

Covenant Compliance Certificate

Sep 30, 2022

Adani Transmission USPP Pool  
(Restricted Group)



Contents

1.1	Evolution of Adani Transmission Limited (“ATL”) .....	3
1.2	ATL USPP Assets: .....	9
1.2.1	Operation and Business Continuity: .....	10
1.3	Summary of Key Covenants: .....	10
1.4	Financial Performance: .....	14
1.4.1	EBITDA Performance: .....	14
1.4.2	Receivable Ageing on Aggregated Basis: .....	14
2.	Compliance Certificate and its working: .....	16
2.1	Computation of Operating Account Waterfall as per Project Account Deed: ..	17
2.2	Summary of Key Covenants: .....	19
2.2.1	DSCR: .....	19
2.2.2	Project Life Cover Ratio: .....	20
2.2.3	FFO to Net Debt: .....	20
2.2.4	EBITDA from Sovereign Equivalent Counterparty: .....	21
3.	Operating Performance: Availability .....	22
3.1	Sovereign Pool: .....	22
3.2	State Pool: .....	24
4.	Receivable Aging: .....	27
4.1.1	Sovereign Pool: Receivable update .....	27
4.1.2	State Pool: Receivable update .....	28
	Form of Compliance Certificate: .....	29
	Annexure to the Compliance Certificate: .....	32
	Annexure: A Distributable Surplus .....	32
	Annex: B Debt Service Cover Ratio (DSCR) .....	33
	Annex: C Operating Persons and Sovereign Counterparties .....	35
	Annex: D Fund from Operation to Net Debt Ratio (FFO/Net Debt) .....	36
	Annex: E Project Life Cover Ratio (PLCR) .....	38
	Annex: I Mark to Market Loss value of Swap agreement .....	40
	Working Notes: .....	41
5.	Projected Key Financial information and Ratios: .....	44
6.	Financial Statements: .....	46
6.1	Unaudited Aggregated Financial Statement for the 12 months period ended on Sep, 30 2022 .....	46
6.2	Unaudited Aggregated Financial Statement for the 6 months period ended on Sep, 30 2022 .....	46

### Executive Summary

#### 1.1 Evolution of Adani Transmission Limited ("ATL")

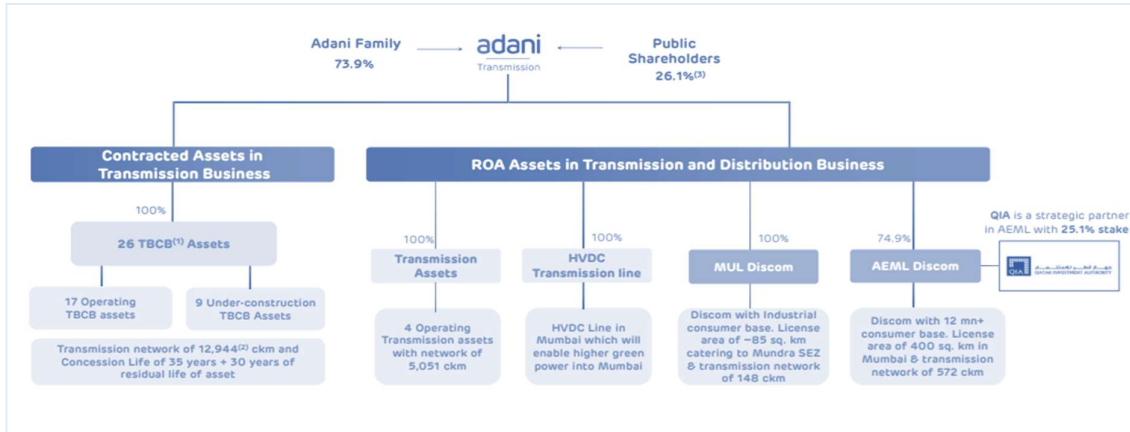
Adani Transmission Limited (ATL) is the transmission and distribution business arm of the Adani Portfolio, one of India's largest business conglomerates. ATL is the country's largest private transmission company with a cumulative transmission network of ~18,795 ckm, out of which ~15,003 ckm is operational and ~3,792 ckm is at various stages of construction. ATL also operates a distribution business serving about 12 million+ consumers in Mumbai. With India's energy requirement set to quadruple in coming years, ATL is fully geared to create a strong and reliable power transmission network and work actively towards serving retail customers and achieving 'Power for All' by 2022.

The transmission networks are consistently operating at more than 99.75% availability (FY22 – 99.70%). Our power transmission business in India focuses on the execution of new transmission systems under licensing from central and state electricity bodies, and Operations and Maintenance (O&M) of existing assets through outsourced partners.

In FY19, ATL forayed into the retail electricity distribution space with the acquisition of Mumbai's Power Generation, Transmission and Distribution (GTD) business license. Today, Adani Electricity Mumbai Limited (AEML) caters to over 12 Million+ consumers in the Mumbai suburbs and Mira-Bhayander Municipal Corporation in the Thane district with a distribution network spanning over 400 Sq. km. The distribution business maintained supply reliability at 99.99% along with collection efficiency in Distribution business was more than 100%. Further added MPSEZ Utilities Limited (MUL) asset facilitating distribution of electricity in Mundra SEZ area (8,481 hectares) as a distribution licensee.

We are poised to tap the addresses the vast headroom in India's transmission sector, with the objective to possess 30,000 ckm transmission assets and achieve distribution meeting 4.5 MVA per customer by 2026. Aligned with our business focus, we have developed the expertise in our people to create modern transmission assets for the nation, backed by efficient O&M support. Overall ESG framework is embedded as core business objective and committed to sustainable value-creation for all stakeholders coupled with strong governance and disclosures framework.

**ATL business model:**

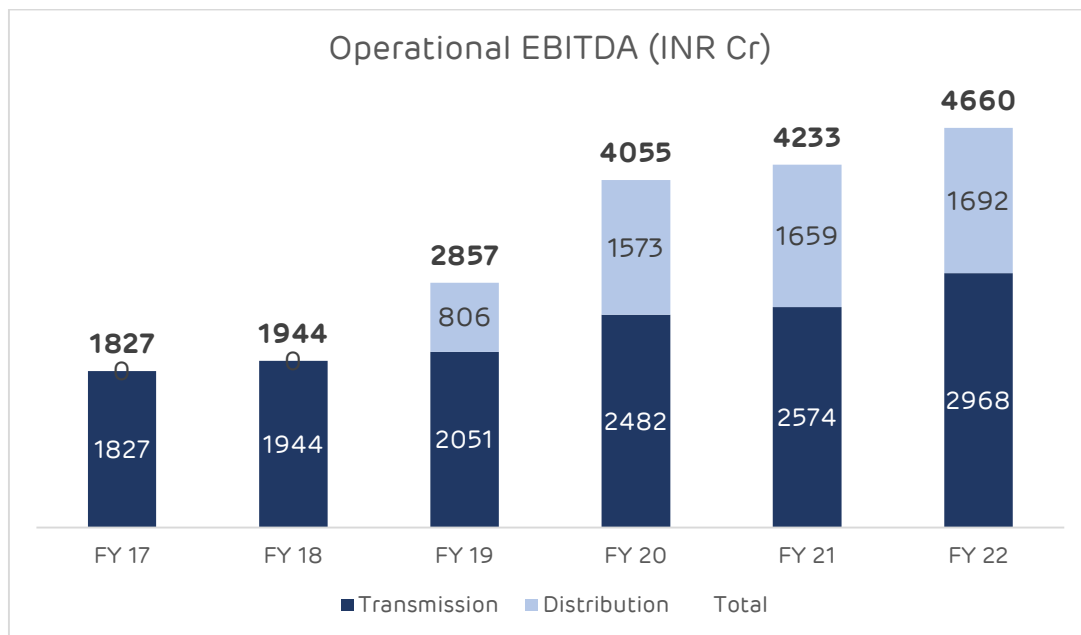


Notes: % denotes shareholding; 1) TBCB: Tariff based competitive bidding; 2) Network includes operational, under construction assets as of June 2022; AEML: Adani Electricity Mumbai Limited; Above details are as on Sep-22 3) Public shareholding include International Holding Company (IHC) Holding 1.41% stake.

MUL: MPSEZ Utility Limited (Mundra SEZ) ; HVDC: High voltage direct current , ROA: Return on Assets, Ckm: Circuit Kilometer, SEZ: Special Economic Zone, Sq. Km: Square Kilometer

**ATL's Growth Story:**

In our continuous growth phase, the financial metrics has always been in the disciplined level. ATL, from its inception stage has been maintaining a high EBITDA performance with more than 90% margin in Transmission Business and more than 21% margin in Distribution business. ATL achieved 19% CAGR growth in 5 years with world class margin.



# ATL's journey over the years



## 2006

- Developed the 220KV transmission line for Mundra Thermal Power Station

## 2009

- Commissioned the first 400 kV transmission line (Mundra-Dehgam transmission line)

## 2010

- Commissioned FSC (Fixed series capacitor) at Sami S/S to support the evacuation system

## 2011

- Commissioned the 400KV Mahendragarh-Bhiwani transmission line
- Commissioned the 400KV Mahendragarh-Dhanoda transmission line

## 2012

- Commissioned first HVDC transmission line (+ 500 KV Mundra-Mahendragarh transmission line)
- Commissioned 400 kV Tiroda-Warora transmission line
- Completed of 400KV Kawai-Chhabra transmission line as an EPC contract

## 2013

- Conversion of Mundra system into ISTS (Inter-state transmission system) as a license company

## 2014

- Commissioned the first 765 kV transmission line (Tiroda-Aurangabad transmission line)

## 2015

- De-merger of Adani Transmission Limited (ATL) from Adani Enterprises Limited (AEL)
- Listing of ATL on the BSE and NSE Stock Exchanges
- Received award of STL (Sipat Transmission Ltd.), RRWTL (Raipur-Rajnandgaon-Warora Transmission Ltd.) and CWRTL Chhattisgarh-WR Transmission Ltd. projects

## 2016

- Received award of the ATRL project
- Received award of NKTL (North Karanpura Transco Ltd.) project
- Acquisition of GMR assets (MTSCL (Maru Transmission Service Company Limited) and ATSCL (Aravali Transmission Service Company Ltd.))
- Completion of 400KV Mundra-Zerda transmission line as an EPC contract

# ATL's journey over the years



## 2017

- Received award of Public-Private Partnership (PPP) 8, 9 and 10 projects
- Acquisition of Reliance Infrastructure Limited's assets (WTGL (Western Transmission (Gujarat Ltd.) and WTPL (Western Transmission Power Ltd.))

## 2018

- Received award of FBTL (Fatehgarh-Bhadla Transmission Limited), GTL (Ghatampur Transmission Limited) and OCBTL (Obra-C Badaun Transmission Limited) project
- Acquisition of Reliance Infrastructure Limited's Power Generation, Transmission & Distribution Business in Mumbai
- Commissioned ATRL (Adani Transmission (Rajasthan) Ltd.) Project

## 2019

- Received award of Lol for KVTL (Kharghar Vikhroli Transmission Limited)
- Received award of Lol for LBTL (Lakadia Banaskantha Transco Limited) and JKTL (Jam Khambaliya Transco Limited)
- Received award of Lol for BKTL (Bikaner - Khetri Transmission Limited) and WTL (WRSS XXI (A) Transco Limited)
- Commissioned three intra-state transmission projects in Rajasthan - PPP 8, 9 and 10
- Commissioned the STL and RRWTL projects
- Acquisition of KEC asset (Adani Transmission Bikaner Sikar Private Limited)

## 2020

- Acquisition of Alipurduar Transmission Limited from KPTL (Kalapataru Power Transmission Limited)
- Acquisition of KVTL from Maharashtra State Electricity Transmission Company Ltd

## 2021

- Acquisition of Warora Kurnool Transmission Limited from Essel Infraprojects Ltd
- Commissioned Fatehgarh Bhadla Transmission Limited
- Commissioned Bikaner Khetri Transmission Limited
- Received Lol for MP Power Transmission Package II Limited
- Commissioned Ghatampur Transmission Limited (among India's largest intra state transmission lines)
- Received Lol for Khavda Khavda-Bhuj Transmission Limited
- Received Lol for Karur Transmission Limited
- Acquisition of MUL (MPSEZ Utilities Ltd) from APSEZ

## 2022

- Adani Transmission announced acquisition of Mahan Sipat Transmission Line from Essar Power for EV of Rs 1,913 Cr The transaction once completed will add 673 ckms to ATL's operational portfolio

**Financial Discipline:**

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

ATL has significantly lowered its risk profile and has achieved following in the past 6 years:

- Robust growth pipeline through organic and in organic route
- Consistently maintained investment grade rating since 2016 and commitment to maintain investment grade rating going forward.
- 7% of total debt profile with short term maturity (<1 year);
- Refinancing risk minimized - above 5 year maturity increased from 12% to 75%
- Fully tied up capex program for long term growth

**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.



**Sustainability:**

The integrated ESG framework of ATL has resulted in access to larger pool of capital at reduced cost resulting into a value accretive return to the stakeholders. Few recent Initiatives taken are:

- ATL became signatory to India Business Biodiversity Initiative (IBBI) focused on sustainability inclusion into businesses
- Achieved 'Single Use Plastic Free' Certification from CII for three sub-stations which will be replicated across sub-stations.
- Reduce Carbon Footprint: Distribution Arm of ATL, i.e. AEML has signed 700 MW of hybrid PPA which will increase share of renewable power procurement

from current **3% to 30%** till FY 2023 and **60%** by FY 2027; we are on track for achieving target of FY 2023.

### Recent Achievements and Awards:

- ATL figures in **top three companies in Power sector in India** in ESG Yearbook released by Crisil in May 2022
- Pledged to become Net Zero by 2050; limiting global warming to 1.5 °C above pre-industrial levels through measurable actions
- S&P Global rated ATL for being aligned with the Task Force on Climate-related Financial Disclosures (TCFD) with 6 elements fully aligned
- Won the **Greentech Quality and Innovation Summit 2022's** Product Innovation and Quality Improvement Award
- ATL received a **Platinum Award in Restorative Category** and a **Silver Award in Innovative Category** at the **43<sup>rd</sup> CII National Kai-Zen Competition** amongst 70 companies
- ATL won the prestigious **PeopleFirst HR Excellence Awards 2022** for leading practices in employee engagement and talent management
- Received a **Sustainable Performance Award** from World CSR for best-in-class sustainability performance monitoring and disclosures

### Recent Development :

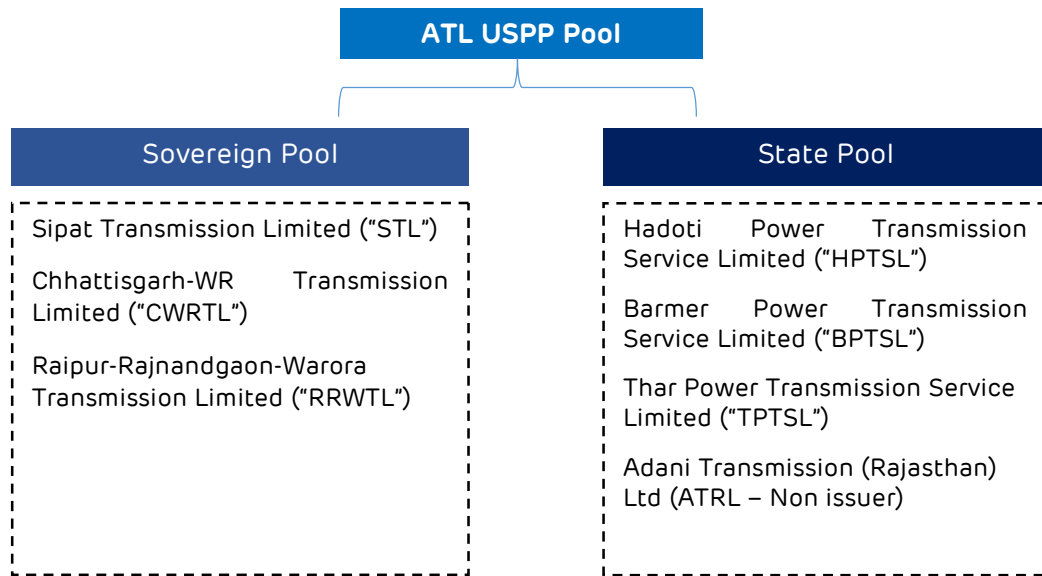
- International Holding Company PJSC (IHC), the Abu Dhabi based conglomerate, invested USD 2 billion in Adani portfolio companies, including INR 3,850 Cr in ATL.
- Adani Transmission announced **acquisition of Mahan Sipat Transmission Line from Essar Power** for EV of Rs 1,913 Cr The transaction once completed will add 673 ckms to ATL's operational portfolio
- ATL has been recognized by the Ministry of New and Renewable Energy (MNRE) for presenting their Energy Compact and contributing to India's energy transition.
- ATL recently commissions project Lakadia Banaskantha Transco Ltd (LBTL) and WRSS-XXI(A) Transmission Ltd (WRSS); two of the Green Energy Corridor-II projects; dedicated for transmission of 100% renewable energy.
- Adani Transmission Limited's Distribution Platform to supply, install and maintain 10.80 Lakh smart meters for BEST Undertaking after emerging as successful bidder in the recently concluded bid by BEST Undertaking at Mumbai.



1.2 ATL USPP Assets:

The pool of USPP assets comprises of 7 operating companies which are subsidiaries of ATL. The pool is a mix of the assets having Sovereign equivalent counterparties and state counterparties (Rajasthan).

The assets are located in the state of Maharashtra, Madhya Pradesh, Chhattisgarh and Rajasthan.



### 1.2.1 Operation and Business Continuity:

We were successful in delivering strong and consistent operational performance for the period ended 30-Sep-2022.

#### Operating Performance:

Strong operating performance throughout the period of H1FY23.

All our line and substations operated normally and the average availability across the individual assets remained above 99.8% throughout trailing 12 month period.

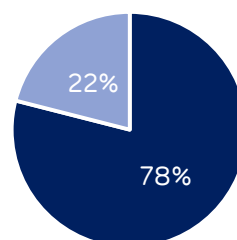
Eligible for incentive income for maintaining higher availability over normative availability of 98% as per TSA.

The overall financial performance of the pool had been in line with our projected numbers.

The aggregated EBITDA for the 12 months period ended Sep-22 was at INR 6,368 Mn.

It has maintained Strong EBITDA Margin of 94.86% on aggregated basis in line with projections.

EBITDA Year ended Sep 2022



■ Sovereign Pool ■ State pool

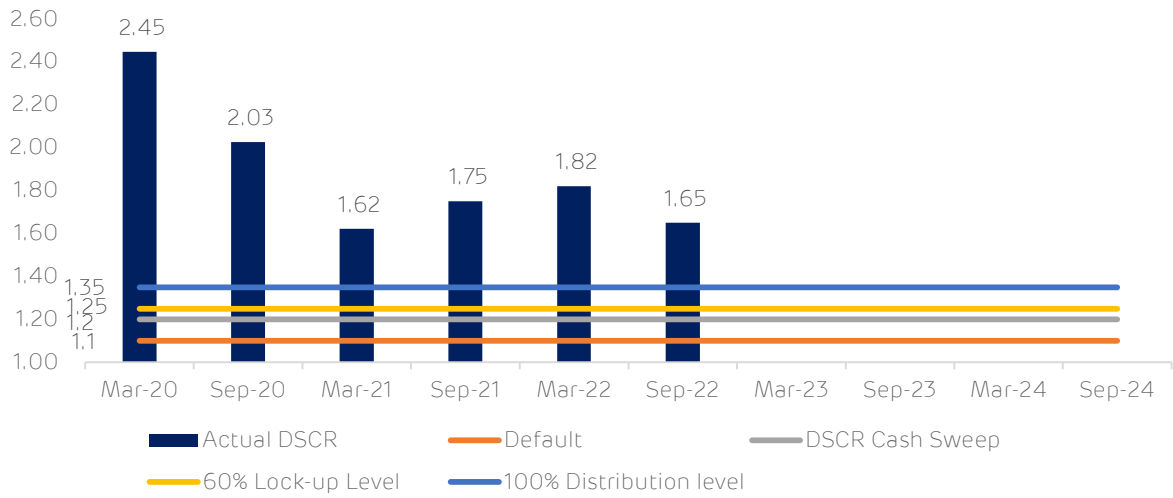
### 1.3 Summary of Key Covenants:

Sr no	Particulars	Details	Min. required Ratio	Sep-22	Mar-22	Sep-21	Mar-21
1	Debt Service Cover Ratio (DSCR)	Ann :B	1.1x	1.65x	1.82x	1.75x	1.62x
2	EBITDA from Operating Person (Operating SPVs)	Ann :C	95%	100%	100%	100%	100%
3	EBITDA from Sovereign Equivalent Counterparty	Ann :C	70%	78%	79%	79%	79%
4	Fund from Operation to Net Debt Ratio (FFO/Net Debt)	Ann :D	7%	13.35%	15.60%	15.80%	14.81%
5	Project Life Cover Ratio (PLCR)	Ann :E	1.5x	1.72x	1.69x	1.72x	1.73x

All above ratios are in compliance with the covenanted threshold and are in line with our financial projections.

