
		Foreign Currency (USD in Million)	(₹ in Million)
i) Principal only swaps	Hedging of foreign currency bond principal liability	568.8	41,956.7
ii) Forward covers	Hedging of foreign currency bond principal & Interest liability	469.6	34,640.5

The details of foreign currency exposures not hedged by derivative instruments are as under :

Nature	As at 30th September, 2020	
	Foreign Currency (In Million)	(₹ in Million)
Creditors	USD 0.81	60.0

Foreign Currency Risk Sensitivity

A change of 1% in Foreign currency would have following impact on profit before tax

(₹ in Million)

Particulars	As at 30th September, 2020	
	1% Increase	1% Decrease
Risk Sensitivity		
Rupee / USD - (Increase) / Decrease	(0.6)	0.6

(Transactions below ₹ 50,000.0 denoted as ₹0.0 Million)

Derivative Financial Instrument

The Obligor Group uses derivatives instruments as part of its management of risks relating to exposure to fluctuation in foreign currency exchange rates and interest rates. The Obligor Group 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 Obligor Group'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 Obligor Group 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 Obligor Group 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 September 30, 2020.

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

(₹ in Million)

Derivative Financials Instruments	As at 30th September, 2020	
	Assets	Liabilities
Cash flow hedge		
-Forward	26.4	138.1
-Principal Only Swaps	1,794.7	-
Total	**1,821.1**	**138.1**

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a loss to the Obligor Group. The Obligor Group has adopted the policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial losses from default, and generally does not obtain any collateral or other security on trade receivables.

The carrying amount of financial assets recorded in the financial statements represents the companies maximum exposure to credit risk. Since the companies is an ISTS licensees, the responsibility for billing and collection on behalf of the Obligor Group lies with the CTU. Based on the fact that the collection by CTU is from Designated ISTS Customers (DICs) which in majority of the cases are state government organisations and further based on an analysis of the past trends of recovery, the management is of the view that the entire receivables are fully recoverable. Accordingly, the Obligor Group does not recognize any impairment loss on its receivables

Liquidity risk

The Obligor Group monitors its risk of shortage of funds using cash flow forecasting models. These models consider the maturity of its financial investments, committed funding and projected cash flows from operations. The Obligor Group's objective is to provide financial resources to meet its business objectives in a timely, cost effective and reliable manner and to manage its capital structure. A balance between continuity of funding and flexibility is maintained through the use of various types of borrowings.

The table below analysis derivative and non-derivative financial liabilities of the Obligor Group into relevant maturity Obligor Groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

(₹ in Million)

As at 30th September, 2020	Less than 1 year	1-5 years	Over 5 Years	Total
Borrowings (Including current Maturities)	5,048.8	8,852.4	62,520.1	76,421.3
Trade Payables	451.0	-	-	451.0
Derivatives Liabilities	138.1	-	-	138.1
Other Financial Liabilities	746.7	-	-	746.7

43 (a) During the period, Maharashtra Electricity Regulatory Commission (MERC) vide its order dated 30th March, 2020, has approved for (i) truing-up of the tariff for the period from the financial year 2017-18 & 2018-19, (ii) for Provisional truing up of financial year 2019-20 and (iii) Aggregate Revenue Requirement (ARR) for FY 2020-21 and FY 2024-25 for Adani Transmission (India) Limited (ATIL), Maharashtra Eastern Grid Power Transmission Company Limited (MEGPTCL) and Adani Electricity Mumbai Limited (AEML). Accordingly, based on the MERC order, during the previous period/year, Group has recognized revenue from operations of ₹ 2544.3 Millions for the period from April, 2017 to March, 2019.

(b) During the period, Appellate Tribunal for Electricity (APTEL) has issued order in favor of MEGPTCL wherein it has set aside disallowances made by MERC in its earlier Truing up orders as regards capital expenditure and others. Accordingly, during the previous quarter, Group has recognized revenue from operations (ARR) of ₹ 3295.2 Millions from the period April, 2015 to March, 2020 and recognized ₹ 281.8 Millions for the period April, 2020 to September, 2020.

(₹ in Million)

Particulars	Consolidated					
	Quarter Ended			Half Year Ended		Year Ended
	30-Sep-20	30-Jun-20	30-Sep-19	30-Sep-20	30-Sep-19	31-Mar-20
Revenue from operations	-	3295.2	-	3295.2	-	2544.3

MERC Suo Motu directed MEGPTCL vide order dated 18th October, 2020 to submit details of consequential impact in lieu of APTEL judgment mentioned above. Subsequently MEGPTCL submitted its reply on 28th October, 2020 with a claim for additional ARR of approx. 10,200 Millions (including above amount recognised), MERC is yet to commence hearing on MEGPTCL claims filed.