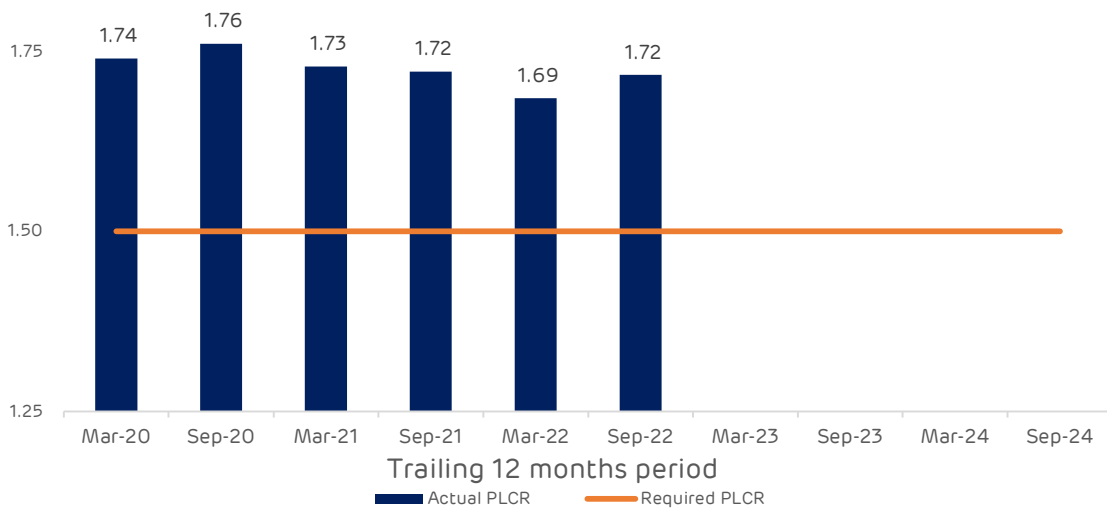
Compliance Certificate – USPP Pool Assets

**1. DSCR:**



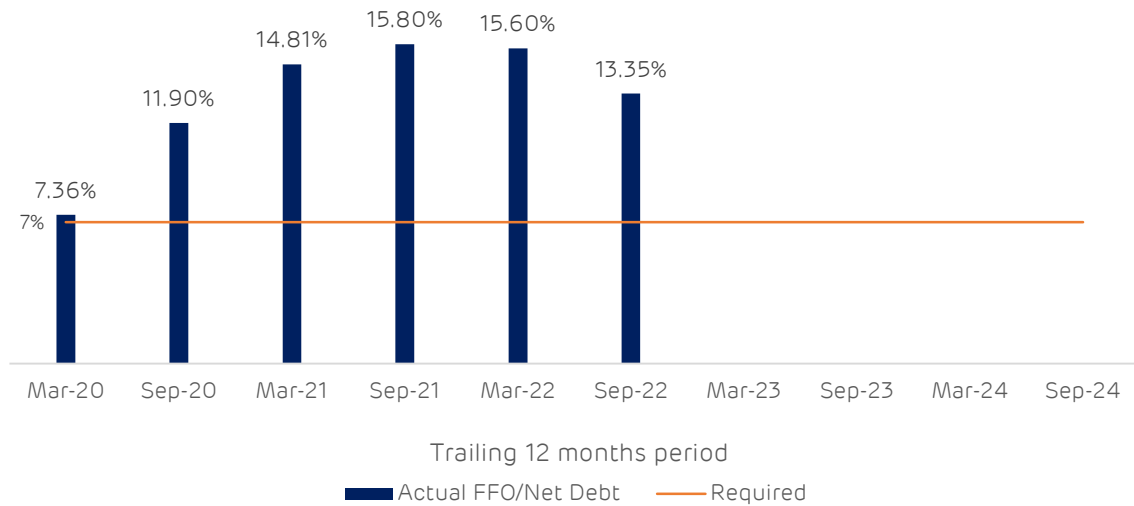
1. DSCR for calculation period ended Mar-20 and Sep-20 was high because in the Calculation period ended 31-Mar-20 the debt service was not started.
2. DSCR for calculation period ended Sep-20 was high because in the Calculation period ended 30-Sep-20, there was only one semi-annual debt service payment.
3. In the Calculation period ended 30-Sep-2021 and 31-Mar-22, the DSCR is higher as there is an income on account of delayed payment surcharge and interest income of the tax-refund during the calculation period.
4. The DSCR for the calculation period ended Sep-22 is better than the covenanted threshold.

**2. Project Life Cover Ratio:**



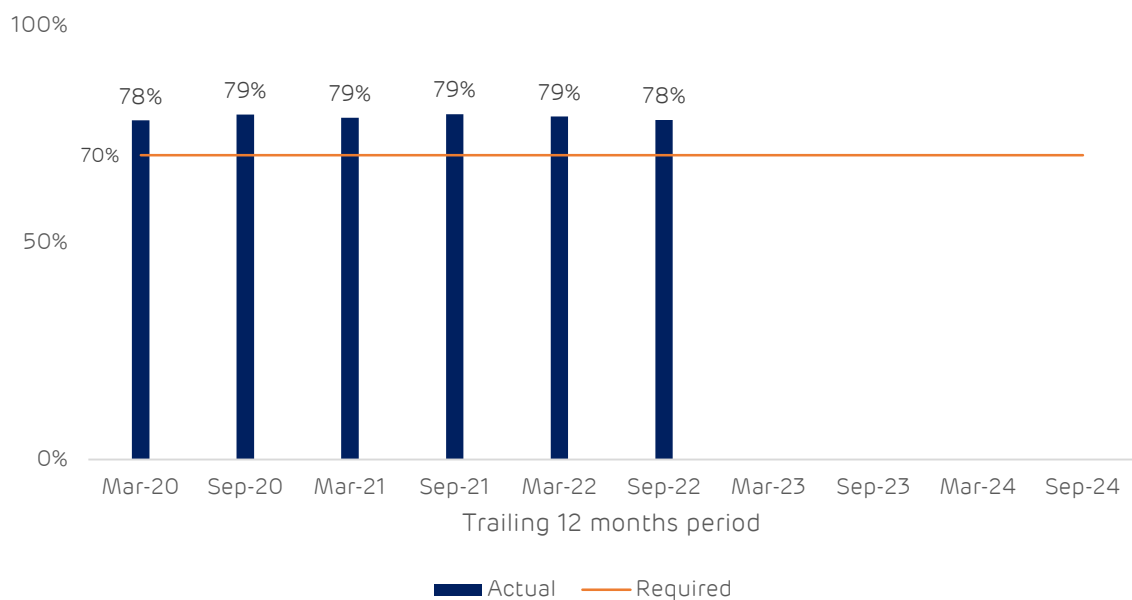
The ratio are in line with our projected numbers.

**3. FFO to Net Debt:**



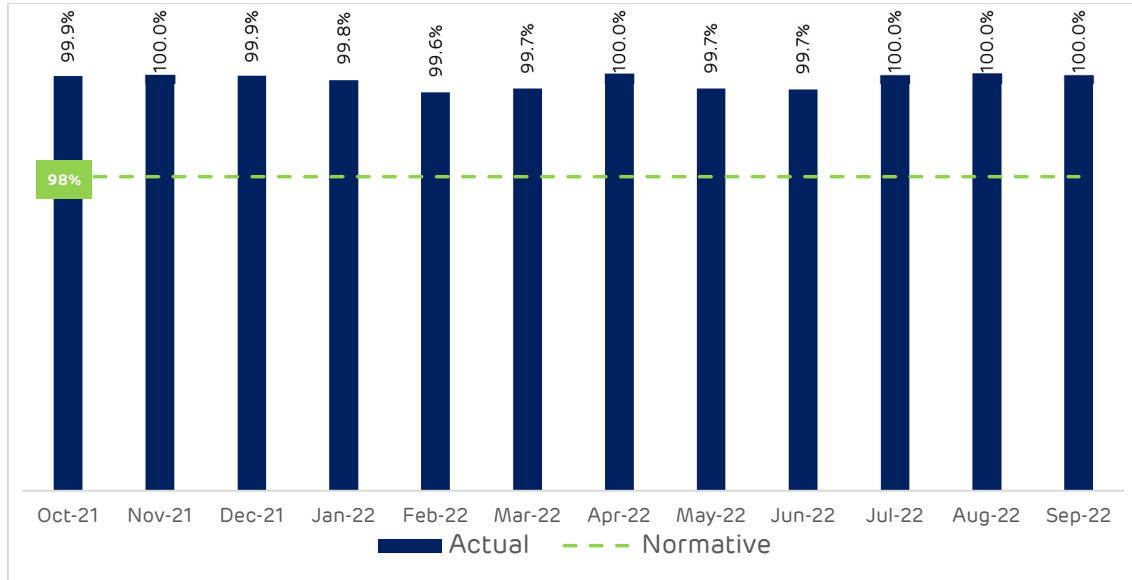
**Note:** FFO to Net Debt ratio for the calculation period ended 30-Sep-2021 and 31-Mar-22 are better as compared to the covenanted threshold as there is on-off tax refund during these calculation periods.

**4. EBITDA from Sovereign Equivalent Counterparty:**



Operational Update:

Operational performance of USPP Pool entities on average aggregated basis is as follows for Financial year ended 30.09.2022:

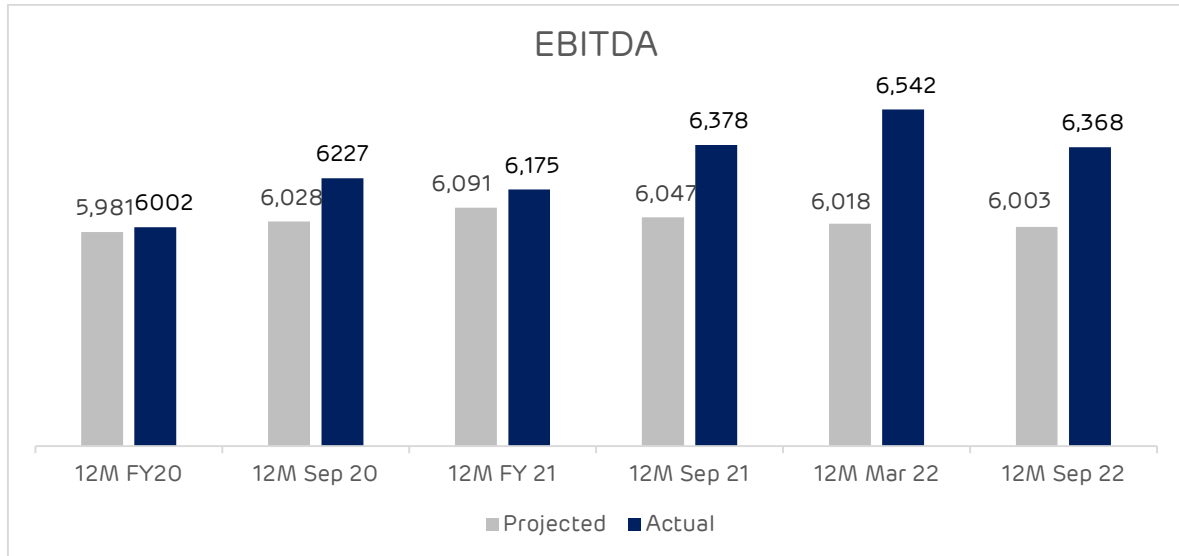


Constantly achieved more than 99.6% availability (average at USPP pool)

**1.4 Financial Performance:**

Financial performance of USPP entities on aggregated basis is as follows:

**1.4.1 EBITDA Performance:**

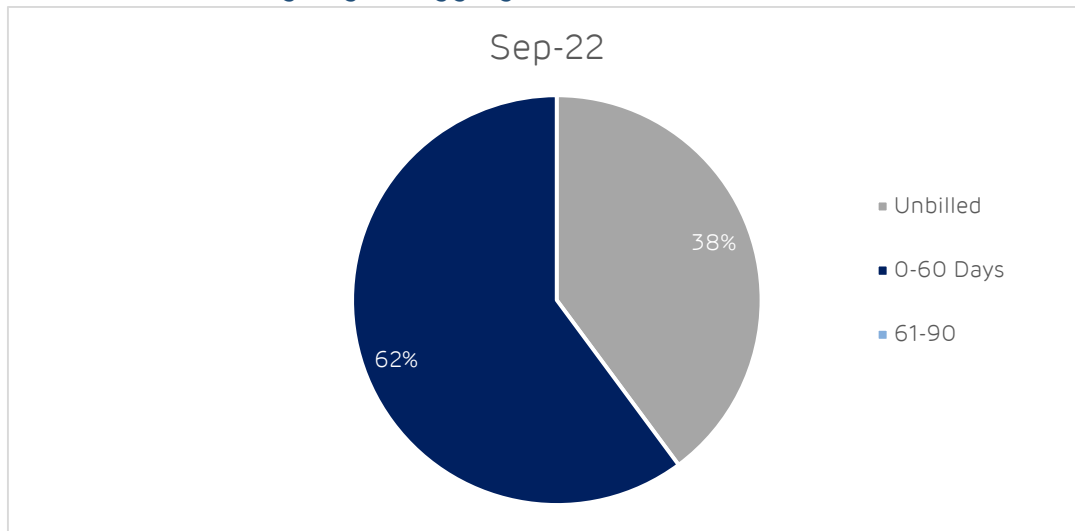


\*(Above figure are in INR Mn)

Note:

1. EBITDA for FY 2022 is higher as compared to other calculation period, on account of other income arising due to delayed payment surcharges and interest income on account of income-tax refund.

**1.4.2 Receivable Ageing on Aggregated Basis:**



(INR Mn)

Month	Total	Unbilled <sup>1</sup>	0-60 Days	61-90	91-120	121-180
Sep-22	1,714	655	1059	-	-	-
Mar-22	1,445	622	824	-	-	-
Sep-21	1,574	628	870	77	-	-
Mar-21	1,294	606	596	92	-	-
Sep-20	1,741	588	1045	108	-	-
Mar-20	1,655	609	863	105	78	-
Sep-19	1,406	584	731	90	-	-

The receivable days for the aggregate pool as on 30-Sep-22 comes to ~ 48 days (from the end of month for which the transmission charges pertain).

The receivable position compared to Sep-21 has slightly increased in semi-annual period of Sep-22 due to increase in receivable position of sovereign pool entities. The collection has started improving from Oct-2022 onwards and expected to get recovered over the end of this financial year.

<sup>1</sup> # Receivables includes one month of normal unbilled revenue which will be billed on 1<sup>st</sup> of the next month as per applicable billing cycle. For example Feb-2021 revenue will be billed on 1<sup>st</sup> Mar 2021.

Issuer is entitled for delayed payment surcharge @ 1.25% per month on receipt of payment after 30 days of the due date. (TSA clause no 10.8)

## 2. Compliance Certificate and its working:

To,

Each holder of Notes from time to time (Note Holders)

Catalyst Trusteeship Ltd (Security Trustee)

From:

1. Sipat Transmission Limited (“STL”)
  2. Chhattisgarh-WR Transmission Limited (“CWRTL”)
  3. Raipur-Rajnandgaon-Warora Transmission Limited (“RRWTL”)
  4. Hadoti Power Transmission Service Limited (“HPTSL”)
  5. Barmer Power Transmission Service Limited (“BPTSL”)
  6. Thar Power Transmission Service Limited (“TPTSL”)
- (Collectively “Issuers”)

Dear Sirs,

We refer to the captioned reference of Master Notes and Guarantee agreement dated 04<sup>th</sup> March 2020 and the First Supplement and Amendment to Master Note and Guarantee Agreement dated 20<sup>th</sup> March, 2020. The terms used in those agreement have the same meaning in this compliance certificate.

We would like to provide you the below mentioned financial and Operational information along with Compliance Certificate.

The compliance certificate is based on the following document:

1. Unaudited Aggregated Financial Statements for the 12 months period ended on Sep 30, 2022
2. Cash flow waterfall as per Project Account Deed.
3. Working Notes



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

## 2.1 Computation of Operating Account Waterfall as per Project Account Deed:

(INR Mn)

Particulars	Sep-22	Source
Opening Cash Balance and Cash Equivalent	1,393	Working Note no 1
Total Operating Revenue	6,353	Note 26 of Fin Statement
Total other income received	349	Note 27 of Fin Statement and working note 6
<b>Less:</b>		
Taxes Paid	(255)	Part A of Cash flow statement
Operating Expenses and Statutory payments	(345)	Note 28,29,31 of Fin Statement
Working Capital Changes	(122)	Part A of Cash Flow statement
<b>Cash Flow before Debt Servicing (incl. opening balance) (A)</b>	<b>7,373</b>	
Other Borrowing charges	(20)	Working note 4
<b>Debt Servicing:</b>		
Interest Servicing	(2,676)	Annexure :B
Principal Servicing	(912)	Annexure :B
<b>Total (B)</b>	<b>(3,608)</b>	
<b>Cash flow available post Debt service (A+B)</b>	<b>3,765</b>	
Payment on Swap Settlement	-	
<b>(Addition)/withdrawal from Reserve Accounts:</b>		
in Senior Debt Service Reserve Account	(112)	Part B of Cash flow statement <sup>2</sup>

<sup>2</sup> Increase in DSRA value is on account of capitalisation of interest of DSRA Deposit.

Forward Capex Reserve	-	
Senior Debt Restricted Reserve Accounts	-	
Senior Debt Redemption Accounts	-	
Swap Balancing Account	-	
Funds for 1 month equivalent Operating Expense	(30)	
<b>Cash Available for Distribution</b>	<b>3,624</b>	
Distribution made	(2,888)	Part B&C of cash flow statement
<b>Balance available for Distribution</b>	<b>736</b>	

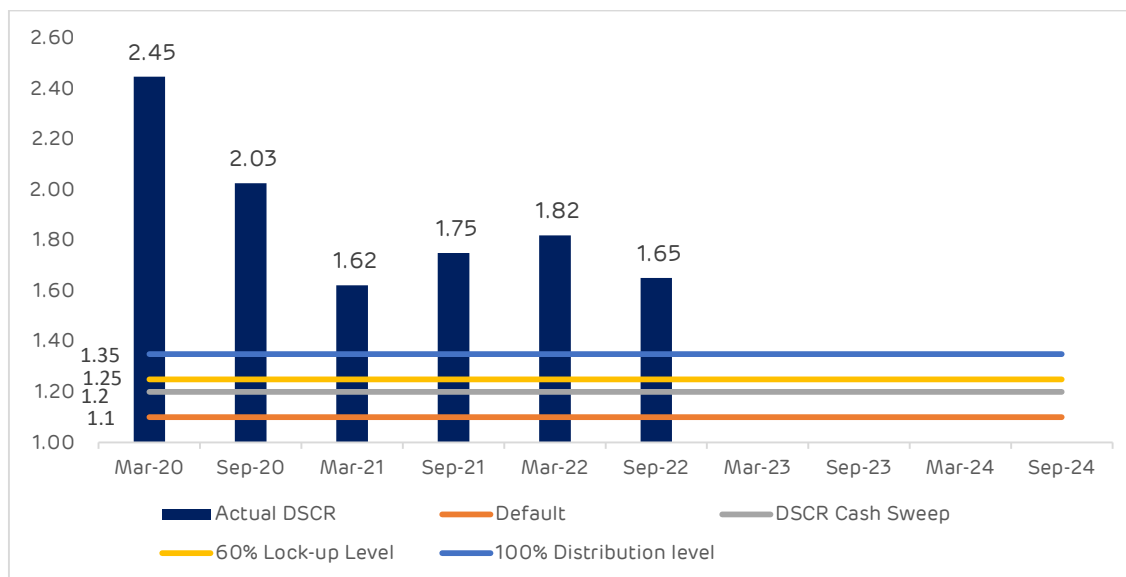
We confirm that:

1. As calculated in Annex B hereto, the Debt Service Cover Ratio for the Calculation Period ending on the Calculation Date is: **1.65x** : 1x
2. As calculated in Annex C hereto, the percentage of EBITDA for the Calculation Period ending on the Calculation Date that is
  - (i) contributed by operating Persons is : **100%**
  - (ii) attributable to Transmission Services Agreements with Sovereign Counterparties is : **78%**
3. As calculated in Annex D hereto, Funds From Operations to Net Debt Ratio for the Calculation Period ending on the Calculation Date is: **13.35%**
4. As calculated in Annex E, the Project Life Cover Ratio for the Calculation Period ending on the Calculation Date is: **1.72x** : 1x
5. to the best of our knowledge having made due enquiry, no Default subsists.

## 2.2 Summary of Key Covenants:

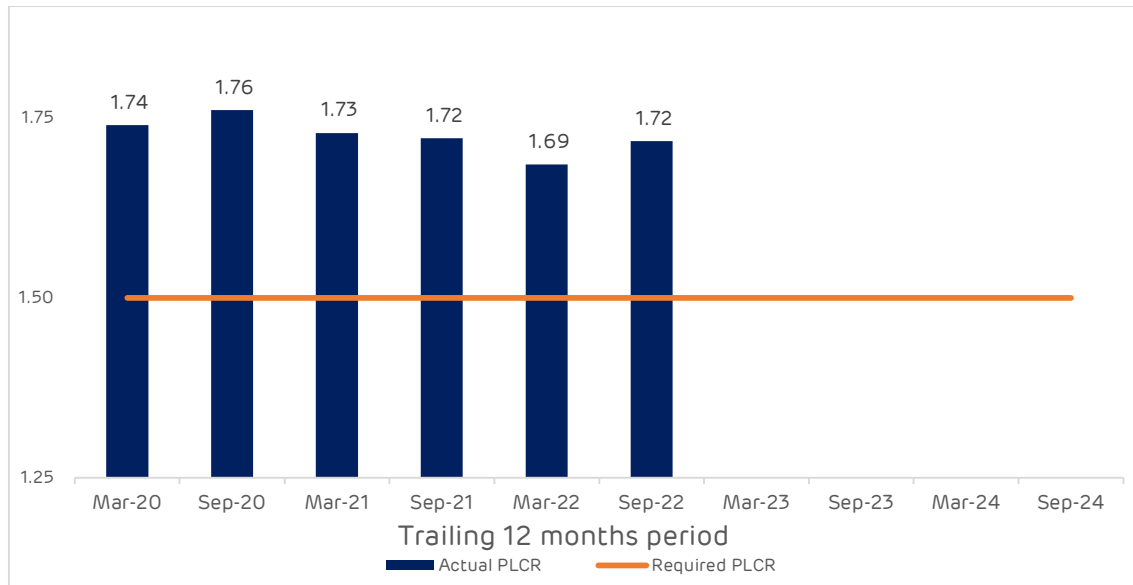
Sr no	Particulars	Details	Min. required Ratio	Sep-22	Mar-22	Sep-21	Mar-21
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### 2.2.1 DSCR:



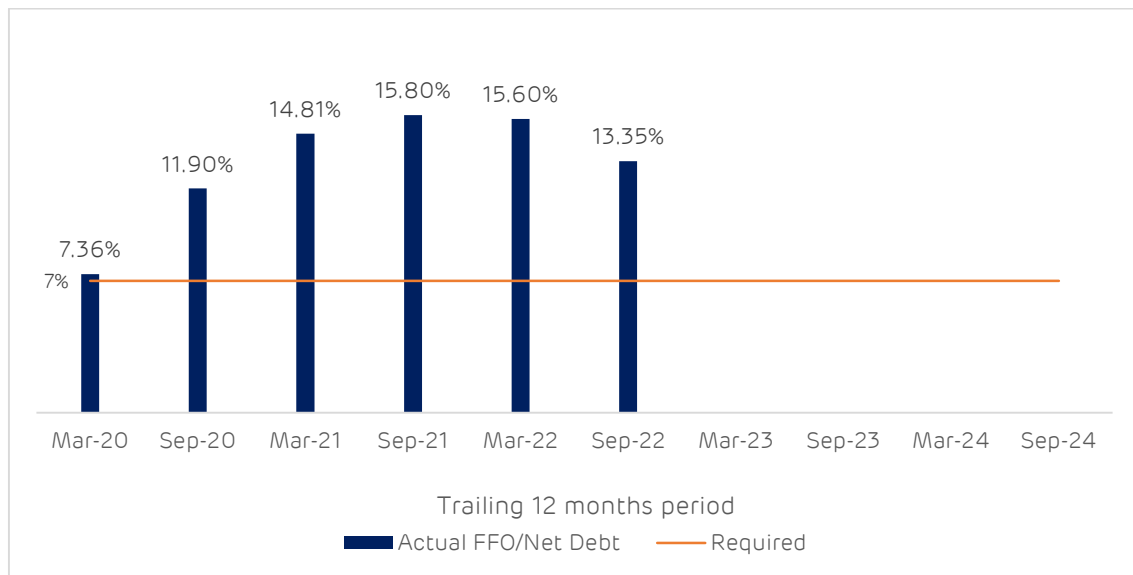
1. DSCR for calculation period ended Mar-20 and Sep-20 was high because in the Calculation period ended 31-Mar-20 the debt service was not started.
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3. In the Calculation period ended 30-Sep-2021 and 31-Mar-22, the DSCR is higher as there is an income on account of delayed payment surcharge and interest income of the tax-refund during the calculation period.
4. The DSCR for the calculation period ended Sep-22 is better than the covenanted threshold.

2.2.2 Project Life Cover Ratio:



Project life cover ratio is above the covenanted threshold.

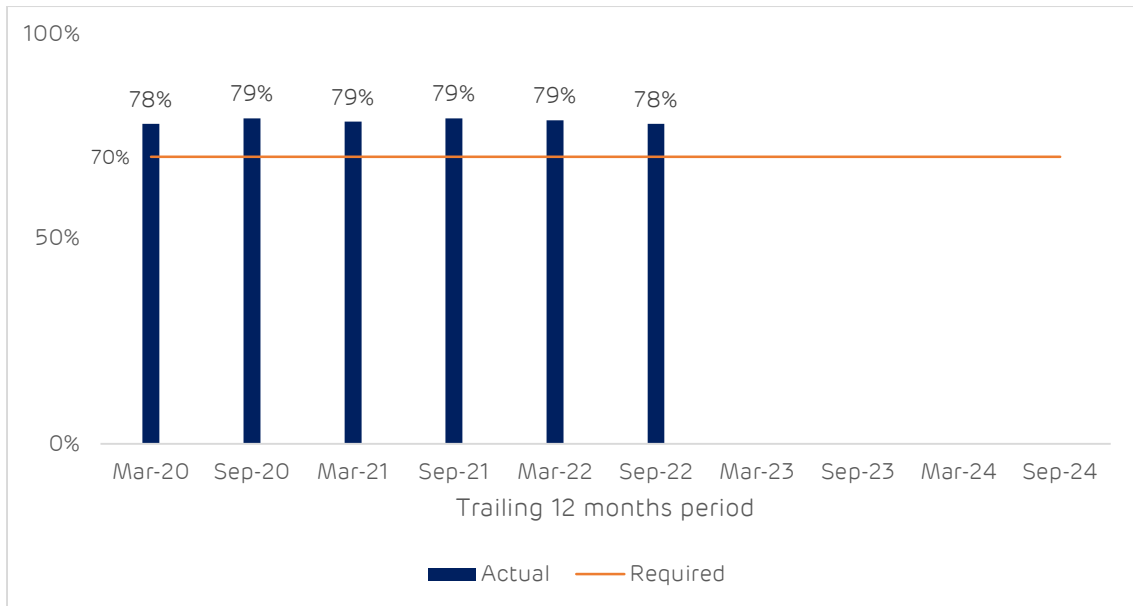
2.2.3 FFO to Net Debt:



FFO to Net Debt ratio for the calculation period ended 30-Sep-21 and 31-Mar-22 are higher as compared to the corresponding previous calculation period because there is on-off tax refund during the calculation period.

FFO to Net Debt ratio for calculation period ended 30-Sep-22 is above the threshold covenant.

2.2.4 EBITDA from Sovereign Equivalent Counterparty:



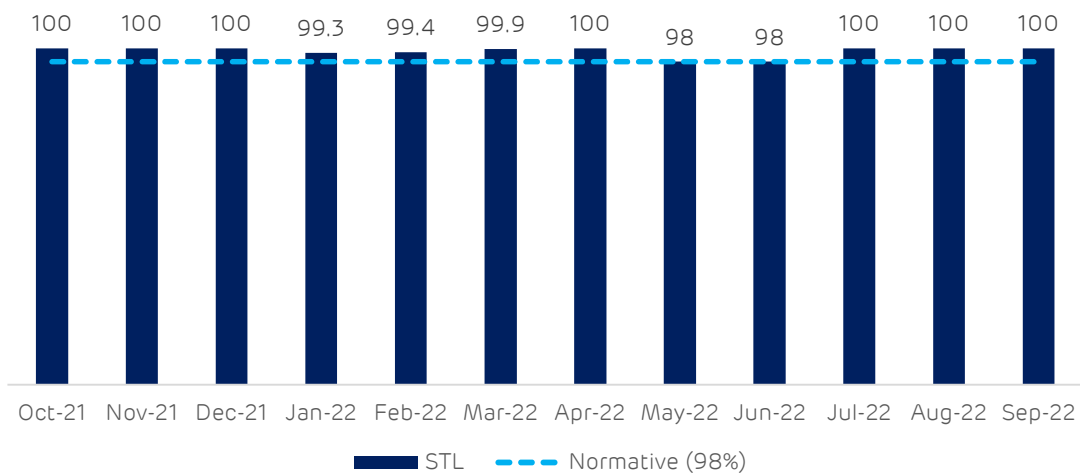
### 3. Operating Performance: Availability

All of the pool SPVs have been successfully operating the lines and have maintained high availability throughout financial year ended 30-Sep-22.

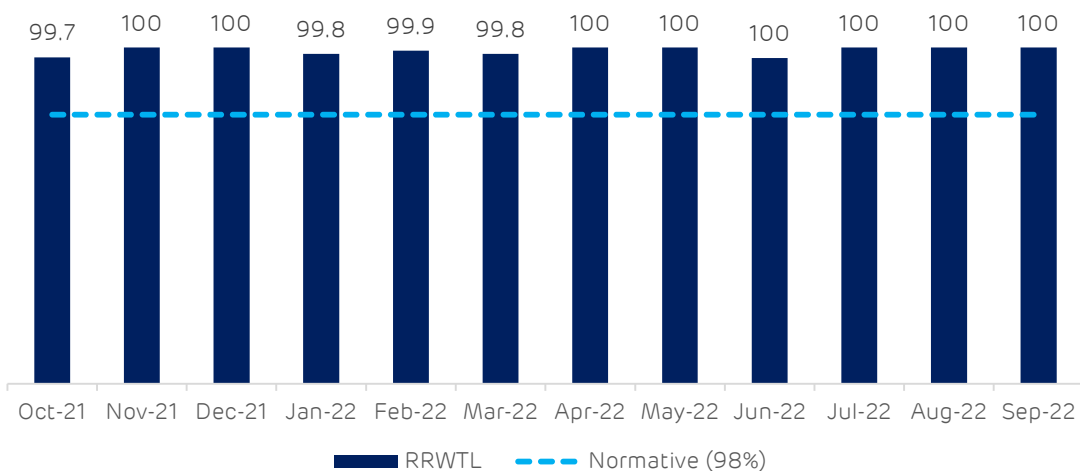
Below is the summary of Average Availability data for Oct 21 to Sep 22:

#### 3.1 Sovereign Pool:

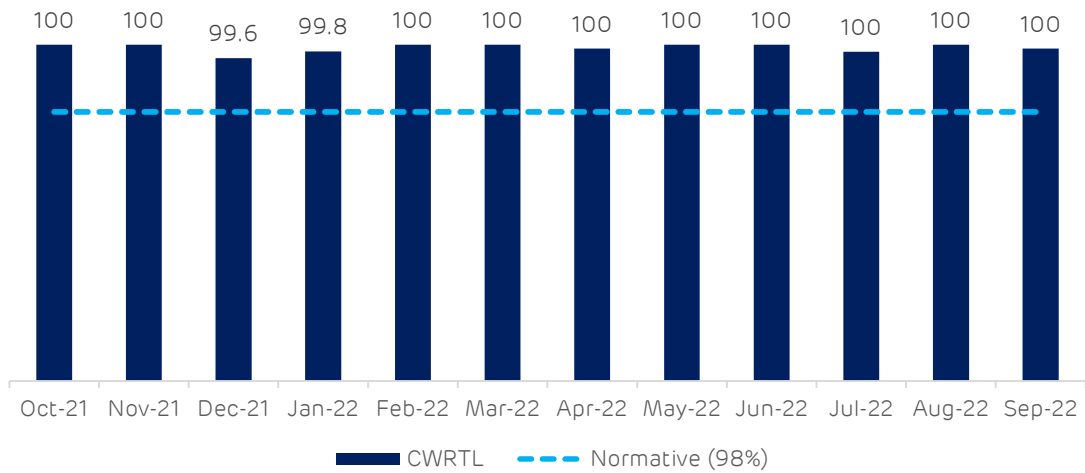
##### Sipat Transmission Ltd (STL):



##### Raipur Rajnandgaon Warora Transmission Ltd (RRWTL):



**Chhattisgarh WR Transmission Ltd (CWRTL):**



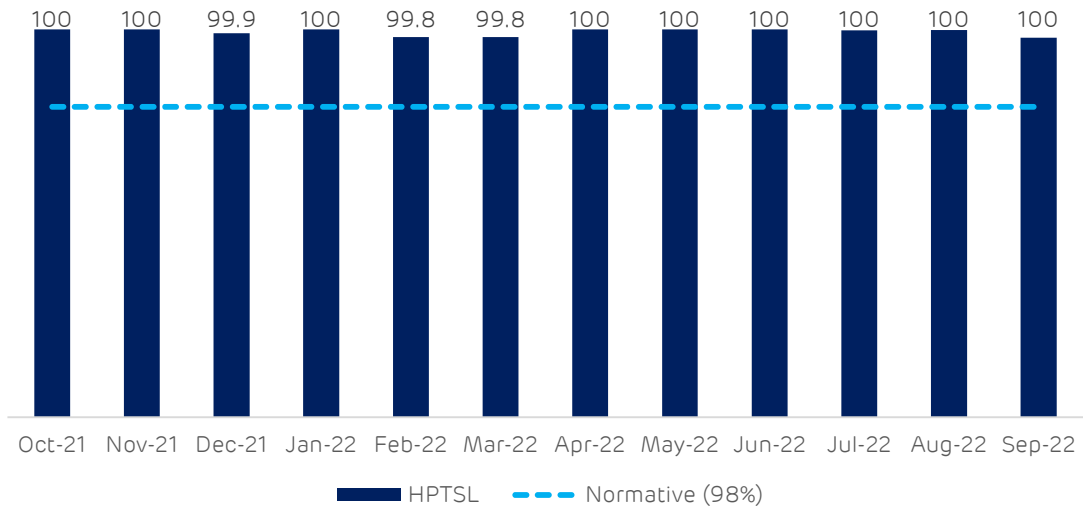
Monthly availability is provided as below:  
(Availability Figures are in % Terms)

	STL	RRWTL	CWRTL
Oct-21	100.0	99.7	100.0
Nov-21	100.0	100.0	100.0
Dec-21	100.0	100.0	99.6
Jan-22	99.3	99.8	99.8
Feb-22	99.4	99.9	100.0
Mar-22	99.9	99.8	100.0
Apr-22	100.0	100.0	99.9
May-22	98.0 <sup>3</sup>	100.0	100.0
Jun-22	98.0	99.7	100.0
Jul-22	100.0	100.0	99.8
Aug-22	100.0	100.0	100.0
Sep-22	100.0	100.0	99.9

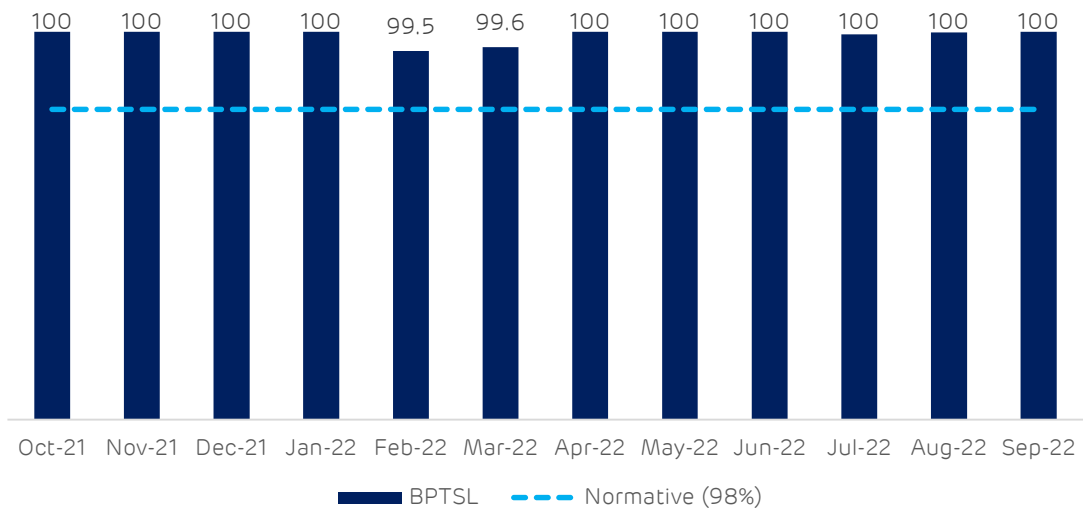
<sup>3</sup> Availability in Sipat Transmission Line (STL) was affected by unforeseen outages in May & Jun 2022, for which STL has claimed deemed availability, If the deemed availability is not considered then the annual average availability for STL will get reduced and will be expected to remain at 95.62%.

3.2 State Pool:

Hadoti Power Transmission Service Limited ("HPTSL")

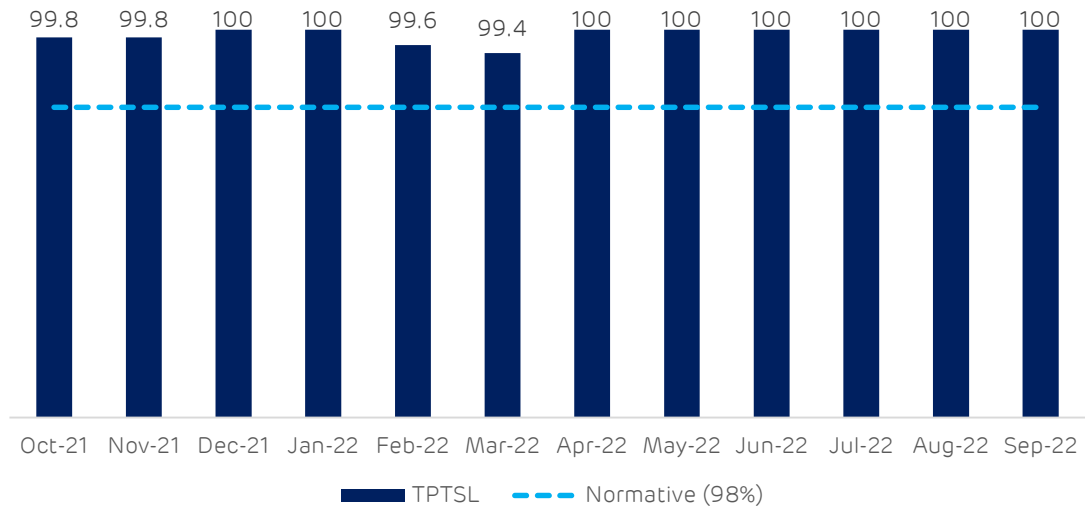


Barmer Power Transmission Service Limited ("BPTSL")

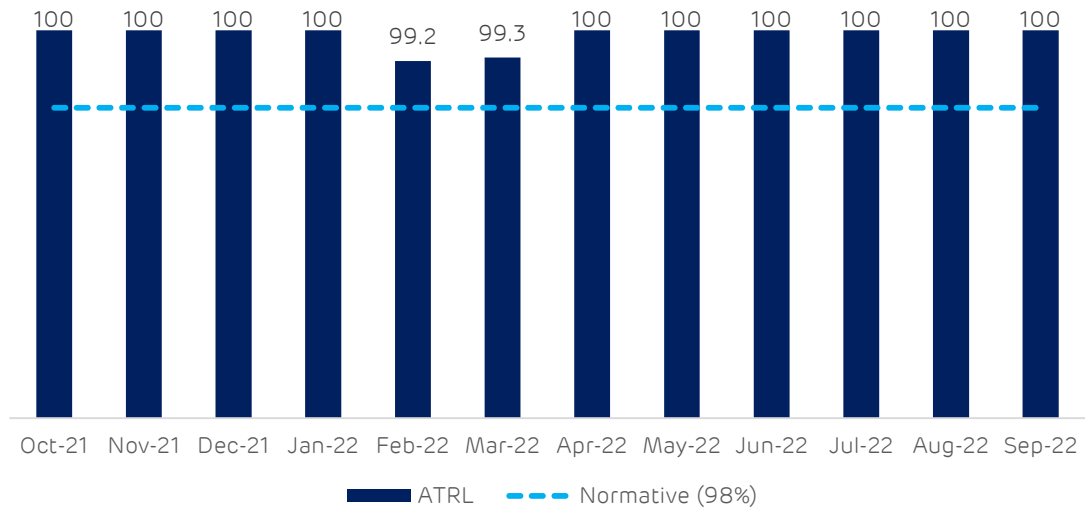




**Thar Power Transmission Service Limited ("TPTSL")**



**Adani Transmission (Rajasthan) Ltd. (ATRL)**



Monthly availability is provided as below:

(Availability Figures are in % Terms)

	HPTSL	BPTSL	TPTSL	ATRL
Oct-21	100.0	100.0	99.8	100.0
Nov-21	100.0	100.0	99.8	100.0
Dec-21	99.9	100.0	100.0	100.0
Jan-22	100.0	100.0	100.0	100.0
Feb-22	99.8	99.5	99.6	99.2
Mar-22	99.8	99.6	99.4	99.3

Compliance Certificate – USPP Pool Assets

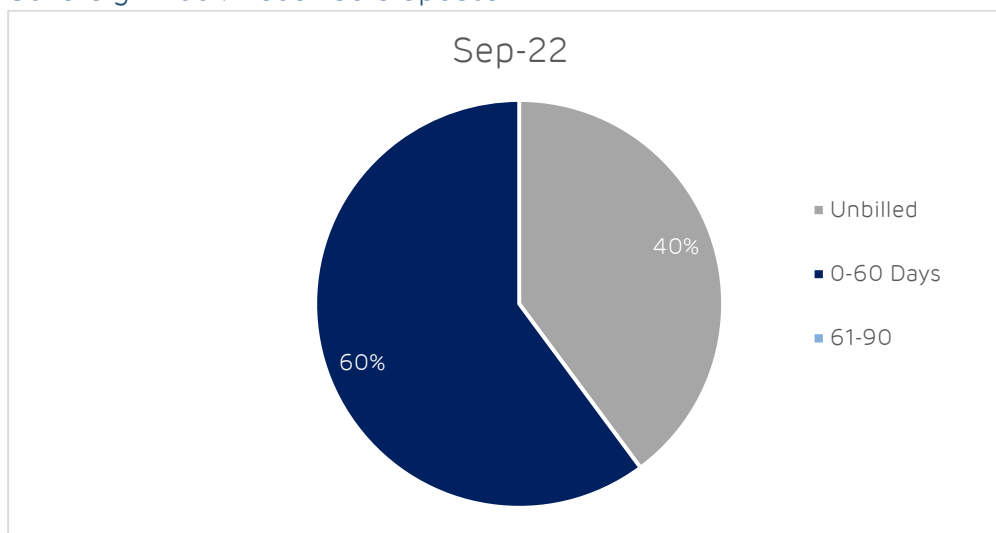
Apr-22	100.0	100.0	100.0	100.0
May-22	100.0	100.0	100.0	99.8
Jun-22	100.0	100.0	100.0	100.0
Jul-22	100.0	99.9	100.0	100.0
Aug-22	100.0	100.0	100.0	100.0
Sep-22	99.8	100.0	100.0	100.0

Normative availability is provided in each of the Transmission Service Agreement (TSA) the relevant clauses are provided in below table.

	Normative Availability	TSA Clause Ref no
CWRTL	98%	Clause no 8.2 of TSA
STL		
RRWTL		
HPTSL		
BPTSL		
TPTSL		
ATRL	98%	Clause 5.1.4 of TSA

## 4. Receivable Aging:

### 4.1.1 Sovereign Pool: Receivable update



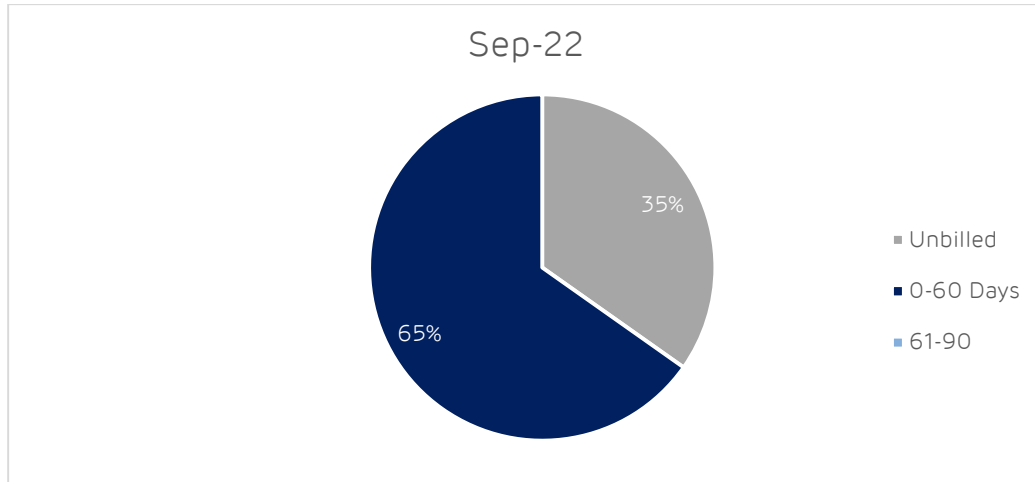
(INR Mn)

Month	Total	Unbilled #	0-60 Days	61-90	91-120	121-180	> 181 days
Sep-22	1,317	518	799	-	-	-	-
Mar-22	1,064	461	603	-	-	-	-
Sep-21	1,122	492	630	-	-	-	-
Mar-21	833	450	383	-	-	-	-
Sep-20	1404	452	844	108			
June-20	1610	437	803	370			
Mar-20	1095	448	647	-	-	-	-

The receivable days<sup>4</sup> for the sovereign pool as on 30-Sep-22 is ~ 46 days, which is slightly higher as compared to 30-Sep-21 period; however the collection has started improving from the month of Oct-2022 and expected to get recovered over the end of Financial year.

<sup>4</sup> The receivable days are calculated as = the amount receivable at the end of the month divided by unbilled amount for the month \* 30 days

4.1.2 State Pool: Receivable update



(INR Mn)

Month	Total	Unbilled <sup>5</sup>	0-60 Days	61-90	91-120	121-180	> 181 days
Sep-22	396	137	259	-	-	-	-
Mar-22	381	160	221	-	-	-	-
Sep-21	452	136	239	77	-	-	-
Mar-21	461	156	202	103	-	-	-
Sep-20	337	136	201	-	-	-	-
June-20	682	144	225	100	212	-	-
Mar-20	560	161	216	105	78	-	-

The receivable days<sup>6</sup> for the state pool as on 30-Sep-22 is ~ 57 days which is in line with our projections.

<sup>5</sup> Receivables includes one month of normal unbilled revenue which will be billed on 1st of the next month as per applicable billing cycle. For example June-2020 revenue will be billed on 1st July 2020.

Issuer is entitled for delayed payment surcharge @ 1.25% per month on receipt of payment after 30 days of the due date. (TSA clause no 10.8)

<sup>6</sup> The receivable days are calculated as = the amount receivable at the end of the month divided by unbilled amount for the month \* 30 days

### Form of Compliance Certificate:

To: Each holder of Notes from time to time

Ladies and Gentlemen:

Date: 8<sup>th</sup> November 2022

Reference is made to the Master Note and Guarantee Agreement dated March 4, 2020 (the “Note Agreement”) among Sipat Transmission Limited, Chhattisgarh-WR Transmission Limited, Raipur-Rajnandgaon-Warora Transmission Limited, Hadoti Power Transmission Service Limited, Barmer Power Transmission Service Limited and Thar Power Transmission Service Limited, each a company organized under the laws of the Republic of India (each, an “Issuer” and together, the “Issuers”), and each of the purchasers named in Schedule A thereto. Unless otherwise indicated, capitalized terms used in this Compliance Certificate shall have the respective meanings ascribed to such terms in the Note Agreement.