44 During the period, Adani Transmission Limited ('the Parent Company)

i) has acquired 100% equity share capital of SPV " WRSS XXI (A) Transco Limited" from REC Transmission Project Company Limited (REC TPCL) on 14th October, 2019. WRSS XXI (A) Transco Limited was formed by REC TPCL to establish "Transmission System Strengthening for relieving over loading observed in Gujarat Intra-State System due to RE injections in Bhuj PS through Tariff Based Competitive Bidding (TBCB).

ii) has signed a binding Share Purchase Agreement on 13th November, 2019, with REC Transmission Project Company Limited for acquisition of 100% Equity Share Capital of Lakadia Banaskantha Transco Limited(LBTL). LBTL was incorporated by REC Transmission Project Company Limited to establish "Transmission system associated with Renewable Energy generation at Bhuj-II, Dwarka & Lakadia through Tariff Based Competitive Bidding (TBCB).

iii) Has signed Share Purchase Agreement on 13th November, 2019, with REC Transmission Project Company Limited for acquisition of 100% Equity Share Capital of Jam Khambhaliya Transco Limited (JKTL). JKTL was incorporate on 28th October, 2019 by REC Transmission Project Company Limited to establish Jam Khambhaliya Pooling Station and interconnection of Jam Khambhaliya Pooling station to provide connectivity to Renewable Energy projects (150 MW) in Dwarka (Gujarat) and installation of 400/220 KV ICT along with associated bays at Costal Gujarat Power Limited Switchyard through Tariff Based Competitive Bidding (TBCB).

iv) has incorporated Arasan Infra Private Limited and Sunrays Infra Space Private Limited as a wholly owned subsidiary of the Adani Transmission Limited (Parent Company) w.e.f 05th November, 2019, Power Distribution Services Limited (Formerly known as 'Adani Electricity Mumbai Services Limited') w.e.f. 6th December 2019 and Adani Electricity Mumbai Infra Limited w.e.f. 03rd January,2020.(step down subsidiary of the Parent Company).

v) has signed a Share Purchase Agreement (SPA) and completed the acquisition of the SPV, Kharghar Vikhroli Transmission Private Limited (KVPTL), on 25th June, 2020, incorporated by Maharashtra State Electricity Transmission Company Ltd. (MSETCL). KVPTL will build, own, operate and maintain the transmission project in the state of Maharashtra for a period of 35 years. This Project comprises of approximately 34 Km of 400 kV and 220 kV transmission lines along with 1500 MVA 400 kV GIS Substation at Vikhroli in Mumbai.

45 Adani Transmission Step-One Limited was incorporated as wholly owned subsidiary company of Adani Transmission Limited w.e.f. 23rd September, 2020.

46 Adani Transmission Limited has acquired 49% stake in Alipurduar Transmission Limited from Kalpataru Power Transmission Ltd. (KPTL) on 27th November, 2020 with agreement to acquire balance 51% after obtaining requisite regulatory and other approvals and in a manner consistent with Transmission Service Agreement. The share acquisition is pursuant to definitive agreements signed in July 2020. Alipurduar Transmission Ltd. operates transmission lines aggregating to around 650 ckt kms in West Bengal and Bihar. The project was awarded through competitive bidding process on a build, own, operate, maintain basis. Element 1 of the project consisting of the transmission line from Alipurduar to Siliguri was commissioned on 20 Jan 2020 and Element 2 of the project consisting of the transmission line from Kishanganj to Darbhanga was commissioned on 6 Mar 2019.

47 In January 2020, Adani Transmission Limited has sold 25.10 % stake of Adani Electricity Mumbai Limited (AEML) to Qatar Holding (QH), a subsidiary of Qatar Investment Authority (QIA), in accordance with terms of Shareholders Agreement entered into between the Group and QH.

Adani Transmission Limited has also sold 25.10 % stake of Power Distribution Services Limited (PDSL) (Formerly known as 'Adani Electricity Mumbai Services Limited') to Qatar Holding (QH), a subsidiary of Qatar Investment Authority (QIA) in accordance with terms of Shareholders Agreement entered into between the Group and QH.