Pursuant to Section 7.2 of the Master Note and Guarantee Agreement with respect to the Calculation Period ended on 30.09.2022 (the “Calculation Date”), the undersigned Senior Financial Officer hereby certifies as Authorized officer of the Issuers and not in any personal capacity as follows:

- (a) As provided in **Annex A** hereto, at the Calculation Date the aggregate amount that each Issuer is entitled to transfer to its respective Distribution Account in accordance with Section 4.4(b) of the Project Accounts Deed (Operating Accounts Waterfall) and the Distribution Conditions is as follows:

Issuer	Rs (in millions)
Sipat Transmission Limited	96
Chhattisgarh-WR Transmission Limited	144
Raipur-Rajnandgaon-Warora Transmission Limited	217
Hadoti Power Transmission Service Limited	64
Barmer Power Transmission Service Limited	42
Thar Power Transmission Service Limited	54
Adani Transmission (Rajasthan) Ltd	120
<b>Total</b>	<b>737</b>

- (b) As calculated in **Annex B** hereto, the Debt Service Cover Ratio for the Calculation Period ending on the Calculation Date is: **1.65x** : 1x
- (c) As calculated in **Annex C** hereto, the percentage of EBITDA for the Calculation Period ending on the Calculation Date that is:
- (i) contributed by operating Persons is : **100%**  
(ii) attributable to Transmission Services Agreements with Sovereign Counterparties is : **78%**
- (d) As calculated in **Annex D** hereto, Funds From Operations to Net Debt Ratio for the Calculation Period ending on the Calculation Date is: **13.35%**
- (e) As calculated in **Annex E**, the Project Life Cover Ratio for the calculation Period ending on the Calculation Date is: **1.72x** : 1x
- (f) The cash balance in each Issuer’s Project Accounts as at the Calculation Date is as follows:

Issuer	Rs (in millions)
Sipat Transmission Limited	98
Chhattisgarh-WR Transmission Limited	152
Raipur-Rajnandgaon-Warora Transmission Limited	222
Hadoti Power Transmission Service Limited	68
Barmer Power Transmission Service Limited	48
Thar Power Transmission Service Limited	59
Adani Transmission (Rajasthan) Limited	121
<b>Total</b>	<b>767</b>

- (g) Capital Expenditure undertaken or forecast to be undertaken by each Issuer in the six month period commencing on the Calculation Date is as follows:

Issuer	Rs (in millions)
Sipat Transmission Limited	-
Chhattisgarh-WR Transmission Limited	-
Raipur-Rajnandgaon-Warora Transmission Limited	-
Hadoti Power Transmission Service Limited	-
Barmer Power Transmission Service Limited	-
Thar Power Transmission Service Limited	-
<b>Total</b>	<b>-</b>

Maintenance capex is part of O&M Expenses, there is no new capex commitment.

- (h) If applicable, insert information, including reasonably detailed calculations in **Annex H**, of compliance by the Issuers with any Additional Covenants: **Not Applicable**
- (i) The mark-to-market value of each Permitted Swap Agreement as of the Calculation Date is set forth on **Annex I**:
- (j) Each of the Issuers are acting prudently and, to the extent applicable, that the cash balance with respect to any proposed Distribution can be distributed as permitted under the relevant Finance Documents and that all Distribution Conditions are satisfied.
- (k) Each Issuer confirms that, to the best of its knowledge, no Default or Event of Default has occurred during the interim or annual period covered by the statements then being furnished.

IN WITNESS WHEREOF, the undersigned has executed this Compliance Certificate on behalf of each Issuer as of the date first above written.

By:   
Name: **Mr Rohit Soni**  
Title: Chief Financial Officer

**Annexure to the Compliance Certificate:**

**Annexure: A Distributable Surplus**

The aggregate amount of distributable Surplus that each Issuer can entitled to transfer to its respective Distribution Account

<b>Issuer</b>	<b>Rs (in millions)</b>
Sipat Transmission Limited	96
Chhattisgarh-WR Transmission Limited	144
Raipur-Rajnandgaon-Warora Transmission Limited	217
Hadoti Power Transmission Service Limited	64
Barmer Power Transmission Service Limited	42
Thar Power Transmission Service Limited	54
Adani Transmission (Rajasthan) Ltd	120
<b>Total</b>	<b>737</b>



**Annex: B Debt Service Cover Ratio (DSCR)**

(INR Mn)

Sr no	Item	Sep-22	Sep-21	Source
	CFADs Operating Revenue and interest revenue received (without double counting)	6,524	6,483	Note B1
	<u>Minus:</u>			
	Operating Expenses (subject to certain exclusions as set forth in the Agreement)	(345)	(301)	Note B2
	Taxes Refund / (Taxes paid)	(255)	320	Cash flow statement
	Amounts paid to the Security Trustee (included in above Operating Expense) and each representative under the Senior Secured Documents and any third party paying, transfer, or listing agents or registrars in relation to Senior Debt			
(i)	<b>Cash-flow Available for Debt Service</b>	<b>5,924</b>	<b>6502</b>	
(ii)	<b>Debt Servicing:</b>	<b>3,588</b>	<b>3,709</b>	
	Scheduled principal repayment	912	890	Cash flow statement
	Interest payments to Senior Creditors and payments of any Costs to Senior Creditors	2,676	2,820	Working note 4
	<b>DSCR (i)/(ii)</b>	<b>1.65</b>	<b>1.75</b>	

The DSCR for the calculation period ended Sep-22 is better than the covenanted threshold as there is an income on account of delayed payment surcharge and interest income on the tax-refund during the calculation period.

**Note B1:**

CFADs Operating Revenue and interest revenue received (without double counting)

(INR Mn)

	Particulars	Sep-22	Sep-21	Source
	CFADs Operating Revenue and interest revenue received (without double counting) (A+B)	6,524	6,483	
A	CFADs Operating Revenue means, with respect to any period, (as calculated below)	6,353	6,381	
	Operating Revenue for such period:	6,353	6,382	Note 26 to Fin. Statement
	excluding (without double counting)			
(a)	non-recurring significant items (including, but not limited to, profits and losses on disposal of	(0)	(1)	Note 26 to Fin.

	assets outside the ordinary course of business);			Statement
(b)	extraordinary items (including but not limited to profits or losses on termination of any Secured Hedging Agreement);	-	-	
(c)	net payments received under any Secured Hedging Agreements;	-	-	
(d)	any other non-cash items (including by not limited to property revaluations);			
(e)	insurance proceeds other than business interruption insurance proceeds or advance consequential loss of profit insurance proceeds or any proceeds applied towards reimbursement for repair or reinstatement of an asset where the cost of the relevant repair or reinstatement is an Operating Expense;	-	-	
(f)	proceeds of any Indebtedness or equity; and	-	-	
(g)	any compensation, warranty claim or indemnity payment received under a Material Document, other than any amounts calculated with respect to or provided in lieu of revenue or where the cost, liability or loss being compensated for or the subject of the relevant warranty or indemnity is an Operating Expense.	-	-	
	Total Interest Revenue	360	297	Note 27 to Fin. Statement
	Less: Non-recurring / non-cash Income	(189)	(195)	Working note 5
<b>B</b>	<b>Interest revenue received</b>	<b>171</b>	<b>102</b>	

The above figures are in line with our projections.

### Note B2:

Operating Expenses:

(INR Mn)

	Total Operating Expense	Sep-22	Sep-21	source
1	Operating expenses	211	187	Note 28, 29, 31 to Fin. Statement
2	Employee Benefits Expense	29	26	
3	Other Expenses	105	87	
	<b>Total</b>	<b>345</b>	<b>301</b>	

Operating expenses are in better positions compared to the projections.

### Annex: C Operating Persons and Sovereign Counterparties

(INR Mn)

Particulars	Sep-22	Sep-21	Source
EBITDA	6,368	6,378	Note C1
Amount contributed by operating Persons	100%	100%	
Amount attributable to Transmission Services Agreements with Sovereign Counterparties	78%	79%	Note C2

EBITDA from sovereign counterparty is in line with our projections.

#### Note: C1 Calculation of EBITDA

(INR Mn)

Particulars	Sep-22	Sep-21	Source
Profit before Tax	2,708	2,676	P&L Statement
Depreciation and amortisation	853	835	
Finance costs	2,807	2,866	
<b>EBITDA</b>	<b>6,368</b>	<b>6,378</b>	

#### Note C2 EBITDA from sovereign counterparty:

(INR Mn)

EBITDA for the issuer	Sep-22	Sep-21
Sipat Transmission Ltd	947	1,022
Raipur Rajnandgaon Warora Transmission Ltd	2,302	2,332
Chhattisgarh WR Transmission Ltd	1,725	1,712
<b>Total EBITDA</b>	<b>4,974</b>	<b>5,066</b>
<b>Aggregated EBITDA</b>	<b>6,368</b>	<b>6,378</b>
Amount attributable to Transmission Services Agreements with Sovereign Counterparties	78%	79%

**Annex: D Fund from Operation to Net Debt Ratio (FFO/Net Debt)**

(INR Mn)

	Particulars	Sep-22	Sep-21	Source
(i)	<b>Funds from Operation</b>	<b>3,316</b>	<b>3,911</b>	
	EBITDA	6,368	6,378	
	minus Taxes paid	(255)	320	Part A of Cash flow statement
	Adjusted for Negative working capital movements	(122)	33	
	Minus cash net interest	(2,676)	(2,820)	Annex: B
(ii)	<b>Net Debt</b>	<b>24,811</b>	<b>24,736</b>	
	<b>Total Senior Secured Debt</b>	<b>27,039<sup>#</sup></b>	<b>27,791</b>	
	<b>Less:</b>			
	Cash and Bank Balance	(218)	(179)	Note D2
	Amounts held in the			
	Senior Debt Service Reserve Accounts	(1,462)	(1,355)	Note D2
	Senior Debt Restricted Reserve Accounts			
	Surplus Holdings Accounts			
	Senior Debt Redemption Accounts			
	Swap Gain Accounts			
	Swap Balancing Accounts	-	-	Annex: I
	Permitted Investments	(548)	(1,522)	Note D2
	<b>FFO to Net Debt Ratio (i)/(ii)</b>	<b>13.35%</b>	<b>15.80%</b>	

FFO to Net Debt ratio for the calculation period ended 30-Sep-22 is better as compared to the covenanted threshold. Additionally, in previous compliance period there was on-off tax refund due to which in that period the ratio is higher.

<sup>#</sup>Total Senior Secured Debt considered at Hedged Rate (USD 370.5 Mn @ 72.98 INR/1USD = INR 27,039 Mn)

**Note:**

**D1:**

(INR Mn)

Particulars	Sep-22	Sep-21	Source
Taxes paid	255	(320)	Part A Cash Flow statement
Working Capital Movement	122	(33)	Part A Cash Flow statement

D2: Amounts taken directly from Financial Statement:

(INR Mn)

Particulars	Sep-22	Sep-21	Source
<b>(A) Cash and Cash Equivalent</b>			
Cash /Bank Balance	111	75	Note 11 to Fin. Statement
Bank Balance	107	104	Note 12 to Fin. Statement
Net Cash and Cash Equivalent	218	179	
<b>(B) Reserve Accounts as per Project Account Deed:</b>			
Senior Debt Service Reserve Accounts	1,462	1,355	Note 5 & 12 to Fin. Statement
Senior Debt Restricted Reserve Accounts			
Surplus Holdings Accounts			
Senior Debt Redemption Accounts			
Swap Gain Accounts			
Swap Balancing Accounts			
<b>(C) Permitted Investments</b>	548	1,522	Note 9 to Fin. Statement

The companies have sufficient liquidity available in the business.

**Annex: E Project Life Cover Ratio (PLCR)**  
(INR Mn)

	Particulars	Sep-22	Sep-21	Note
(i)	NPV of EBITDA	43,932	45,524	E1
	NPV Factor (weighted average lifecycle cost of Senior Debt)	9.69%	9.69%	E2
	Senior Debt for PLCR calculation			
	Senior Debt outstanding on relevant Calculation Date	25,577	26,436	
	Less: SDRA balance	-	-	
(ii)	Net Senior Debt	25,577	26,436	E3
	PLCR (i/ii)	1.72	1.72	

PLCR ratio for the calculation period ended 30-Sep-22 is within the threshold of 1.5x and is in line with our projections.

**Note:**

E1. EBITDA Reasonably forecasted for the life of Transmission Service agreement (based on the updated financial model)  
(INR Mn)

<b>FY</b>	<b>Sep-23</b>	<b>Sep-24</b>	<b>Sep-25</b>	<b>Sep-26</b>	<b>Sep-27</b>	<b>Sep-28</b>
EBITDA Reasonably Forecasted	5,853	5,579	5,251	4,803	4,540	4,397
Cost of Debt	9.69%	9.69%	9.69%	9.69%	9.69%	9.69%

<b>FY</b>	<b>Sep-29</b>	<b>Sep-30</b>	<b>Sep-31</b>	<b>Sep-32</b>	<b>Sep-33</b>	<b>Sep-34</b>
EBITDA Reasonably Forecasted	4,229	4,190	4,169	4,151	4,134	4,093
Cost of Debt	9.69%	9.69%	9.69%	9.69%	9.69%	9.69%

<b>FY</b>	<b>Sep-35</b>	<b>Sep-36</b>	<b>Sep-37</b>	<b>Sep-38</b>	<b>Sep-39</b>	<b>Sep-40</b>
EBITDA Reasonably Forecasted	4,051	3,977	3,916	3,908	3,885	3,858
Cost of Debt	9.69%	9.69%	9.69%	9.69%	9.69%	9.69%

<b>FY</b>	<b>Sep-41</b>	<b>Sep-42</b>	<b>Sep-43</b>	<b>Sep-44</b>	<b>Sep-45</b>	<b>Sep-46</b>
EBITDA Reasonably Forecasted	3,834	3,801	3,766	3,735	3,707	3,670
Cost of Debt	9.69%	9.69%	9.69%	9.69%	9.69%	9.69%

<b>FY</b>	<b>Sep-47</b>	<b>Sep-48</b>	<b>Sep-49</b>	<b>Sep-50</b>	<b>Sep-51</b>	<b>Sep-52</b>
EBITDA Reasonably Forecasted	3,632	3,598	3,562	3,526	3,474	3,354
Cost of Debt	9.69%	9.69%	9.69%	9.69%	9.69%	9.69%

<b>FY</b>	<b>Sep-53</b>	<b>Sep-54</b>
EBITDA Reasonably Forecasted	2,937	-
Cost of Debt	9.69%	9.69%

The projections are as per the latest submitted financial model to the Note holders.

E2. Currently the Senior Secured Debt outstanding in this group is USPP Senior Secured Notes. The weighted average lifecycle cost for the same is 9.69% (coupon 5.20%+ hedging cost 4.49%)

Since issuance of the USPP notes, it was our endeavour to hedge our exposure for the longer tenor to the extent available with the optimum cost. We have hedged the exposure for the period of 10 Years by entering a Principal only Swap agreement in Mar-21 for the period FY Mar-21 to FY Mar-31.

The average maturity of Notes as on issuance date was ~16.34 years out of which as on date we have fully hedged exposure for 11 years (2.5 year already completed in Sep-22) and it will be our endeavour to keep on increasing the hedge tenor to match with the average maturity of debt.

### E3. Senior Debt Outstanding for PLCR:

(INR Mn)

<b>Particulars</b>	<b>Sep-22</b>	<b>Sep-21</b>	<b>Source</b>
Senior Debt Outstanding	27,039	27,791	Annexure D
Less: Debt Service Reserve Account	(1,462)	(1,355)	Working note 3
<b>Net Debt outstanding for PLCR</b>	<b>25,577</b>	<b>26,436</b>	

Annex: I Mark to Market Loss value of Swap agreement

Issuer	Mark-to-market value Sep-22 (INR Mn)	Mark-to-market value Sep-21 (INR Mn)
Sipat Transmission Limited	-	-
Chhattisgarh-WR Transmission Limited	-	-
Raipur-Rajnandgaon-Warora Transmission Limited	-	-
Hadoti Power Transmission Service Limited	-	-
Barmer Power Transmission Service Limited	-	-
Thar Power Transmission Service Limited	-	-
<b>Total</b>	-	-

At the end of Sep-22, the mark-to-market value of a Permitted Swap Agreement doesn't have any notional loss. Therefore there is no amount to be reserved for the period ended 30-Sep-22.



Working Notes:

**Note: 1 Opening Cash and Cash Equivalent:**

(INR Mn)

Particulars	Sep-22	Sep-21	Source
Opening Cash and Cash Equivalent	75	168	Note 11 to Financial statement
Opening Bank Balance	104	632	Note 12 to Financial statement
Permitted Investment	1,522	789	Note no 9 to Financial statement
<b>Less:</b>			
Capex commitment and other payments during the period Oct 21 to Sep 22	(307)	(131)	Working note 2
<b>Net Opening Cash and Cash Equivalent</b>	<b>1,394</b>	<b>1,458</b>	

**Note 2: Capex commitment and other payments**

(INR Mn)

Particulars	Sep-22	Sep-21	Source
Payment of Capital Creditors and Capital Expense	(312)	(145)	Part B of Cash Flow Statement
Add: Financial Assets under Service Concession Arrangements	10	15	Part B of Cash Flow Statement
Payment of Lease	(5)	-	Part C of Cash Flow Statement
<b>Total</b>	<b>(307)</b>	<b>(131)</b>	

**Note: 3 Senior Debt Service Reserve Accounts:**

(INR Mn)

Senior Debt Service Reserve Accounts	Sep-22	Sep-21	Source
STL	259	240	Note no 5 & 12 of Financial statement
RRWTL	586	543	
CWRTL	425	393	
HPTSL	71	67	
BPTSL	61	57	
TPTSL	59	55	
<b>Total</b>	<b>1,462</b>	<b>1,355</b>	

The above amounts represent the closing balance as on respective period.

**Note: 4 Total Finance Cost as per Cash Flow**

(INR Mn)

Particulars	Sep-22	Sep-21	Source
(a) Interest and other payment to Senior Creditors	2,750	2,800	Note 30 to Financial statement
(b) Payment of Accrued interest of Senior Creditors	(26)	20	Management Info.
(c) (Unrealised Gain) on exchange rate movement	(49)	-	Management Info.
<b>1) Total Interest to Senior Creditors (a+b)</b>	<b>2,676</b>	<b>2,820</b>	
1) Accrued interest of Sponsor Affiliate Debt	90	146	Management Info.
2) Other Borrowing cost	20	1	Bank charges and Other borrowing cost: Note 30 to Financial statement & Management Info.
3) Payment of swap settlement	-	652	Management Info
4) Interest on lease	4	-	Note 30 to Financial statement & Management Info
<b>Grand Total</b>	<b>2,789</b>	<b>3,617</b>	Part C of Cash flow statement

Note: 5 Other Income

Particulars	Sep-22	Source
Interest Income Bank	9	Note no 27 of Financial statement
Interest Income others	295	
<b>Total Interest Income</b>	<b>304</b>	
Miscellaneous Income	1	
Gain on permitted investments	55	
<b>Total other Income</b>	<b>360</b>	Management Info.
Less: Non-recurring/non-cash income	(189)	
<b>Net Other Income</b>	<b>171</b>	

*\* Interest income others is higher as there has been income of delayed payment surcharge of ~ INR 106 Mn.*

Note No 6: Other Income received in Cash:

Particulars	Sep-22	Source
<b>Total other Income</b>	<b>360</b>	Note 27 to Financial statement
Less: Accrued interest but not received	11	Management information
<b>Cash Interest Received</b>	<b>349</b>	

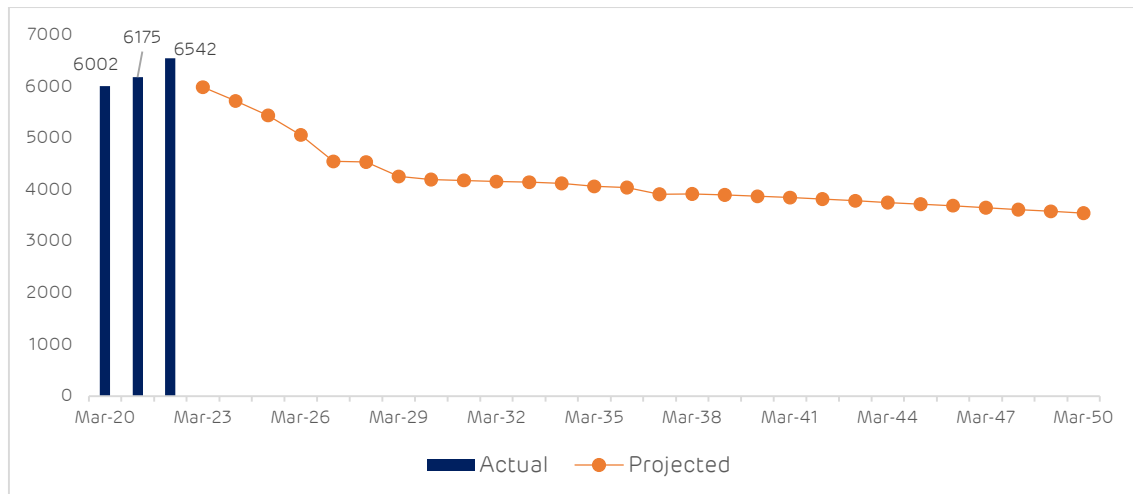
## 5. Projected Key Financial information and Ratios:

Please find below key assumption summary and the projected financial ratios.

### Key Assumption:

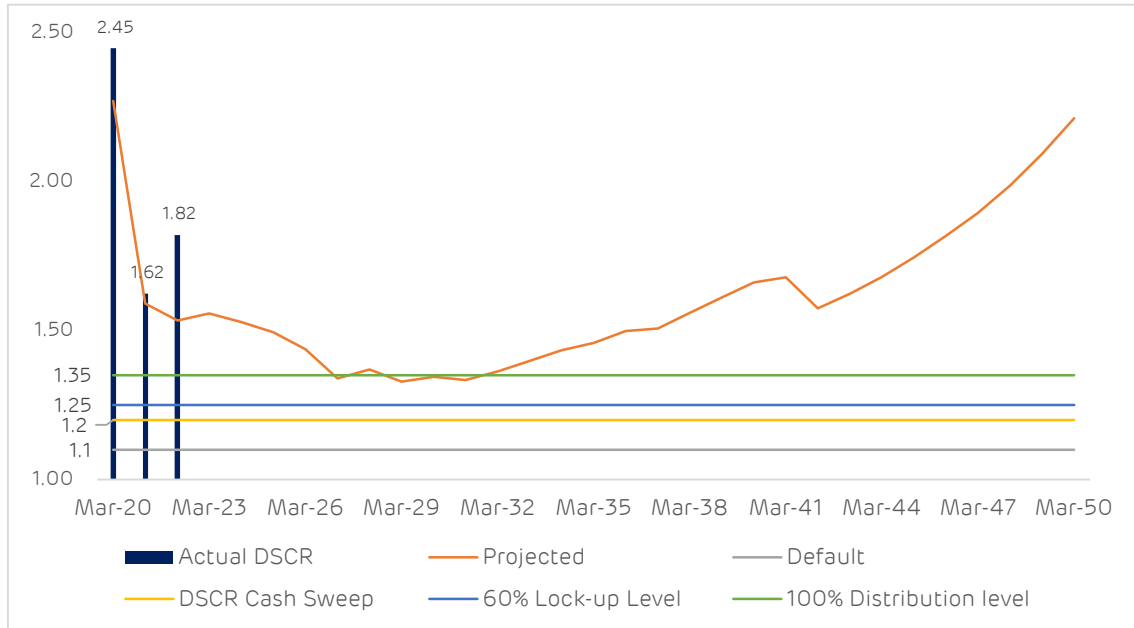
1. **Revenue:** It is as per the tariff adoption order/Transmission Service Agreement of respective companies.
2. **Availability:** Availability is assumed to be at 99.75%.
3. **Incentive:** Incentive calculation is in-line with the calculation provided under respective TSAs.
4. **Actual O&M** The projected O&M cost remains unaltered as submitted earlier in final financial model at the time of closing.
5. **O&M Escalation Rate:** Aggregated O&M Escalation rate is same as was submitted in final model i.e. ~ 3.84% on aggregate basis.
6. **Cost of Debt:** Cost of debt is assumed at 9.69% p.a. (incl. hedging cost).
7. **Tax:** The tax rate is assumed as per the prevailing tax laws in India.

### 1. EBITDA Profile: *(projected in line with the financial model)* (INR Mn)

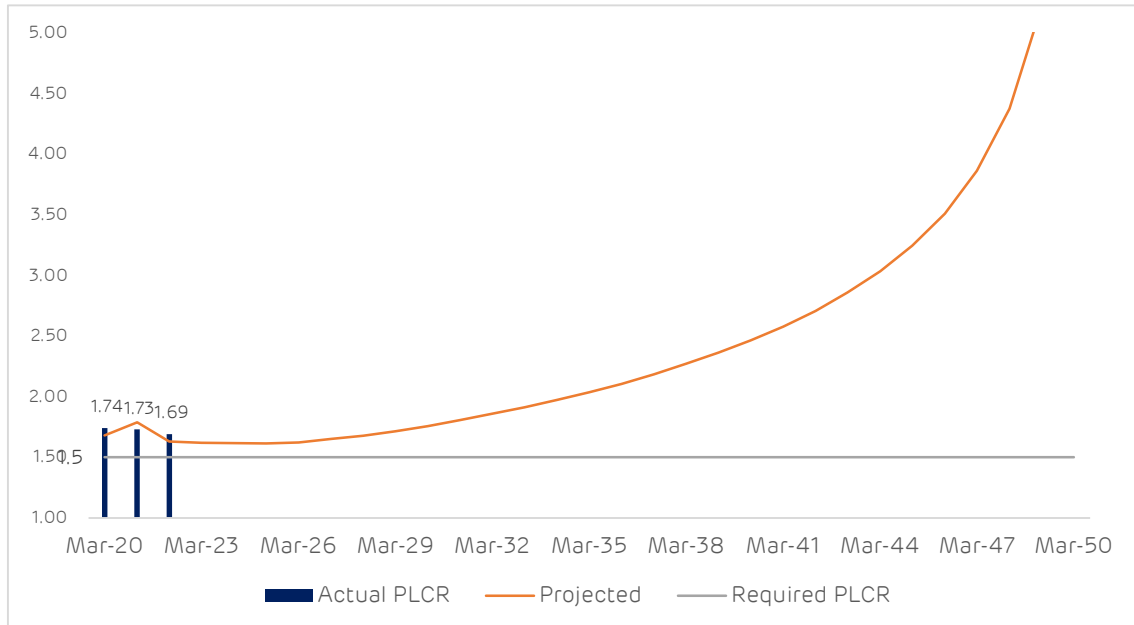


**Key Ratios:**

**1. Debt Service Cover ratio: *(projected in line with the financial model)***



**2. Project Life Cover Ratio: *(projected in line with the financial model)***



**6. Financial Statements:**

**6.1** Unaudited Aggregated Financial Statement for the 12 months period ended on Sep, 30 2022

**6.2** Unaudited Aggregated Financial Statement for the 6 months period ended on Sep, 30 2022



## Independent Auditors' Report

To the Board of Directors of  
**Adani Transmission Limited**  
Report on the Review of USPP Pool Combined Financial Statements

### Opinion

We have Reviewed the combined financial statements of the USPP Pool which consists of Barmer Power Transmission Service Limited, Chhattisgarh-WR Transmission Limited, Hadoti Power Transmission Service Limited, Thar Power Transmission Service Limited, Raipur-Rajnandgaon-Warora Transmission Limited, Sipat Transmission Limited & Adani Transmission (Rajasthan) Limited (each, referred to as a "USPP Pool Entity" and collectively referred to "USPP Pool") which comprises the combined balance sheet as at 30<sup>th</sup> September, 2022, the combined statements of profit and loss (including other comprehensive income), the combined statements of cash flows and combined statements of changes in net parent investment for the twelve months period ended 30<sup>th</sup> September, 2022 and a summary of the significant accounting policies and other explanatory information (together hereinafter referred to as "combined financial statements"). All USPP Pool entities are wholly owned subsidiaries of Adani Transmission Limited ("ATL") except ATRL. ATRL holding 99.9999% in ATRL.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid combined financial statements for the twelve months period ended 30<sup>th</sup> September, 2022 give a true and fair view in accordance with the basis of preparation as set out in note 2b to the combined financial statements.

### Basis for Opinion

We conducted our review in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 ("Act"). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Combined Financial Results* section of our report. We are independent of the USPP Pool in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India, and we have fulfilled our other ethical responsibilities in accordance with the applicable provisions. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Based on our review conducted and procedures performed as stated above, nothing has come to our attention that causes us to believe that the accompanying Combined Financial Statements, prepared in accordance with applicable accounting standards and other recognized accounting practices and policies, has not disclosed the information required to be disclosed including the manner in which it is to be disclosed, or that it contains any material misstatement.





## **Independent Auditors' Report on the Review of USPP Pool Combined Financial Statements (Continued)**

### **Emphasis of matter**

Without modifying our opinion, we draw attention to Note 2 to the combined financial statements of the USPP Pool, which describes that the USPP Pool has not formed a separate legal group of entities during the twelve months ended 30<sup>th</sup> September, 2022 and which also describes the basis of preparation, including the approach to and purpose of preparing them. Consequently, the USPP Pool Combined Financial Statements may not necessarily be indicative of the financial performances and financial position of the USPP Pool that would have occurred if it had operated as a single standalone group of entities during the year presented. The Combined Financial Statements have been prepared solely for the purpose as mentioned in note 2(a) to the Combined Financial Statements. As a result, the combined financial statements may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

### **Responsibilities of Management and Those Charged with Governance for the Combined Financial Statements**

The Management of ATL is responsible for the preparation and presentation of these combined financial statements that give a true and fair view of the combined state of affairs, financial performance and other comprehensive income, changes in combined net parent investment and combined cash flows in accordance with the basis of preparation as set out in Note 2(b) to these combined financial statements. This responsibility also includes maintenance of adequate accounting records for safeguarding of the assets of each USPP Pool entity and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation, and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 Combined Financial Statements.

In preparing the Combined Financial Statements, the Management of ATL is responsible for assessing the ability of each restricted entity to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Restricted Group's financial reporting process.







## Independent Auditors' Report on the Review of USPP Pool Combined Financial Statements (Continued)

### Auditor's Responsibilities for the Audit of the combined financial statements

Our objectives are to obtain reasonable assurance about whether the 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 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 combined financial statements.

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

- Identify and assess the risks of material misstatement of the 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on effectiveness of the USPP Pool'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 in preparation of combined financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. 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 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.
- Evaluate the overall presentation, structure and content of the combined financial statements, including the disclosures, and whether the combined financial statements represent the underlying transactions and events in a manner that achieves fair presentation.





## Independent Auditors' Report on the Review of USPP Pool Combined Financial Statements (Continued)

- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the USPP Pool to express an opinion on the combined financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such USPP Pool entities included in the combined financial statements of which we are the independent auditors.

We communicate with those charged with governance of ATL and such other USPP Pool entities included in the combined financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

This Special purpose combined financial statement have been prepared by the ATL's management solely for the purpose fulfilling requirement specified under the Notes Agreement (Financing agreement). This report is issued solely for the purpose and also for the purpose of upload on the website of the Company and the Stock Exchange as may be applicable and accordingly may not be suitable for any other purpose, and should not be used, referred to or distributed for any other purpose or to any other party without prior written consent.

Place: Ahmedabad  
Date: 4<sup>th</sup> November, 2022.



For, **DHARMESH PARIKH & CO LLP**  
Chartered Accountants  
Firm Reg. No.: 112054W/W100725

*Chirag Shah*

**Chirag Shah**  
Partner

Membership No.: 122510

**UDIN : 22122510BCWEZE5088**

Particulars	Notes	As at 30th September, 2022	As at 30th September, 2021
<b>ASSETS</b>			
<b>Non-current Assets</b>			
Property, Plant and Equipment	3.1	27,539.2	28,180.3
Right of Use Assets (Net)		170.8	176.7
Capital Work-In-Progress	3.2	211.9	96.1
Intangible Assets	3.3	3.1	7.4
<b>Financial Assets</b>			
(i) Loans	4	3,863.8	994.4
(ii) Other Financial Assets	5	1,477.1	2,928.2
Income Tax Assets (Net)	6	72.3	30.3
Other Non-current Assets	7	1,092.9	1,109.1
<b>Total Non-current Assets</b>		<b>34,431.1</b>	<b>33,522.5</b>
<b>Current Assets</b>			
Inventories	8	17.0	6.9
<b>Financial Assets</b>			
(i) Investments	9	547.6	1,521.7
(ii) Trade Receivables	10	1,058.9	946.7
(iii) Cash and Cash Equivalents	11	110.8	74.8
(iv) Bank Balance other than (iii) above	12	1,569.7	103.8
(v) Loans	13	0.2	0.1
(vi) Other Financial Assets	14	810.7	803.9
Other Current Assets	15	28.0	86.0
<b>Total Current Assets</b>		<b>4,142.9</b>	<b>3,543.9</b>
<b>Total Assets</b>		<b>38,574.0</b>	<b>37,066.4</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Net Parent Investment	16	6,953.1	6,996.4
<b>Total Equity</b>		<b>6,953.1</b>	<b>6,996.4</b>
<b>Liabilities</b>			
<b>Non-current Liabilities</b>			
<b>Financial Liabilities</b>			
(i) Borrowings	17	29,053.9	27,360.1
(ii) Other Financial Liabilities	18	104.5	160.3
Provisions	19	2.1	1.9
Deferred Tax Liabilities (Net)	20	1,237.2	1,403.1
<b>Total Non-current Liabilities</b>		<b>30,397.7</b>	<b>28,925.4</b>
<b>Current Liabilities</b>			
<b>Financial Liabilities</b>			
(i) Borrowings	21	944.6	860.6
(ii) Trade Payables	22		
(A) Total outstanding dues of micro enterprises and small enterprises		0.0	3.1
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		99.8	59.7
(iii) Other Financial Liabilities	23	108.6	136.1
Other Current Liabilities	24	51.2	42.2
Provisions	19	1.9	0.5
Income Tax liabilities (Net)	25	17.1	42.4
<b>Total Current Liabilities</b>		<b>1,223.2</b>	<b>1,144.6</b>
<b>Total Equity and Liabilities</b>		<b>38,574.0</b>	<b>37,066.5</b>

(Transactions below ₹ 50,000.00 denoted as ₹ 0.0 Million)

See accompanying notes forming integral part of the Special Purpose Combined Financial Statements.

As per our attached report of even date

For Dharmesh Parikh & Co. LLP  
Chartered Accountants  
Firm Registration Number : 112054W/W100725

*Chirag & Shah*

CHIRAG SHAH  
Partner  
Membership No. 122510



For and on behalf of the Board of Directors  
ADANI TRANSMISSION LIMITED

*Anil Sardana*

ANIL SARDANA  
Managing Director  
DIN: 00006867

*Rohit Soni*

ROHIT SONI  
Chief Financial Officer

*Jaladhi Shukla*

JALADHI SHUKLA  
Company Secretary

Place : Ahmedabad  
Date : 4th November, 2022

Place : Ahmedabad  
Date : 4th November, 2022

*Chirag*

USPP Pool

Special Purpose Combined Statement of Profit and Loss for the twelve months ended 30th September, 2022

**adani**

Transmission

(₹ in Million)

Particulars	Notes	For the twelve months ended 30th September, 2022	For the twelve months ended 30th September, 2021
<b>Income</b>			
Revenue from Operations	26	6,353.1	6,381.9
Other Income	27	359.7	297.4
<b>Total Income</b>		<b>6,712.8</b>	<b>6,679.3</b>
<b>Expenses</b>			
Operating Expenses	28	211.1	187.1
Employee Benefits Expenses	29	29.3	26.3
Finance Costs	30	2,807.2	2,866.4
Depreciation and Amortisation Expenses	3.1 & 3.3	852.8	835.6
Other Expenses	31	104.5	87.4
<b>Total Expenses</b>		<b>4,004.9</b>	<b>4,002.8</b>
<b>Profit Before Tax for the period</b>		<b>2,707.9</b>	<b>2,676.5</b>
<b>Tax Expense:</b>			
Current Tax	32	185.4	88.6
Tax Adjustment relating to earlier periods		2.4	2.2
Deferred Tax		521.0	531.0
		<b>708.8</b>	<b>621.8</b>
<b>Profit After Tax for the period</b>	<b>Total A</b>	<b>1,999.1</b>	<b>2,054.7</b>
<b>Other Comprehensive Income</b>			
(a) Items that will not be reclassified to Profit or Loss		(0.2)	0.0
(b) Tax relating to items that will not be reclassified to Profit or Loss		-	-
(c) Items that will be reclassified to profit or loss		(2,729.2)	(45.2)
(d) Tax relating to items that will be reclassified to Profit or Loss		686.9	11.4
<b>Other Comprehensive Income for the period (Net of Tax)</b>	<b>Total B</b>	<b>(2,042.5)</b>	<b>(33.8)</b>
<b>Total Comprehensive Income for the period</b>	<b>Total (A+B)</b>	<b>(43.4)</b>	<b>2,020.9</b>

(Transactions below ₹ 50000.00 denoted as ₹ 0.0 Million)

See accompanying notes forming integral part of the Special Purpose Combined Financial Statements.

As per our attached report of even date

For Dharmesh Parikh & Co. LLP

Chartered Accountants

Firm Registration Number : 112054W/W100725

*Chirag & shah*

CHIRAG SHAH

Partner

Membership No. 122510



For and on behalf of the Board of Directors of  
ADANI TRANSMISSION LIMITED

*Anil Sardana*

ANIL SARDANA

Managing Director

DIN: 00006867

*Rohit Soni*

ROHIT SONI

Chief Financial Officer

*Jaladhi Shukla*

JALADHI SHUKLA

Company Secretary

*[Signature]*

Place : Ahmedabad

Date : 4th November, 2022

Place : Ahmedabad

Date : 4th November, 2022

(₹ in Million)

Particulars	For the twelve months ended 30th September, 2022	For the twelve months ended 30th September, 2021
<b>A. Cash flow from operating activities</b>		
Profit before tax	2,707.9	2,676.5
Adjustments for:		
Finance Costs	2,807.2	2,866.4
Depreciation and amortisation Expense	852.8	835.6
Gain on Sale/Fair Value of Current Investments through Profit & Loss	(54.8)	(45.8)
Unclaimed liabilities/Excess provision written back	(0.1)	(2.4)
Income from sale of scrap	-	(0.5)
Other Operating Income	-	(5.2)
Interest Income	(304.1)	(245.9)
<b>Operating profit before working capital changes</b>	<b>6,008.9</b>	<b>6,078.7</b>
Changes in Working Capital:		
(Increase) / Decrease in Operating Assets :		
Loans, Other Financial Assets and Other Assets	31.0	(162.2)
Inventories	(10.2)	(2.3)
Trade Receivables	(112.3)	210.8
Increase / (Decrease) in Operating Liabilities :		
Other Financial Liabilities, Other Liabilities and Provisions	(67.1)	0.7
Trade Payables	37.1	(14.3)
<b>Cash generated from operations</b>	<b>5,887.4</b>	<b>6,111.4</b>
Taxes refund / (paid) (Net)	(255.1)	319.5
<b>Net cash generated from operating activities (A)</b>	<b>5,632.3</b>	<b>6,430.9</b>
<b>B. Cash flow from investing activities</b>		
Financial Assets under Service Concession Arrangements	9.7	14.6
Payments of Capital expenditure on Property, Plant and Equipment, Intangible Asset (including capital advance)(Net)	(312.2)	(145.2)
(Purchase) / Proceeds of current investment (net)	1,028.9	(686.8)
Proceeds from / (Deposits in) Bank deposits (net) (Including Margin money deposit)	(111.5)	429.1
Loan given to related party	(2,798.1)	(994.4)
Interest received	293.7	187.9
<b>Net cash (used in) investing activities (B)</b>	<b>(1,889.5)</b>	<b>(1,194.8)</b>
<b>C. Cash flow from financing activities</b>		
Net Proceeds from Long Term Borrowings	(912.2)	(889.7)
Net Proceeds from Short Term Borrowings	-	(822.2)
Payment of lease	(5.1)	-
Finance Cost paid	(2,789.5)	(3,617.4)
<b>Net cash (used in) financing activities (C)</b>	<b>(3,706.8)</b>	<b>(5,329.3)</b>
<b>Net decrease in cash and cash equivalents (A+B+C)</b>	<b>36.0</b>	<b>(93.2)</b>
<b>Cash and cash equivalents as on 1st October, 2021</b>	<b>74.8</b>	<b>168.0</b>
<b>Cash and cash equivalents at the end of the period - 30th September, 2022 (Refer note 11)</b>	<b>110.8</b>	<b>74.8</b>

Cash and cash equivalent includes - Refer Note 11

Balances with banks

In current accounts  
Fixed Deposits (with original maturity for three months or less)

	As at 30th September, 2022	As at 30th September, 2021
	73.6	38.6
	37.2	36.2
	<b>110.8</b>	<b>74.8</b>

Disclosure as per Ind AS 7 (Para 44A) Statement of Cash Flows:

(₹ in Million)

Particulars	1st October, 2021	Cash Flows (Net)	Foreign Exchange Management	Other	30th September, 2022
Long-term Borrowings (Incl current maturities)	28,220.7	(912.2)	2,672.4	17.6	29,998.5
<b>Total</b>	<b>28,220.7</b>	<b>(912.2)</b>	<b>2,672.4</b>	<b>17.6</b>	<b>29,998.5</b>

(₹ in Million)

Particulars	1st October, 2020	Cash Flows (Net)	Foreign Exchange Management	Other	30th September, 2021
Long-term Borrowings (Incl current maturities)	29,715.8	(1,711.9)	195.1	21.7	28,220.7
<b>Total</b>	<b>29,715.8</b>	<b>(1,711.9)</b>	<b>195.1</b>	<b>21.7</b>	<b>28,220.7</b>

(Transactions below ₹ 50000.00 denoted as ₹ 0.0 Million)



**Notes to Special Purpose Combined Statement of Cash Flows:**

1. The Statement of Cash Flows has been prepared under the Indirect method as set out in Ind AS 7 "Statement of Cash Flows".
2. Disclosure under Para 44A as set out in Ind AS 7 on cash flow statements under Companies (Indian Accounting Standards) Rules, 2017 (as amended) is given as above.

The accompanying notes forming integral part of the Special Purpose Combined Financial Statements.  
As per our attached report of even date

For Dharmesh Parikh & Co. LLP  
Chartered Accountants  
Firm Registration Number : 112054W/W100725

*Chirag & shah*

CHIRAG SHAH  
Partner  
Membership No. 122510



For and on behalf of the Board of Directors of  
ADANI TRANSMISSION LIMITED

*Anil Sardana*

ANIL SARDANA  
Managing Director  
DIN: 00006867

*Rohit Soni*

ROHIT SONI  
Chief Financial Officer

*Jaladhi Shukla*

JALADHI SHUKLA  
Company Secretary

*Aysha*

Place : Ahmedabad  
Date : 4th November, 2022

Place : Ahmedabad  
Date : 4th November, 2022

## 1 Corporate information

Adani Transmission Limited is a public limited Company incorporated and domiciled in India, Its ultimate holding entity is S. B. Adani Family Trust (SBAFT), having its registered office at Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad - 382421.

USPP Pool is consist of seven Companies 100% subsidiary of Adani Transmission Limited (together referred to as "The Group"):

- (i) Sipat Transmission Limited (STL)
- (ii) Raipur-Rajnandgaon-Warora Transmission Limited (RRWTL)
- (iii) Chhattisgarh-WR Transmission Limited (CWRTL)
- (iv) Adani Transmission (Rajasthan) Limited (ATRL)\*
- (v) Hadoti Power Transmission Service Limited (HPTSL)
- (vi) Barmer Power Transmission Service Limited (BPTSL)
- (vii) Thar Power Transmission Service Limited (TPTSL)

\* Adani Transmission (Rajasthan) Limited (ATRL) has entered into a contract (Transmission Service Agreement) with Rajasthan Rajya Vidyut Prasaran Nigam Limited (RRVPLN) providing for the issue and allotment of one non-transferable equity share of ATRL (the "Golden Share") in favour of the RRVPLN.

The Group is incorporated for doing the business of establishing commissioning, setting up, operating and maintaining electric power transmission systems/ networks, power systems, generating stations based on conventional /non conventional resources for evacuation , transmission , distribution or supply of power through establishing or using stations, tie-lines , sub-stations and transmission or distributions lines.

ATRL is under Service Concession Agreement with Rajasthan Rajya Vidyut Prasaran Nigam Limited (RRVPLN), Jaipur, Rajasthan, a public Sector Undertaking under the control of Government of Rajasthan to construct & operate a transmission system comprising a 400 KV Double Circuit transmission Line from Suratgarh to Bikaner with a design capacity to transfer electricity equivalent to 1066 MW on Design, Built, Finance, Operate & Transfer (DBFOT) basis in accordance with the terms and conditions to be set forth in a transmission agreement to be entered into under and in accordance with the provisions of the Electricity Act, 2003.

The Group is providing transmission services in India spreading across Rajasthan, Maharashtra, Chhattisgarh and Madhya Pradesh.

## 2 Significant accounting policies

### a Purpose of the Special Purpose Combined Financial Information

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 Group. The Special Purpose Combined Financial Information presented herein reflect The Group's results of operations, assets and liabilities and cash flows as at and for the twelve months ended 30th September, 2022 and 30th September, 2021. The basis of preparation and Significant accounting policies used in preparation of these Special Purpose Combined Financial Information are set out in notes below.

### b Basis of Preparation and Presentation of Special Purpose Combined Financial Information

The Special Purpose Combined Financial Information of The 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 Special Purpose Combined Financial Information to depict the historical financial information of the Group. The Special Purpose Combined Financial Information 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 Special Purpose Combined Financial information of the combining entities is similar to that of consolidated financial statements as per the applicable Indian Accounting Standards. Accordingly, when combined financial information are prepared, intra-group transactions and profits or losses are eliminated. The information presented in the Special Purpose Combined financial information of The 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.