The Group has received total consideration amounting to ₹ 12,096.2 Million for the same.

48 During the period, Adani Transmission Limited has completed issuance of USD 500 million 4.25% Foreign Currency Bonds maturing in 2036. Servicing of the bonds have been supported by an obligor group that includes ATL and its two wholly-owned subsidiaries, MEGPTCL and ATIL. The Company has used the bond's proceeds for the purpose for which they were raised i.e. to refinance its existing INR debt and Masala bonds. Though idle/surplus funds which were not required for immediate utilization have been gainfully invested in fixed deposits. The said borrowings have been hedged using various hedging instruments.

49 Segment information:-Operating Segments

The reportable segments of the Obligor Group are trading activity and providing transmission line service. The segment are largely organised and managed separately according to the organisation structure that is designed based on the nature of service. Operating segments reported in a manner consistent with the internal reporting provided to the Chairman and Managing Director jointly regarded as the Chief Operating Decision Maker ("CODM"). Description of each of the reportable segments for all periods presented, is as under:-

i) Transmission

ii) Trading

The CODM evaluates the Obligor group's performance and allocates resources based on an analysis of various performance indicators by operating segments. The CODM reviews revenue and gross profit at the performance indicator for all of the operating segments.
The measurement of each segment's revenues, expenses and assets is consistent with the accounting policies that are used in preparation of the financial statements. Segment profit represents the profit before interest and tax.
Information regarding the Obligor Group's reportable segments is presented below:

(₹ in Million)

	Transmission	Trading	Elimination	Total
1. Revenue				
External Sales	23,256.0	8,575.4	-	31,831.4
Total Revenue	23,256.0	8,575.4	-	31,831.4
2. Results	15,201.4	3.0	-	15,204.4
Segment Results				
Unallocated				2,448.2
Operating Profit				17,652.6
Less: Finance Expense				7,164.9
Profit Before Tax and Deferred Assets Recoverable/Adjustable				10,487.6
Current Taxes				1,817.0
Deferred Tax				1,308.8
Total Tax				3,125.8
Profit after tax and before deferred assets recoverable/adjustable				7,361.9
Deferred Assets (Recoverable)/Adjustable				1,308.8
Less: Minority Interest				-
Net profit				8,670.6
3. Other Information				
Segment Assets	159,047.6	-	-	159,047.6
Unallocated	4,272.0	-	-	4,272.0
Total Assets	163,319.7	-	-	163,319.7
Segment Liabilities	10,602.0	-	-	10,602.0
Unallocated Corporate Liabilities	76,349.3	-	-	76,349.3
Total liabilities	86,951.3	-	-	86,951.3
Depreciation	5,686.3	-	-	5,686.3
Non Cash Expenditure other then Depreciation/ Amortisation	387.0	-	-	387.0
Capital Expenditure	113.8	-	-	113.8

50 In respect of transmission businesses where tariff is determined on cost plus, return on equity and the income tax is a pass through, deferred tax recoverable from / adjustable against future tariff, when and to the extent such deferred tax becomes current tax in future periods, is presented separately, and is not offset against deferred tax in accordance with guidance given by Expert Advisory Committee of The Institute of Chartered Accountant of India (ICAI) in its recent opinion on a similar matter. Until previous year, it was presented under 'Tax Expense' in the Statement of Profit & Loss and adjusted in deferred tax balance in the Balance sheet, which has now been reclassified.

51 Other Disclosures

Due to outbreak of COVID-19 globally and in India, the obligor Group's management has made initial assessment of impact on business and financial risks on account of COVID-19. Considering that the Group is in the business of Transmission of Power which is considered to be an Essential Service, the management believes that the impact of this outbreak on the business and financial position of the Group will not be significant. The management does not see any risks in the obligor Group's ability to continue as a going concern and meeting its liabilities as and when they fall due.

For Dharmesh Parikh & Co.
Chartered Accountants
Firm Registration Number : 112054W

Chirag J Shah

CHIRAG SHAH
Partner
Membership No. 122510

Dharmesh Parikh & Co. FRN 112054W Ahmedabad Chartered Accountants

Place : Ahmedabad
Date : 14th December, 2020

FOR ADANI TRANSMISSION LIMITED

ANIL SARDANA
Managing Director and
Chief Executive Officer
DIN 00006867

KAUSHAL SHAH
Chief Financial Officer

JALADHI SHUKLA
Company secretary

Adani Transmission Limited

Place : Ahmedabad
Date : 14th December, 2020