Net parent investment disclosed in the Special Purpose Combined Financial Information is not the legal capital and Other equity of The Group and is the aggregation of the Share Capital and Other equity of each of the entities with in the Group.

The following procedure is followed for the preparation of the Special Purpose Combined Financial Information:

- (a) Combined like items of assets, Liabilities, equity, income, expenses and cash flows of the entities of The Group.
- (b) Eliminated in full intra group assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group.



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

The Function currency of The Group is Indian Rupee (₹). The Special Purpose Combined Financial Information are presented in ₹ and all values are rounded to the nearest Million (Transactions below ₹ 50,000.00 denoted as ₹ 0.0 Million), unless otherwise indicated.

Ind AS 1 'Presentation of financial statements' requires that while preparing and presenting general purpose financial statements an entity should disclose comparative information in respect of the previous period for all amounts reported in the current period's financial statements.

**c Current versus non-current classification**

The 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.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents.

The Group has identified twelve months as its operating cycle.

**d Foreign Currency Transactions**

**i) Initial Recognition :**

Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction.

**ii) Conversion :**

At the period-end, monetary items denominated in foreign currencies, if any, are converted into rupee equivalents at exchange rate prevailing on the balance sheet date.

**iii) Exchange Differences :**

All exchange differences arising on settlement and conversion of foreign currency transaction are included in the Statement of Profit and Loss.

**e 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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the 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 Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest

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.

The 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 Special Purpose Combined Financial Information 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.





For assets and liabilities that are recognized in the Special Purpose Combined Financial Information on a recurring basis, The Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Group's Management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value.

At each reporting date, The Group analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per The Group's accounting policies. For this analysis, The Group verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

For the purpose of fair value disclosures, The 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.

**f 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.

**i) Income from Transmission of Power:**

Revenue are recognised immediately when the service is provided.

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.

**ii) Service concession arrangements (SCA) :**

With respect to SCA, revenue and costs are allocated between those relating to construction services and those relating to operation and maintenance services, and are accounted for separately. Consideration received or receivable is allocated by reference to the relative fair value of services delivered when the amounts are separately identifiable. The infrastructure used in a concession are classified as an intangible asset or a financial asset, depending on the nature of the payment entitlements established in the SCA. When the amount of consideration under the arrangement for the provision of public services is substantially fixed by a contract, The Group recognizes the consideration for construction services at its fair value as a financial asset and is classified as "financial asset under service concession arrangements". When the demand risk is with The Group, then, to the extent that The Group has a right to charge the user of infrastructure facility, The Group recognizes the consideration for construction services at its fair value, as an intangible asset. The Group accounts for such intangible asset in accordance with the provisions of Ind AS 38. When the amount of consideration under the arrangement comprises -

- fixed charges based on Annual Capacity and
- variable charges based on Actual utilisation of capacity

then, The Group recognizes the consideration for construction services at its fair value, as the "financial asset under service concession arrangement" to the extent present value of fixed payment to be received discounted at incremental borrowing rate and the residual portion is recognized as an intangible asset.

**(a) Infrastructure is under project phase, the treatment of income is as follows:**

Revenues relating to construction contracts which are entered into with government authorities for the construction of the infrastructure necessary for the provision of services are measured at the fair value of the consideration received or receivable. Revenue from service concession arrangements is recognised based on the fair value of construction work performed at the reporting date.

**(b) Infrastructure is in operation, the treatment of income is as follows:**

Finance income over financial asset after consideration of fixed transmission charges is recognized using effective interest method. Variable transmission charges revenue is recognized in the period when the service is provided. Revenues relating to construction contracts which are entered into with government authorities for the construction of the infrastructure necessary for the provision of services are measured at the fair value of the consideration received or receivable. Revenue from service concession arrangements is recognised based on the fair value of construction work performed at the reporting date.

**iii) 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 that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

**g Taxes on Income**

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 Taxation**

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 Taxation**

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 Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities

**h Property, plant and equipment (PPE)**

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.

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated.

Subsequent additions to the assets after capitalization are accounted for at cost. Cost includes purchase price (net of trade discount & rebates) and any directly attributable cost of bringing the asset to its working condition for its intended use and for qualifying assets, borrowing costs capitalised in accordance with Ind AS 23. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.

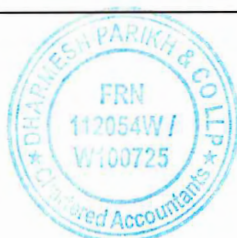
Depreciation is recognised based on the cost of assets (other than freehold land) less their residual values (Considering a salvage value of 5%) over their useful lives, using the straight-line method. The useful life of property, plant and equipment is considered based on life prescribed in schedule II to the Companies Act, 2013. 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

**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.

Estimated useful lives of assets are as follows:-

Type of Assets	Useful lives
Building	25-35 Years
Plant and Equipment	25-35 Years
Furniture and Fixtures	10 Years
Office Equipments	5 Years
Computer Hardware	5 Years
Vehicle	15 Years
Computer Software	3 Years



**i Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

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.

**j Inventories**

i) Stores and spares are valued at cost. Cost is determined on Weighted Average basis.

ii) Costs includes all non refundable duties and all charges incurred in bringing the goods to the their present location and condition.

**k Impairment of non-financial assets**

The carrying amount of assets, other than inventories, is reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the assets recoverable amount is estimated.

The impairment loss is recognised whenever the carrying amount of an asset or its cash generation unit exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in the uses which is determined based on the estimated future cash flow discounted to their present values. All impairment losses are recognised in the Statement of Profit and Loss.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount and is recognised in the Statement of Profit and Loss.

**l Employee benefits****i) Defined benefit plans**

The Group has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees through ATL (The holding entity) Gratuity Scheme of Life Insurance Corporation of India. The 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.

**ii) Defined contribution plan:**

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



**iii) 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.

**iv) Short-term and other long-term employee benefits:**

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

**m 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 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 profit or 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 a The Group entity are recognised at the proceeds received, net of direct issue costs.

**(A) Financial assets**

All financial assets, except investment in subsidiaries are recognised initially at fair value.

The measurement of financial assets depends on their classification, as described below:

**1) At amortised cost**

A financial asset is measured at the amortised cost if both the following conditions are met :

- (a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- (b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to The Group. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

**2) At Fair Value through Other Comprehensive Income (FVTOCI)**

A financial asset is classified as at the FVTOCI if both of the following criteria are met:

- (a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- (b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI) and on derecognition, cumulative gain or loss previously recognised in OCI is reclassified to statement of profit and loss. For equity instruments, The Group may make an irrevocable election to present subsequent changes in the fair value in OCI. If The Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment.

**3) At Fair Value through Profit & Loss (FVTPL)**

FVTPL is a residual category for debt instruments and default category for equity instruments. Financial assets included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

In addition, The Group may elect to designate a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Group has not designated any debt instrument as at FVTPL.



**Derecognition**

On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

The Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets and credit risk exposure. The Group follows 'Simplified Approach' for recognition of impairment loss allowance on all trade receivables or contractual receivables.

Under the simplified approach The Group does not track changes in credit risk, but it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. If credit risk has not increased significantly, 12 month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used.

ECL is the difference between all contracted cash flows that are due to The Group in accordance with the contract and all the cash flows that The Group expects to receive, discounted at the original EIR. ECL impairment loss allowance (or reversal) recognised during the period is recognised as income / (expense) in the statement of profit and loss.

**(B) Financial liabilities**

Financial liabilities are classified, at initial recognition as at amortised cost or fair value through profit or loss. The measurement of financial liabilities depends on their classification, as described below:

**At amortised cost**

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

**At fair value through profit or loss (FVTPL)**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as such. Subsequently, any changes in fair value are recognised in the statement of profit or loss.

**Derecognition of Financial Liability**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

**n Derivative financial instruments and hedge accounting****Initial recognition and subsequent measurement**

In order to hedge its exposure to foreign exchange and interest rate risks, The Group enters into forward contracts, Principle only Swaps (POS) and other derivative financial instruments. The Group does not hold derivative financial instruments for speculative purposes.

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

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

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

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

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



**(i) Fair value hedges**

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

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

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

**(ii) Cash flow hedges**

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

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

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

**o Cash & Cash Equivalents (for purpose of cash flow statement)**

Cash comprises cash on hand and demand deposit with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of creation).

**p Cash Flow Statement**

Cash flows are reported using indirect method, whereby profit/ (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of The Group are segregated based on the available information.

**q Provision, Contingent Liabilities and Contingent Assets**

Provision are recognised for when The Group has at present, legal or contractual obligation as a result of past events, only if it is probable that an outflow of resources embodying economic outgo or loss will be required and if the amount involved can be measured reliably.

Contingent liabilities being a possible obligation as a result of past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more future events not wholly in control of The Group are not recognised in the accounts. The nature of such liabilities and an estimate of its financial effect are disclosed in notes to the Special Purpose Combined Financial Information.

Contingent assets are neither recognised nor disclosed in the Special Purpose Combined Financial Information.

**r Assets covered under Service Concession Arrangement**

The Company manages service concession arrangements which include the construction of transmission lines followed by a period in which the Company maintains and services the infrastructure. This may also include, in a secondary period, asset replacement or refurbishment. These concession arrangements set out rights and obligations related to the infrastructure and the service to be provided. Under Appendix C to Ind AS 115 – "Service Concession Arrangements", these arrangements are accounted for based on the nature of the consideration. For fulfilling the obligations under SCA, the Company is entitled to receive either cash or another financial asset from the grantor or a contractual right to charge the users of the service. The financial model is used when the Company has an unconditional right to receive cash or another financial asset from or at the direction of the grantor for the construction services. Consideration so received or receivable is allocated by reference to the relative fair values of the services provided. Thus Revenue from the concession arrangements earned under the financial asset model consists of the (i) fair value of the amount due from the grantor; and (ii) interest income related to the capital investment in the project.

**s Leases**

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

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.



**t Recent Pronouncements for Indian Accounting Standards (Ind AS)**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During twelve month period ended September 30, 2022, MCA has not notified any new standards or amendments to the existing standards applicable to the Group.

**u Estimates, Judgments and Assumptions**

The preparation of The Group's Ind AS Financial Statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the Special Purpose Combined Financial Information were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of The Group. Such changes are reflected in the assumptions when they occur.

**i) Impairment of non-financial assets**

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that The Group is not yet committed to or significant future investments that will enhance the asset's performance being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognised by The Group.

**ii) Taxes**

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

**iii) Defined benefit plans (gratuity benefits)**

The Group based its assumptions and estimates on parameters available when the Special Purpose Combined Financial Information were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of The Group. Such changes are reflected in the assumptions when they occur.

**iv) Fair value measurement of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments 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.

**v) Property, plant and equipment**

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.



## 3.1. Property, Plant and Equipment

(₹ in Million)

Description of Assets	Tangible Assets							Total
	Land (Free hold)	Building	Plant & Equipment	Furniture and Fixtures	Office Equipments	Computer Equipment	Vehicles	
<b>I. Cost or Deemed Cost</b>								
Balances as at 1st October, 2020	188.1	207.7	29,731.6	5.0	4.0	1.5	0.9	30,138.8
Additions during the period	3.3	6.5	216.2	0.2	9.0	2.5	0.2	237.9
Disposals during the period	-	-	-	-	-	-	-	-
<b>Balances as at 30th September, 2021</b>	<b>191.4</b>	<b>214.2</b>	<b>29,947.8</b>	<b>5.2</b>	<b>13.0</b>	<b>4.0</b>	<b>1.1</b>	<b>30,376.7</b>
Additions during the period	-	13.5	168.5	1.4	11.3	5.3	-	200.0
Disposals during the period	-	(0.7)	-	-	-	-	-	(0.7)
<b>Balances as at 30th September, 2022</b>	<b>191.4</b>	<b>227.0</b>	<b>30,116.3</b>	<b>6.6</b>	<b>24.3</b>	<b>9.3</b>	<b>1.1</b>	<b>30,576.0</b>
<b>II. Accumulated depreciation</b>								
Balances as at 1st October, 2020	-	21.8	1,346.5	1.0	0.2	0.0	0.0	1,369.5
Depreciation for the period	-	12.3	812.5	0.5	1.0	0.5	0.1	826.9
<b>Balances as at 30th September, 2021</b>	<b>-</b>	<b>34.1</b>	<b>2,159.0</b>	<b>1.3</b>	<b>1.4</b>	<b>0.6</b>	<b>0.1</b>	<b>2,196.4</b>
Depreciation for the period	-	10.4	824.3	0.5	3.9	1.2	0.0	840.4
Eliminated on disposal of assets	-	-	(0.0)	-	-	-	-	(0.0)
<b>Balances as at 30th September, 2022</b>	<b>-</b>	<b>44.5</b>	<b>2,983.3</b>	<b>1.8</b>	<b>5.3</b>	<b>1.8</b>	<b>0.1</b>	<b>3,036.8</b>

Description of Assets	Land (Free hold)	Building	Plant & Equipment	Furniture and Fixtures	Office Equipments	Computer Equipment	Vehicles	Total
<b>Carrying Amount :</b>								
As at 30th September, 2021	191.4	180.1	27,788.8	3.9	11.6	3.4	1.0	28,180.3
As at 30th September, 2022	191.4	182.5	27,133.0	4.8	19.0	7.5	1.0	27,539.2

(Transactions below ₹ 50000.00 denoted as ₹ 0.0 Million)





## 3.2 Capital Work-In-Progress

(₹ in Million)

Particulars	As at 30th September, 2022	As at 30th September, 2021
<b>Opening Balance</b>	<b>96.1</b>	<b>129.8</b>
Expenditure incurred during the period	181.2	181.2
Capital Inventory	135.6	31.7
Less: Capitalized during the period	(201.0)	(246.6)
<b>Closing Balance</b>	<b>211.9</b>	<b>96.1</b>

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

(₹ in Million)

Particulars	Amount in CWIP for a period of				Total
	<1 year	1-2 years	2-3 years	> 3 years	
<b>Balances as at 30th September, 2022</b>					
- Projects in progress	171.3	39.0	1.6	-	211.9
- Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>171.3</b>	<b>39.0</b>	<b>1.6</b>	<b>-</b>	<b>211.9</b>
<b>Balances as at 30th September, 2021</b>					
- Projects in progress	94.4	0.2	1.5	-	96.1
- Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>94.4</b>	<b>0.2</b>	<b>1.5</b>	<b>-</b>	<b>96.1</b>



## 3.3. Intangible Assets

(₹ in Million)

Description of Assets	Computer Software	Total
<b>I. Gross carrying value</b>		
<b>Balances as at 1st October, 2020</b>	0.3	<b>0.3</b>
Additions during the period	8.7	<b>8.7</b>
Disposals during the period	-	-
<b>Balances as at 30th September, 2021</b>	<b>9.0</b>	<b>9.0</b>
Additions during the period	0.9	<b>0.9</b>
Disposals during the period	-	-
<b>Balances as at 30th September, 2022</b>	<b>9.9</b>	<b>9.9</b>
<b>II. Accumulated Amortisation</b>		
<b>Balances as at 1st October, 2020</b>	0.0	<b>0.01</b>
Amortisation Charge during the period	1.6	<b>1.6</b>
Disposals during the period	-	-
<b>Balances as at 30th September, 2021</b>	<b>1.6</b>	<b>1.6</b>
Amortisation Charge during the period	5.2	<b>5.2</b>
Disposals during the period	-	-
<b>Balances as at 30th September, 2022</b>	<b>6.8</b>	<b>6.8</b>
<b>Net Carrying Value as at 30th September, 2021</b>	<b>7.4</b>	<b>7.4</b>
<b>Net Carrying Value as at 30th September, 2022</b>	<b>3.1</b>	<b>3.1</b>

(Transactions below ₹ 50000.00 denoted as ₹ 0.0 Million)



4	Loans (Unsecured, Considered Good)	As at	
		30th September, 2022 (₹ in Million)	30th September, 2021 (₹ in Million)
	Loans (Refer note 41)	3,863.8	994.4
	<b>Total</b>	<b>3,863.8</b>	<b>994.4</b>
5	Non-current Financial Assets- Others	As at	
		30th September, 2022 (₹ in Million)	30th September, 2021 (₹ in Million)
	Interest accrued but not due	51.9	-
	Derivative Assets	146.8	295.6
	SCA Receivables (Refer note below)	1,273.6	1,273.1
	Security deposit	4.7	5.0
	Balances held as Margin Money or security against borrowings	0.1	1,354.5
	<b>Total</b>	<b>1,477.1</b>	<b>2,928.2</b>

The company has classified the Arrangement as Financial Assets and has disclosed "SCA Receivables", being amount due from the Grantor. The amount due from the grantor comprises of Fair value (FV) of the cost incurred in relation to the project measured at cost incurred excluding the borrowing cost plus current estimates of margin, (being management estimate of FV of cost incurred), net of grant received from the Department of Economic Affairs, Ministry of Finance. Finance income is measured based on estimated project cash flows and Receivables net of grant received and receivable from the Department of Economic Affairs, Ministry of Finance, reviewed for any change in project cash flows, annually or on occurrence of any event requiring such adjustment. Both Receivables and Finance Income are reviewed annually or on occurrence of any event requiring such adjustment for any change in cashflows.

The significant accounting policies, including the criteria for recognition, the basis of measurement and on which income and expenses are recognized, in respect of each class of financial asset are detailed in note 2 (f) of these financial statements.

6	Income Tax Assets (Net)	As at	
		30th September, 2022 (₹ in Million)	30th September, 2021 (₹ in Million)
	Income Tax Assets (Net)	72.3	30.3
	<b>Total</b>	<b>72.3</b>	<b>30.3</b>

7	Other Non-current Assets	As at	
		30th September, 2022 (₹ in Million)	30th September, 2021 (₹ in Million)
	Capital advances	1,092.9	1,109.1
	<b>Total</b>	<b>1,092.9</b>	<b>1,109.1</b>

8	Inventories (At lower of Cost and Net Realisable Value)	As at	
		30th September, 2022 (₹ in Million)	30th September, 2021 (₹ in Million)
	Stores & spares	17.0	6.9
	<b>Total</b>	<b>17.0</b>	<b>6.9</b>

9	Current Financial Assets - Investments	Face value of ₹ unless otherwise specified	No. of units	As at	
				30th September, 2022 (₹ in Million)	30th September, 2021 (₹ in Million)
<b>Investment in Mutual Funds units at FVTPL (Unquoted)</b>					
	ICICI Prudential Overnight Fund Direct Plan	100	37962.179 (P.Y. - 702309.967)	44.3	79.2
	Kotak Overnight Fund Direct-Growth	1000	278313.154 (P.Y. - 39444.437)	326.2	44.0
	HDFC Overnight Fund- Direct plan-Growth	1000	2525.045 (P.Y. - 186422.231)	7.9	579.0
	SBI Overnight Fund Direct Growth	1000	33096.931 (P.Y. - 128016.758)	116.6	435.9
	Edelweiss Overnight Fund Direct Plan Growth	1000	11893.455 (P.Y. - 11893.455)	12.5	12.9
	Aditya Birla Overnight Fund Growth -Direct Plan	1000	15502.795 (P.Y. - 254146.746)	18.1	287.4
	UTI Overnight Fund-Direct Growth Plan	1000	7817.722 (P.Y. - 11371.232)	22.0	32.5
	Axis Overnight Fund - Direct growth Plan	1000	Nil (P.Y. - 46009.897)	-	50.8
	<b>Total</b>			<b>547.6</b>	<b>1,521.7</b>
	Aggregate book value of un-quoted investments			<b>547.6</b>	<b>1,521.7</b>
	Aggregate market value of un-quoted investments			<b>547.6</b>	<b>1,521.7</b>



10 Trade Receivables	As at	
	30th September, 2022 (₹ in Million)	30th September, 2021 (₹ in Million)
Unsecured		
- Considered Good	1,058.9	946.7
<b>Total</b>	<b>1,058.9</b>	<b>946.7</b>

## 10.1 Age of Trade Receivables

Particulars	As at 30th September, 2022						Total
	Not Due	< 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
<b>As at 30th September, 2022</b>							
(i) Undisputed Trade receivables - considered good	532.4	524.5	1.2	0.8	-	-	1,058.9
(ii) Undisputed Trade Receivables - which have significant increase in credit impaired	-	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - which have significant increase in credit impaired	-	-	-	-	-	-	-
<b>Total</b>	<b>532.4</b>	<b>524.5</b>	<b>1.2</b>	<b>0.8</b>	<b>-</b>	<b>-</b>	<b>1,058.9</b>
<b>As at 30th September, 2021</b>							
(i) Undisputed Trade receivables - considered good	531.9	414.0	0.8	0.0	-	-	946.7
(ii) Undisputed Trade Receivables - which have significant increase in credit impaired	-	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - which have significant increase in credit impaired	-	-	-	-	-	-	-
<b>Total</b>	<b>531.9</b>	<b>414.0</b>	<b>0.8</b>	<b>0.0</b>	<b>-</b>	<b>-</b>	<b>946.7</b>

11 Cash and Cash Equivalents	As at	
	30th September, 2022 (₹ in Million)	30th September, 2021 (₹ in Million)
Balances with banks		
In current accounts	73.6	38.6
Fixed Deposits (with original maturity of three months or less)	37.2	36.2
<b>Total</b>	<b>110.8</b>	<b>74.8</b>

12 Bank Balance other than Cash and Cash Equivalents	As at	
	30th September, 2022 (₹ in Million)	30th September, 2021 (₹ in Million)
Fixed Deposit - Margin Money (Lodged against Debt Service Reserve Account)	1,462.3	1.2
Fixed Deposits (with original maturity of more than three months)	107.4	102.6
<b>Total</b>	<b>1,569.7</b>	<b>103.8</b>

13 Current Financial Assets - Loans (Unsecured, considered good)	As at	
	30th September, 2022 (₹ in Million)	30th September, 2021 (₹ in Million)
Loans to employees	0.2	0.1
<b>Total</b>	<b>0.2</b>	<b>0.1</b>

14 Current Financial Assets - Others	As at	
	30th September, 2022 (₹ in Million)	30th September, 2021 (₹ in Million)
Interest receivable	21.5	63.0
Unbilled Revenue	655.4	628.2
Financial Asset Under Service Concession Arrangement (SCA)	4.6	14.7
Security deposit	3.1	2.9
Derivative instruments designated in hedge accounting relationship	37.0	6.0
Other Receivables	89.1	89.1
<b>Total</b>	<b>810.7</b>	<b>803.9</b>

15 Other Current Assets	As at	
	30th September, 2022 (₹ in Million)	30th September, 2021 (₹ in Million)
Advance to Suppliers	4.7	32.2
Balances with Government authorities	10.7	42.0
Prepaid Expenses	12.5	11.6
Advance to Employees	0.1	0.2
<b>Total</b>	<b>28.0</b>	<b>86.0</b>



## 16 Net Parent Investment

	As at 30th September, 2022 (₹ in Million)	As at 30th September, 2021 (₹ in Million)
<b>Opening Net Parent Investment</b>	6,996.4	4,975.4
Instrument entirely equity in nature issued / (redeemed) for the period	-	-
Profit for the period (after tax)	1,999.1	2,054.7
Other Comprehensive Income arising from remeasurement of Defined Benefit Plans	(0.2)	0.0
Other Comprehensive Income for the period (after tax)	(2,042.2)	(33.8)
<b>Closing Net Parent Investment</b>	<b>6,953.1</b>	<b>6,996.4</b>

Net Parent Investment represents the aggregate amount of share capital, instrument entirely equity in nature and other equity of the Group entities for the period ended and does not necessarily represent legal share capital for the purpose of the Group.

(Transactions below ₹ 50000.00 denoted as ₹ 0.0 Million)

## 17 Non current Financial Liabilities - Borrowings

	Non-current		Current	
	As at 30th September, 2022 (₹ in Million)	As at 30th September, 2021 (₹ in Million)	As at 30th September, 2022 (₹ in Million)	As at 30th September, 2021 (₹ in Million)
<b>Secured</b>				
<b>Bonds</b>				
5.20% US Private Placement Notes	28,913.1	27,219.3	944.6	860.6
<b>Unsecured borrowings</b>				
From Related Parties (Refer Note 41)	140.8	140.8	-	-
<b>Total</b>	<b>29,053.9</b>	<b>27,360.1</b>	<b>944.6</b>	<b>860.6</b>
Less: Amount disclosed under the head Current Borrowings (Refer Note 21)			(944.6)	(860.6)
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Notes

Borrowing	Security	Terms of Repayment
<b>USD Denominated Notes</b>	5.20% US Private Placement Notes are secured by first ranking charge on receivables, on all immovable and movable assets, charge or assignment of rights under Transmission Service Agreement and other project documents, charge or assignment of rights and/or designation of the Security Trustee as loss payee under each insurance contract in respect of Project. The Notes are also secured by way of pledge over 100% of shares of the Group held by Holding Entity, i.e. Adani Transmission Limited.	(i) 5.20%, 370.50 Million USD Denominated Notes aggregating ₹ 30138.32 Million (As at 30th Sept, 2021: ₹ Millions) which has a semi-annual repayment schedule with first repayment in the month of September-2020 and semi-annually then after over the period of its tenor ending March-2050. (ii) The USPP Notes has been hedged by Principal only Swap Agreement with INR 72.98 / USD rate. Accordingly the USPP Notes Liability in INR terms comes to INR 27,039 Mn at hedged rate.
<b>Inter Corporate Loan</b>	Unsecured	Inter-corporate loan from Holding company of ₹ 140.8 Millions (As at 30th Sept, 2021: ₹ 140.8 Millions) are unsecured and carries interest at the rate of 11 % p.a. The loan is repayable only from the distributable surplus as per the terms and conditions of US Private Placement Notes.

## 18 Non Current Financial Liabilities - Others

	As at 30th September, 2022 (₹ in Million)	As at 30th September, 2021 (₹ in Million)
Retention Money	56.3	37.6
Interest accrued but not due on long term borrowings	48.2	122.7
<b>Total</b>	<b>104.5</b>	<b>160.3</b>

## 19 Provisions

	Non-Current		Current	
	As at 30th September, 2022 (₹ in Million)	As at 30th September, 2021 (₹ in Million)	As at 30th September, 2022 (₹ in Million)	As at 30th September, 2021 (₹ in Million)
Provision for Employee Benefits				
- Gratuity	0.5	1.0	0.9	0.2
- Leave Encashment	1.6	1.0	1.0	0.3
<b>Total</b>	<b>2.1</b>	<b>1.9</b>	<b>1.9</b>	<b>0.5</b>



## 20 Deferred Tax Liabilities (net)

	As at 30th September, 2022 (₹ in Million)	As at 30th September, 2021 (₹ in Million)
<b>Deferred Tax Liabilities</b>		
Timing difference between book and tax depreciation	1,237.2	1,403.1
Less:- Mat Credit entitlement	-	-
<b>Net deferred tax liabilities</b>	<b>1,237.2</b>	<b>1,403.1</b>
<b>Total</b>	<b>1,237.2</b>	<b>1,403.1</b>

Deferred Tax relates to following:

Particulars	As at 30th September, 2022 (₹ in Million)	As at 30th September, 2021 (₹ in Million)
<b>Deferred Tax Liabilities</b>		
Difference between book base and tax base of property, plant and equipments / SCA Receivables	(3,068.1)	(2,571.0)
Finance lease	0.7	-
Gain on Sale/Fair Value of Current Investments measured at FVTPL	(1.0)	(0.8)
<b>Gross Deferred Tax (Liabilities) (a)</b>	<b>(3,068.4)</b>	<b>(2,571.8)</b>
<b>Deferred Tax Assets</b>		
Hedge Reserve - OCI	718.4	31.5
Provision for Employee benefits	1.2	-
Business Losses	6.9	-
Unabsorbed Depreciation	1,104.7	1,137.2
<b>Gross Deferred Tax Assets (b)</b>	<b>1,831.2</b>	<b>1,168.7</b>
<b>MAT Credit Entitlement (c)</b>	<b>-</b>	<b>-</b>
<b>Net Deferred Tax (Liabilities) (a+b-c)</b>	<b>(1,237.2)</b>	<b>(1,403.1)</b>

(Transactions below ₹ 50000.00 denoted as ₹ 0.0 Million)

## (a) Movement in deferred tax liabilities (net) for the twelve months ended 30th September, 2022

(₹ in Million)

Particulars	Opening Balance as at 1st October, 2021	Recognised in profit and loss	Recognised in OCI	Closing Balance as at 30th September, 2022
<b>Tax effect of items constituting deferred tax (Liabilities) :</b>				
Difference between book base and tax base of property, plant and equipment/SCA Receivables	(2,571.0)	(497.1)	-	(3,068.1)
Finance lease	-	0.7	-	0.7
Gain on Sale/Fair Value of Current Investments measured at FVTPL	(0.8)	(0.2)	-	(1.0)
<b>Total (a)</b>	<b>(2,571.8)</b>	<b>(496.6)</b>	<b>-</b>	<b>(3,068.4)</b>
<b>Tax effect of items constituting deferred tax assets:</b>				
Hedge Reserve-OCI	31.5	-	686.9	718.4
Provision for Employee benefits	-	1.2	-	1.2
Business Losses	-	6.9	-	6.9
Unabsorbed Depreciation	1,137.2	(32.6)	-	1,104.7
<b>Total (b)</b>	<b>1,168.7</b>	<b>(24.4)</b>	<b>686.9</b>	<b>1,831.2</b>
<b>MAT Credit Entitlement (c)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Deferred Tax Asset / (Liabilities) (a+b+c)</b>	<b>(1,403.1)</b>	<b>(521.0)</b>	<b>686.9</b>	<b>(1,237.2)</b>

## (b) Movement in deferred tax liabilities (net) for the twelve months ended 30th September, 2021

(₹ in Million)

Particulars	Opening Balance as at 1st October, 2020	Recognised in profit and loss	Recognised in OCI	Closing Balance as at 30th September, 2021
<b>Tax effect of items constituting deferred tax liabilities:</b>				
Difference between book base and tax base of property, plant and equipment	(2,018.5)	(552.5)	-	(2,571.0)
Gain on Sale/Fair Value of Current Investments measured at FVTPL	(0.3)	(0.5)	-	(0.8)
<b>Total (a)</b>	<b>(2,018.8)</b>	<b>(553.0)</b>	<b>-</b>	<b>(2,571.8)</b>
<b>Tax effect of items constituting deferred tax assets:</b>				
Hedge Reserve-OCI	20.1	-	11.4	31.5
Unabsorbed Depreciation	1,115.2	22.0	-	1,137.2
<b>Total (b)</b>	<b>1,135.4</b>	<b>22.0</b>	<b>11.4</b>	<b>1,168.7</b>
<b>MAT Credit Entitlement (c)</b>	<b>329.9</b>	<b>(329.9)</b>	<b>-</b>	<b>-</b>
<b>Net Deferred Tax Asset/(Liabilities) (a+b+c)</b>	<b>(553.5)</b>	<b>(860.9)</b>	<b>11.4</b>	<b>(1,403.1)</b>

## 21 Current Financial Liabilities - Borrowings

	As at 30th September, 2022 (₹ in Million)	As at 30th September, 2021 (₹ in Million)
<b>Secured</b>		
<b>Bonds</b>		
Current maturity - 5.20% US Private Placement Notes	944.6	860.6
<b>Unsecured</b>		
From Holding / Parent Company (Refer Note 41)	-	-
<b>Total</b>	<b>944.6</b>	<b>860.6</b>

Borrowing	Security	Terms of Repayment
Bonds	Refer Note 17	Refer Note 17



22 Trade Payables		As at 30th September, 2022 (₹ in Million)	As at 30th September, 2021 (₹ in Million)			
Trade Payables						
- Micro and Small Enterprises		0.0	3.1			
- Other than Micro and Small Enterprises		99.1	58.5			
Accrual for Employees		0.7	1.2			
<b>Total</b>		<b>99.8</b>	<b>62.8</b>			
<b>22.1 Note 1 : Trade Payables ageing schedule</b>						
Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	<1 year	1-2 years	2-3 years	>3 years	
<b>As at 30th September, 2022</b>						
(a) MSME	0.0	-	-	-	-	0.0
(b) Others	52.7	47.1	-	-	-	99.8
(c) Disputed dues – MSME	-	-	-	-	-	-
(d) Disputed dues - Others	-	-	-	-	-	-
<b>Total</b>	<b>52.7</b>	<b>47.1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>99.8</b>
<b>As at 30th September, 2021</b>						
(a) MSME	3.1	-	-	-	-	3.1
(b) Others	12.5	44.0	3.2	-	-	59.7
(c) Disputed dues – MSME	-	-	-	-	-	-
(d) Disputed dues - Others	-	-	-	-	-	-
<b>Total</b>	<b>15.6</b>	<b>44.0</b>	<b>3.2</b>	<b>-</b>	<b>-</b>	<b>62.8</b>
<b>23 Current Financial Liabilities - Others</b>		As at 30th September, 2022 (₹ in Million)	As at 30th September, 2021 (₹ in Million)			
Current maturities of long-term borrowings (Unsecured)						
Interest accrued but not due on borrowings		83.2	60.9			
Payable on purchase of Property, Plant and Equipment		25.4	62.8			
Derivative Instruments designated in hedge accounting relationship		-	12.4			
Security Deposit		0.0	0.0			
<b>Total</b>		<b>108.6</b>	<b>136.1</b>			
<b>24 Other Current Liabilities</b>		As at 30th September, 2022 (₹ in Million)	As at 30th September, 2021 (₹ in Million)			
Statutory liabilities		44.8	42.2			
Other Payables		6.4	0.0			
<b>Total</b>		<b>51.2</b>	<b>42.2</b>			
<b>25 Income Tax liabilities (Net)</b>		As at 30th September, 2022 (₹ in Million)	As at 30th September, 2021 (₹ in Million)			
Income Tax liabilities (Net)		17.1	42.4			
<b>Total</b>		<b>17.1</b>	<b>42.4</b>			

(Transactions below ₹ 50000.00 denoted as ₹ 0.0 Million)



26 Revenue from Operations	For the twelve months ended 30th September, 2022 (₹ in Million)	For the twelve months ended 30th September, 2021 (₹ in Million)
Income from transmission line	6,145.1	6,186.9
Income under Service Concession Arrangements (SCA) (Refer Note 39)	208.0	195.0
<b>Total</b>	<b>6,353.1</b>	<b>6,381.9</b>
<b>Details of Revenue from Contract with Customer</b>		
<b>Contract balances:</b>		
(a) The following table provides information about receivables, contract assets and contract liabilities from the contracts with customers.		
Particulars	For the twelve months ended 30th September, 2022 (₹ in Million)	For the twelve months ended 30th September, 2021 (₹ in Million)
Trade receivables (Refer Note 10)	1,058.9	946.7
Contract assets (Refer Note 14)	655.4	628.2
Contract liabilities	6.4	0.0
The contract assets primarily relate to the Group's right to consideration for work completed but not billed at the reporting date. The contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the 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:		
Particulars	For the twelve months ended 30th September, 2022 (₹ in Million)	For the twelve months ended 30th September, 2021 (₹ in Million)
Revenue as per contracted price	6,224.8	6,261.9
<b>Adjustments</b>		
Rebate on prompt payment	79.7	75.0
<b>Revenue from contract with customers</b>	<b>6,145.1</b>	<b>6,186.9</b>
<b>27 Other Income</b>		
Particulars	For the twelve months ended 30th September, 2022 (₹ in Million)	For the twelve months ended 30th September, 2021 (₹ in Million)
Interest Income		
- Bank	9.2	13.5
- Others	294.9	232.4
Other Operating Income	-	5.2
Gain on Sale/Fair Value of Current Investments measured at FVTPL	54.8	45.8
Sale of Scrap	-	0.5
Miscellaneous Income	0.8	0.0
<b>Total</b>	<b>359.7</b>	<b>297.4</b>
<b>28 Operating Expenses</b>		
Particulars	For the twelve months ended 30th September, 2022 (₹ in Million)	For the twelve months ended 30th September, 2021 (₹ in Million)
Maintenance of Transmission Line	203.0	175.5
Other Operating Expenses	8.1	11.6
<b>Total</b>	<b>211.1</b>	<b>187.1</b>
<b>29 Employee Benefits Expenses</b>		
Particulars	For the twelve months ended 30th September, 2022 (₹ in Million)	For the twelve months ended 30th September, 2021 (₹ in Million)
Salaries, Wages and Bonus	26.5	23.9
Contribution to Provident and Other Funds	1.8	1.6
Staff Welfare Expenses	1.0	0.8
<b>Total</b>	<b>29.3</b>	<b>26.3</b>
<b>30 Finance costs</b>		
Particulars	For the twelve months ended 30th September, 2022 (₹ in Million)	For the twelve months ended 30th September, 2021 (₹ in Million)
Interest Expenses	1,523.0	1,531.5
Interest on Intercompany Deposit	15.5	40.9
Interest on Lease Obligation	3.7	3.8
Bank Charges & Other Borrowing Costs	37.8	22.0
Loss on Derivatives Contracts & Exchange rate difference (net)	1,227.2	1,268.2
<b>Total</b>	<b>2,807.2</b>	<b>2,866.4</b>





**31 Other Expenses**

	For the twelve months ended (₹ in Million)	For the twelve months ended 30th September, 2021 (₹ in Million)
Stores and Spares	-	0.7
Repairs and Maintenance -Building	-	0.1
Repairs and Maintenance - Others	0.1	0.0
Rent Expenses	0.9	0.8
Legal & Professional Expenses	29.7	24.6
Communication Expenses	8.9	11.8
Travelling & Conveyance Expenses	14.9	13.3
Insurance Expenses	8.9	6.6
Corporate Social Responsibility expenses	30.0	13.1
Advertisement & Selling expense	0.2	-
Miscellaneous Expenses	10.9	16.4
<b>Total</b>	<b>104.5</b>	<b>87.4</b>

(Transactions below ₹ 50,000.00 denoted as ₹ 0.0 Million)

**32 Income Tax Expenses**

	For the twelve months ended (₹ in Million)	For the twelve months ended 30th September, 2021 (₹ in Million)
Current Tax	185.4	88.6
Tax Adjustment relating to earlier periods	2.4	2.2
Deferred Tax	521.0	531.0
<b>Total</b>	<b>708.8</b>	<b>621.8</b>

(Transactions below ₹ 50000.00 denoted as ₹ 0.0 Million)



## 33 Contingent liabilities and Commitments

	As at 30th September, 2022 (₹ in Million)	As at 30th September, 2021 (₹ in Million)
<b>(i) Contingent liabilities :</b>		
Direct tax	-	0.2
Indirect tax - VAT and Entry Tax	50.4	255.5
<b>Total</b>	<b>50.4</b>	<b>255.7</b>
<b>(ii) Commitments :</b>		
Estimated amount of contracts remaining to be executed on capital account (net of capital advances)	20.3	86.5
<b>Total</b>	<b>20.3</b>	<b>86.5</b>

## 34 a) The details of foreign currency exposures those are not hedged by a derivative instrument or otherwise are as under:

Particulars	As at 30th September, 2022		As at 30th September, 2021	
	₹ in Million	Foreign Currency (USD in Million)	₹ in Million	Foreign Currency (USD in Million)
Import Creditors and Acceptances	-	-	5.4	0.1
Foreign currency borrowings	0.0	0.0	0.0	0.0

## b) Foreign Currency Risk Sensitivity

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

Particulars	As at 30th September, 2022		As at 30th September, 2021	
	1% Increase	1% Decrease	1% Increase	1% Decrease
Risk Sensitivity				
Rupee / USD - (Increase) / Decrease	(0.0)	0.0	(0.1)	0.1

## 35 Capital Management

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

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

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

No changes were made in the objectives, policies or processes for managing capital during the twelve months ended as at 30th September, 2021 and 30th September, 2020.

The Group monitors capital using gearing ratio, which is net debt (total debt less cash and bank balance) divided by total capital plus net debt.

Particulars	Refer Note	(₹ in Million)	
		30th September, 2022	30th September, 2021
Total Borrowings	17 & 21	29,998.4	28,220.7
Less: Cash and Bank Balances	11 & 12	1,680.6	178.6
<b>Net Debt (A)</b>		<b>28,317.9</b>	<b>28,042.1</b>
<b>Total Equity (B)</b>	16	6,953.1	6,996.4
<b>Total Equity and Net Debt (C=A+B)</b>		<b>35,271.0</b>	<b>35,038.4</b>
<b>Gearing Ratio (A/C)</b>		<b>0.80</b>	<b>0.80</b>

(Transactions below ₹ 50000.00 denoted as ₹ 0.0 Million)



## 36 Fair Value Measurement :

a) The carrying value of financial instruments by categories as of 30th September, 2022 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
<b>Financial Assets</b>					
Investments in mutual funds	-	547.6	-	547.6	547.6
Trade Receivables	-	-	1,058.9	1,058.9	1,058.9
Cash and Cash Equivalents	-	-	110.8	110.8	110.8
Bank Balances other than Cash and Cash Equivalents above	-	-	1,569.7	1,569.7	1,569.7
Derivative instruments designated in hedge accounting relationship	2,138.2	(1,954.4)	-	183.8	183.8
Loans	-	-	3,864.0	3,864.0	3,864.0
Other Financial Assets	-	-	2,103.9	2,103.9	2,103.9
<b>Total</b>	<b>2,138.2</b>	<b>(1,406.8)</b>	<b>8,707.3</b>	<b>9,438.8</b>	<b>9,438.8</b>
<b>Financial Liabilities</b>					
Total Borrowings (Including interest accrued)	-	-	30,129.8	30,129.8	30,129.8
Derivative instruments designated in hedge accounting relationship	-	-	-	-	-
Other Financial Liabilities	-	-	81.7	81.7	81.7
Trade Payables	-	-	99.8	99.8	99.8
<b>Total</b>	<b>-</b>	<b>-</b>	<b>30,311.3</b>	<b>30,311.3</b>	<b>30,311.3</b>

b) The carrying value of financial instruments by categories as of 30th September, 2021 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
<b>Financial Assets</b>					
Investments in mutual funds	-	1,521.7	-	1,521.7	1,521.7
Trade Receivables	-	-	946.7	946.7	946.7
Cash and Cash Equivalents	-	-	74.8	74.8	74.8
Bank Balances other than Cash and Cash Equivalents above	-	-	103.8	103.8	103.8
Derivative instruments designated in hedge accounting relationship	-	301.6	-	301.6	301.6
Loans	-	-	994.5	994.5	994.5
Other Financial Assets	-	-	3,430.5	3,430.5	3,430.5
<b>Total</b>	<b>-</b>	<b>1,823.3</b>	<b>5,550.3</b>	<b>7,373.6</b>	<b>7,373.6</b>
<b>Financial Liabilities</b>					
Financial Liabilities	-	-	28,404.3	28,404.3	28,404.3
Derivative instruments designated in hedge accounting relationship	(45.2)	57.6	-	12.4	12.4
Other Financial Liabilities	-	-	100.4	100.4	100.4
Trade Payables	-	-	62.8	62.8	62.8
<b>Total</b>	<b>(45.2)</b>	<b>57.6</b>	<b>28,567.5</b>	<b>28,579.9</b>	<b>28,579.9</b>

## Notes:

- 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.

- 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.

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

- Fair value of mutual funds are based on the price quotations near the reporting date.

- The 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 Group's own non-performance risk.

## 37 Fair Value hierarchy :

(₹ in Million)

Particulars	30th September, 2022	30th September, 2021
	Level 2	Level 2
<b>Assets</b>		
Investments in unquoted Mutual Funds measured at FVTPL	547.6	1,521.7
Derivative instruments designated in hedge accounting relationship	183.8	6.0
<b>Total</b>	<b>731.3</b>	<b>2,522.2</b>
<b>Liabilities</b>		
Derivative instruments designated in hedge accounting relationship	-	12.4
Borrowings (Including current maturities and interest accrued)	30,129.8	28,404.3
<b>Total</b>	<b>30,129.8</b>	<b>28,416.7</b>

- The fair value of Loans given is equivalent to amortised cost.

- Fair value of mutual funds are based on the price quotations near the reporting date.



**38 Financial Risk Management Objectives**

The Group's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance The Group's operations/projects. The 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 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 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 Group's risk management activities are subject to the management, direction and control of Central Treasury Team of the Group under the framework of Risk Management Policy for Currency and Interest rate risk as approved by the Board of Directors of the Group. The Group's central treasury team ensures appropriate financial risk governance framework for The Group through appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. It is the 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 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 Group is exposed to Interest rate risk, Credit risk, and Liquidity risk.

**Interest rate risk**

The Group is exposed to changes in market interest rates due to financing, investing and cash management activities. The Group's exposure to the risk of changes in market interest rates relates primarily to The Group's long-term debt obligations with floating interest rates and period of borrowings. However, during the year and as at period end the Group does not have any borrowings with floating interest rates. Hence, the Group is not exposed to any interest rate risk.

**Credit Risk**

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a loss to the Group. The 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 Group's maximum exposure to credit risk.

Cash are held with creditworthy financial institutions.

**Liquidity risk**

The 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 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 shows analysis of derivative and non-derivative financial liabilities of the Group into relevant maturity 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)			
	Less than 1 year	1-5 years	Over 5 years	Total
<b>30th September, 2022</b>				
Borrowings (including current maturities)*#	2,572.3	10,344.9	41,602.0	54,519.2
Derivative Financial Liabilities	-	-	-	-
Trade Payables	99.8	-	-	99.8
Other financial Liabilities**	156.7	56.3	-	213.0
				(₹ in Million)
<b>30th September, 2021</b>				
Borrowings (including current maturities)*#	2,355.7	9,053.8	40,075.7	51,485.2
Trade Payables	12.4	-	-	12.4
Derivative Liabilities	62.8	-	-	62.8
Other financial Liabilities**	246.4	37.6	-	284.0

\* Includes Non-current borrowings, current borrowings, current maturities of non-current borrowings, committed interest payments on borrowings.

\*\* Includes both Non-current and current financial liabilities.

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

**39 One Company "ATRL" has entered into transmission agreements in the nature of Service Concession Arrangements (SCA) with Rajasthan Rajya Vidyut Prasaran Nigam Limited (RVPNL)**

(a) Agreement for maintaining transmission lines with RVPNL (Grantor) is to construct & operate a transmission system comprising:-

- 400 KV Double Circuit transmission line from Suratgarh to Bikaner with a design capacity to transfer electricity equivalent to 1066 MW on Design, Built, Finance, Operate & Transfer (DBFOT) basis having contract for 35 years from the license issued. Upon completion of concession period or on termination of agreement, Transmission Lines will vest with the grantor free and clear of all encumbrances. Financial assets is created on the basis of Present values of future Cash Flows. No intangible assets is created for this SCA accounting.

Financial summary of above concession arrangement are given below:

Sr.No.	Particulars	For the twelve months ended	For the twelve months ended
		30th September, 2022	30th September, 2021
1	SCA Revenue Recognised (including Construction Revenue)	208.0	195.0
2	Profit after tax for the period	68.9	67.1

**40 Events occurring after the Balance sheet Date**

The Group evaluates events and transactions that occur subsequent to the balance sheet date but prior to the approval of financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements. As of 4th November, 2022, there are no subsequent events to be recognized or reported that are not already disclosed.



**41 Related party disclosures :**

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

> Holding Company	Adani Transmission Limited
> Key Managerial Personnel (KMP)	Mr. Gautam S. Adani, Chairman Mr. Anil Sardana, Managing Director and Chief Executive Officer Mr. Kaushal Shah, Chief Financial Officer (Upto 2nd February, 2021) Mr. Rohit Soni, Chief Financial Officer (w.ef. 6th September, 2021) Mr. Jaladhi Shukla, Company Secretary Mr. K. Jairaj - Non Executive Director Ms. Meera Shankar - Non Executive Director Dr. Ravindra H. Dholakia - Non Executive Director
> Fellow Subsidiaries	Aravali Transmission Service Company Limited. Maharashtra Eastern Grid Power Transmission Company Limited. Jam Khambaliya Transco Limited Maru Transmission Service Company Limited. Ghatampur Transmission Limited
> Entities under Common Control with whom there are transactions during the period (Other Parties)	Adani Infra (India) Limited Raipur Energen Limited Adani Foundation Adani Infrastructure Management Service Limited Adani Enterprise Limited Mundra Solar PV Limited

**Note:**  
The names of the related parties and nature of the relationships where control exists are disclosed. For others, the names and the nature of relationships is disclosed only when the transactions are entered into by the Group with the related parties during the existence of the related party relationship.

**(A) Transactions with Related Parties**

(₹ in Million)

Particulars	With Holding Company		With Fellow Subsidiaries		With Other Parties	
	30th September, 2022	30th September, 2021	30th September, 2022	30th September, 2021	30th September, 2022	30th September, 2021
Equipment Hire Charges	-	-	0.1	-	-	-
Interest Expense	15.5	40.9	-	-	-	-
Interest Income	81.8	43.8	-	-	95.6	36.3
Service Income	-	-	-	0.0	-	0.0
Loan Taken	-	89.1	-	-	-	-
Loan Repaid back	-	911.4	-	-	-	-
Loan Given	2,798.1	1,656.0	-	-	-	-
Loan Given Received Back	-	661.7	-	-	-	-
Professional & Consultancy Fees	-	2.0	-	-	-	-
Purchase of Goods	-	-	1.1	-	105.6	68.8
Sale of Inventory	-	-	1.0	-	-	0.0
Cross charge	-	-	0.0	-	-	-
Corporate Social Responsibility Expenses	-	-	-	-	27.7	17.4
Operation and Maintenance Expense	-	-	-	-	133.9	131.2

**(B) Balances with Related Parties**

(₹ in Million)

Particulars	With Holding Company		With Fellow Subsidiaries		With Other Parties	
	30th September, 2022	30th September, 2021	30th September, 2022	30th September, 2021	30th September, 2022	30th September, 2021
Loan Payable	140.8	140.8	-	-	-	-
Loans Receivable	3,863.8	994.4	-	-	-	-
Interest Accrued but not due	48.2	122.7	-	-	-	-
Interest Accrued due receivable	51.9	42.4	-	-	20.8	37.4
Capex Advance	-	-	-	-	1,092.2	1,097.0
Accounts Receivables	-	-	1.2	0.0	4.6	-
Accounts Payable	2.9	0.5	1.4	-	74.9	37.9

(Transactions below ₹ 50000.00 denoted as ₹ 0.0 Million)



**42 Other Disclosures**

- (i) The Group's operations fall under single segment namely "Transmission Income" hence no separate disclosure of segment reporting is required to be made as required under IND AS 108 'Operating Segments'.
- (ii) Due to outbreak of COVID-19 globally and in India, the 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 Group's ability to continue as a going concern and meeting its liabilities as and when they fall due.
- (iii) The Special Purpose Combined Financial Statements for the twelve month ended 30th September, 2022 have been approved by the Management Committee of Adani Transmission Limited (the holding entity) on 4th November, 2022.

As per our attached report of even date

**For Dharmesh Parikh & Co. LLP**  
Chartered Accountants  
Firm Registration Number : 112054W/W100725

For and on behalf of the Board of Directors  
**ADANI TRANSMISSION LIMITED**

*Chirag & shah*

**CHIRAG SHAH**  
Partner  
Membership No. 122510



*Anil Sardana*

**ANIL SARDANA**  
Managing Director  
DIN: 00006867

*Rohit Soni*

**ROHIT SONI**  
Chief Financial Officer

*Jaladhi Shukla*

**JALADHI SHUKLA**  
Company Secretary

Place : Ahmedabad  
Date : 4th November, 2022

Place : Ahmedabad  
Date : 4th November, 2022



## Independent Auditors' Report

### To the Board of Directors of Adani Transmission Limited Review Report on USPP Pool Combined Financial Statements

#### Opinion

We have reviewed the combined financial statements of the USPP Pool which consists of Barmer Power Transmission Service Limited (BPTSL), Chhattisgarh-WR Transmission Limited (CWRTL), Hadoti Power Transmission Service Limited (HPTSL), Thar Power Transmission Service Limited (TPTSL), Raipur-Rajnandgaon-Warora Transmission Limited (RRWTL), Sipat Transmission Limited (STL) & Adani Transmission (Rajasthan) Limited (ATRL) (each, referred to as a "USPP Pool Entity" and collectively referred to "USPP Pool") which comprises the combined balance sheet as at 30<sup>th</sup> September, 2022, the combined statements of profit and loss (including other comprehensive income), the combined statements of cash flows and combined statements of changes in net parent investment for the six months period ended 30<sup>th</sup> September, 2022 and a summary of the significant accounting policies and other explanatory information (together hereinafter referred to as "combined financial statements"). All USPP Pool entities are wholly owned subsidiaries of Adani Transmission Limited ("ATL") except ATRL. ATL holding 99.9999% in ATRL.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid combined financial statements for the six months period ended 30<sup>th</sup> September 2022 give a true and fair view in accordance with the basis of preparation as set out in note 2b to the combined financial statements.

#### Basis for Opinion

We conducted our review of the Combined Interim Financial Statements in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted and procedures performed as stated above, nothing has come to our attention that causes us to believe that the accompanying Combined Interim Financial Statements, prepared in accordance with applicable accounting standards and other recognized accounting practices and policies, has not disclosed the information required to be disclosed including the manner in which it is to be disclosed, or that it contains any material misstatement





**DHARMESH PARIKH & CO LLP**  
**CHARTERED ACCOUNTANTS**  
[LLPIN: AAW-6517]

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**Independent Auditors' Report on the Review of USPP Pool Combined Financial Statements  
(Continued)**

These Combined Interim Financial Statements have been prepared by the ATL's management solely for the purpose mentioned in note 2(a) of combined financial statement. This report is issued solely for the aforementioned purpose and also for the purpose of upload on the website of the Company and the Stock Exchanges as may be applicable and accordingly may not be suitable for any other purpose, and should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. Further, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

Place: Ahmedabad  
Date: 04.11.2022



**For DHARMESH PARIKH & CO LLP**

*Chartered Accountants*

Firm Reg. No.: 112054W/W100725

*Chirag + Shah*

**Chirag Shah**

*Partner*

Membership No.: 122510

**UDIN : 22122510BCWESY8635**



Particulars	Notes	As at 30th September, 2022	As at 30th September, 2021
<b>ASSETS</b>			
<b>Non-current Assets</b>			
Property, Plant and Equipment	3.1	27,539.2	28,180.3
Right of Use Assets (Net)		170.8	176.7
Capital Work-In-Progress	3.2	211.9	96.1
Intangible Assets	3.3	3.1	7.4
<b>Financial Assets</b>			
(i) Loans	4	3,863.8	994.4
(ii) Other Financial Assets	5	1,477.1	2,928.2
Income Tax Assets (Net)	6	72.3	30.3
Other Non-current Assets	7	1,092.9	1,109.1
<b>Total Non-current Assets</b>		<b>34,431.1</b>	<b>33,522.5</b>
<b>Current Assets</b>			
Inventories	8	17.0	6.9
<b>Financial Assets</b>			
(i) Investments	9	547.6	1,521.7
(ii) Trade Receivables	10	1,058.9	946.7
(iii) Cash and Cash Equivalents	11	110.8	74.8
(iv) Bank Balance other than (iii) above	12	1,569.7	103.8
(v) Loans	13	0.2	0.1
(vi) Other Financial Assets	14	810.7	803.9
Other Current Assets	15	28.0	86.0
<b>Total Current Assets</b>		<b>4,142.9</b>	<b>3,543.9</b>
<b>Total Assets</b>		<b>38,574.0</b>	<b>37,066.4</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Net Parent Investment	16	6,953.1	6,996.3
<b>Total Equity</b>		<b>6,953.1</b>	<b>6,996.3</b>
<b>Liabilities</b>			
<b>Non-current Liabilities</b>			
<b>Financial Liabilities</b>			
(i) Borrowings	17	29,053.9	27,360.1
(iii) Other Financial Liabilities	18	104.5	160.3
Provisions	19	2.1	1.9
Deferred Tax Liabilities (Net)	20	1,237.2	1,403.1
<b>Total Non-current Liabilities</b>		<b>30,397.7</b>	<b>28,925.4</b>
<b>Current Liabilities</b>			
<b>Financial Liabilities</b>			
(i) Borrowings	21	944.6	860.6
(ii) Trade Payables	22		
(A) Total outstanding dues of micro enterprises and small		0.0	3.1
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		99.8	59.7
(iii) Other Financial Liabilities	23	108.6	136.1
Other Current Liabilities	24	51.2	42.2
Provisions	19	1.9	0.5
Income Tax liabilities (Net)	25	17.1	42.4
<b>Total Current Liabilities</b>		<b>1,223.2</b>	<b>1,144.6</b>
<b>Total Equity and Liabilities</b>		<b>38,574.0</b>	<b>37,066.4</b>

(Transactions below ₹ 50,000.00 denoted as ₹ 0.0 Million)

See accompanying notes forming integral part of the Special Purpose Combined Financial Statements.

As per our attached report of even date

For Dharmesh Parikh &amp; Co. LLP

Chartered Accountants

Firm Registration Number : 112054W/W100725

Chirag &amp; Shah

CHIRAG SHAH

Partner

Membership No. 122510



For and on behalf of the Board of Directors

ADANI TRANSMISSION LIMITED

ANIL SARDANA  
Managing Director  
DIN: 00006867

ROHIT SONI  
Chief Financial Officer

JALADHI SHUKLA  
Company Secretary

Place : Ahmedabad

Date : 4th November, 2022

Place : Ahmedabad

Date : 4th November, 2022

USPP Pool

Special Purpose Combined Statement of Profit and Loss for the six months ended 30th September, 2022

**adani**

Transmission

(₹ in Million)

Particulars	Notes	For six months ended 30th September, 2022	For six months ended 30th September, 2021
<b>Income</b>			
Revenue from Operations	26	3,163.8	3,198.8
Other Income	27	144.3	250.8
<b>Total Income</b>		<b>3,308.1</b>	<b>3,449.6</b>
<b>Expenses</b>			
Operating expenses	28	119.8	84.1
Employee Benefits Expense	29	15.3	13.2
Finance Costs	30	1,385.3	1,422.0
Depreciation and Amortisation Expenses	3.1 & 3.3	427.4	421.3
Other Expenses	31	28.7	34.4
<b>Total Expenses</b>		<b>1,976.5</b>	<b>1,975.1</b>
<b>Profit Before Tax for the period</b>		<b>1,331.6</b>	<b>1,474.6</b>
<b>Tax Expense:</b>			
Current Tax	32	85.3	54.2
Tax Adjustment relating to earlier periods		-	2.2
Deferred Tax		250.9	306.3
<b>Profit After Tax for the period</b>	<b>Total A</b>	<b>995.4</b>	<b>1,111.9</b>
<b>Other Comprehensive Income</b>			
(a) Items that will not be reclassified to Profit or Loss		(0.2)	-
(b) Tax relating to items that will not be reclassified to Profit or Loss		-	-
(c) Items that will be reclassified to profit or loss		(2,138.2)	688.0
(d) Tax relating to items that will be reclassified to Profit or Loss		538.1	(173.2)
<b>Other Comprehensive Income for the period (Net of Tax)</b>	<b>Total B</b>	<b>(1,600.3)</b>	<b>514.8</b>
<b>Total Comprehensive Income for the period</b>	<b>Total (A+B)</b>	<b>(604.9)</b>	<b>1,626.7</b>

See accompanying notes forming integral part of the Special Purpose Combined Financial Statements.

As per our attached report of even date

For Dharmesh Parikh & Co. LLP

Chartered Accountants

Firm Registration Number : 112054WW/100725

*Chirag & Shah*

CHIRAG SHAH

Partner

Membership No. 122510



For and on behalf of the Board of Directors of

ADANI TRANSMISSION LIMITED

*Anil Sardana*

ANIL SARDANA

Managing Director

DIN: 00006867

*Rohit Soni*

ROHIT SONI

Chief Financial Officer

*Jaladhi Shukla*

JALADHI SHUKLA

Company Secretary

Place : Ahmedabad

Date : 4th November, 2022

Place : Ahmedabad

Date : 4th November, 2022

Particulars	For six months ended 30th September, 2022	For six months ended 30th September, 2021
<b>A. Cash flow from operating activities</b>		
Profit before tax	1,331.6	1,474.6
Adjustments for:		
Finance Costs	1,385.3	1,422.0
Depreciation and Amortisation Expense	427.4	421.3
Gain on Sale/Fair Value of Current Investments through Profit & Loss	(28.1)	(26.1)
Unclaimed liabilities / Excess provision / sundry balances written back	-	(2.7)
Interest Income	(116.1)	(222.7)
<b>Operating profit before working capital changes</b>	<b>3,000.1</b>	<b>3,066.4</b>
Changes in Working Capital:		
(Increase) / Decrease in Operating Assets :		
Loans , Other Financial Assets and Other Assets	113.4	(47.4)
Inventories	(2.8)	1.5
Trade Receivables	(235.3)	(258.8)
Increase / (Decrease) in Operating Liabilities :		
Other Financial Liabilities, Other Liabilities and Provisions	(14.7)	(7.9)
Trade Payables	(39.8)	(44.4)
<b>Cash generated from operations</b>	<b>2,820.9</b>	<b>2,709.4</b>
Taxes (paid) / Refund received (Net)	(181.2)	323.1
<b>Net cash generated from operating activities (A)</b>	<b>2,639.7</b>	<b>3,032.5</b>
<b>B. Cash flow from investing activities</b>		
Financial Assets under Service Concession Arrangements	2.4	7.3
Payments of Capital expenditure on Property, Plant and Equipment, Intangible Asset (including capital advance)(Net)	(156.1)	(77.4)
(Purchase) / Proceeds of current investment (net)	708.5	(408.2)
Proceeds from / (Deposits in) Bank deposits (net) (Including Margin money deposit)	(159.9)	(53.7)
Loan given to related party	(1,389.1)	(885.6)
Interest received	133.4	160.7
<b>Net cash (used in) investing activities (B)</b>	<b>(860.8)</b>	<b>(1,256.9)</b>
<b>C. Cash flow from financing activities</b>		
Net repayment of Long Term Borrowings	(459.2)	(444.1)
Net repayment of Short Term Borrowings	-	(109.1)
Payment of lease	0.0	-
Finance Cost paid	(1,344.6)	(1,408.1)
<b>Net cash (used in) financing activities (C)</b>	<b>(1,803.8)</b>	<b>(1,961.3)</b>
<b>Net decrease in cash and cash equivalents (A+B+C)</b>	<b>(24.9)</b>	<b>(185.7)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>135.7</b>	<b>260.5</b>
<b>Cash and cash equivalents at the end of the period (Refer note 11)</b>	<b>110.8</b>	<b>74.8</b>

Cash and cash equivalent includes - Refer Note 11

Balances with banks

	As at 30th September, 2022	As at 30th September, 2021
In current accounts	73.6	38.6
Fixed Deposits (with original maturity for three months or less)	37.2	36.2
	<b>110.8</b>	<b>74.8</b>

Disclosure as per Ind AS 7 (Para 44A) Statement of Cash Flows:

(` in Million)

Particulars	1st April, 2022	Cash Flows (Net)	Foreign Exchange Management	Other	30th September, 2022
Long-term Borrowings (including current Maturity)	28,380.9	(459.2)	2,069.3	7.5	29,998.5
<b>Total</b>	<b>28,380.9</b>	<b>(459.2)</b>	<b>2,069.3</b>	<b>7.5</b>	<b>29,998.5</b>

(` in Million)

Particulars	1st April, 2021	Cash Flows (Net)	Foreign Exchange Management	Other	30th September, 2021
Long-term Borrowings (including current Maturity)	28,325.4	(553.2)	440.9	7.6	28,220.7
<b>Total</b>	<b>28,325.4</b>	<b>(553.2)</b>	<b>440.9</b>	<b>7.6</b>	<b>28,220.7</b>

(Transactions below ₹ 50,000.00 denoted as ₹ 0.0 Million)



**Notes to Special Purpose Combined Statement of Cash Flows:**

1. The Statement of Cash Flows has been prepared under the Indirect method as set out in Ind AS 7 "Statement of Cash Flows".
2. Disclosure under Para 44A as set out in Ind AS 7 on cash flow statements under Companies (Indian Accounting Standards) Rules, 2017 (as amended) is given as above.

The accompanying notes forming integral part of the Special Purpose Combined Financial Statements.  
As per our attached report of even date

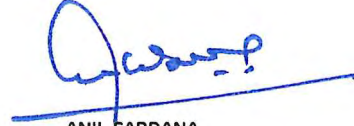
**For Dharmesh Parikh & Co. LLP**  
**Chartered Accountants**  
Firm Registration Number : 112054W/W100725



**CHIRAG SHAH**  
Partner  
Membership No. 122510



**For and on behalf of the Board of Directors of**  
**ADANI TRANSMISSION LIMITED**



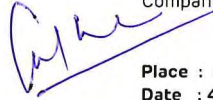
**ANIL SARDANA**  
Managing Director  
DIN: 00006867



**ROHIT SONI**  
Chief Financial Officer



**JALADHI SHUKLA**  
Company Secretary



**Place : Ahmedabad**  
**Date : 4th November, 2022**

**Place : Ahmedabad**  
**Date : 4th November, 2022**

## 1 Corporate information

Adani Transmission Limited is a public limited Company incorporated and domiciled in India, Its ultimate holding entity is S. B. Adani Family Trust (SBAFT), having its registered office at Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad - 382421.

USPP Pool is consist of seven Companies 100% subsidiary of Adani Transmission Limited (together referred to as "The Group"):

- (i) Sipat Transmission Limited (STL)
- (ii) Raipur-Rajnandgaon-Warora Transmission Limited (RRWTL)
- (iii) Chhattisgarh-WR Transmission Limited (CWRTL)
- (iv) Adani Transmission (Rajasthan) Limited (ATRL)\*
- (v) Hadoti Power Transmission Service Limited (HPTSL)
- (vi) Barmer Power Transmission Service Limited (BPTSL)
- (vii) Thar Power Transmission Service Limited (TPTSL)

\* Adani Transmission (Rajasthan) Limited (ATRL) has entered into a contract (Transmission Service Agreement) with Rajasthan Rajya Vidyut Prasaran Nigam Limited (RRVPL) providing for the issue and allotment of one non-transferable equity share of ATRL (the "Golden Share") in favour of the RRVPL.

The Group is incorporated for doing the business of establishing commissioning, setting up, operating and maintaining electric power transmission systems/ networks, power systems, generating stations based on conventional /non conventional resources for evacuation , transmission , distribution or supply of power through establishing or using stations, tie-lines , sub-stations and transmission or distributions lines.

ATRL is under Service Concession Agreement with Rajasthan Rajya Vidyut Prasaran Nigam Limited (RRVPL), Jaipur, Rajasthan, a public Sector Undertaking under the control of Government of Rajasthan to construct & operate an transmission system comprising a 400 KV Double Circuit transmission Line from Suratgarh to Bikaner with a design capacity to transfer electricity equivalent to 1066 MW on Design, Built, Finance, Operate & Transfer (DBFOT) basis in accordance with the terms and conditions to be set forth in a transmission agreement to be entered into under and in accordance with the provisions of the Electricity Act, 2003.

The Group is providing transmission services in India spreading across Rajasthan, Maharashtra, Chhattishgarh and Madhya Pradesh.

## 2 Significant accounting policies

### a Purpose of the Special Purpose Combined Financial Information

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 Group. The Special Purpose Combined Financial Information presented herein reflect The Group's results of operations, assets and liabilities and cash flows as at and for the period ended 30th September, 2022 and 30th September, 2021. The basis of preparation and Significant accounting policies used in preparation of these Special Purpose Combined Financial Information are set out in notes below.

### b Basis of Preparation and Presentation of Special Purpose Combined Financial Information

The Special Purpose Combined Financial Information of The 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 Special Purpose Combined Financial Information to depict the historical financial information of the Group. The Special Purpose Combined Financial Information 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 Special Purpose Combined Financial information of the combining entities is similar to that of consolidated financial statements as per the applicable Indian Accounting Standards. Accordingly, when combined financial information are prepared, intra-group transactions and profits or losses are eliminated. The information presented in the Special Purpose Combined financial information of The 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.

Net parent investment disclosed in the Special Purpose Combined Financial Information is not the legal capital and Other equity of The Group and is the aggregation of the Share Capital and Other equity of each of the entities with in the Group.



The following procedure is followed for the preparation of the Special Purpose Combined Financial Information:

- (a) Combined like items of assets, Liabilities, equity, income, expenses and cash flows of the entities of The Group.
- (b) Eliminated in full intra group assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group.

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.

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

The Function currency of The Group is Indian Rupee (₹). The Special Purpose Combined Financial Information are presented in ₹ and all values are rounded to the nearest Million (Transactions below ₹ 50,000.00 denoted as ₹ 0.0 Million), unless otherwise indicated.

Ind AS 1 'Presentation of financial statements' requires that while preparing and presenting general purpose financial statements an entity should disclose comparative information in respect of the previous period for all amounts reported in the current period's financial statements.

**c Current versus non-current classification**

The 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.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents.

The Group has identified twelve months as its operating cycle.

**d Foreign Currency Transactions**

**i) Initial Recognition :**

Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction.

**ii) Conversion :**

At the period-end, monetary items denominated in foreign currencies, if any, are converted into rupee equivalents at exchange rate prevailing on the balance sheet date.

**iii) Exchange Differences :**

All exchange differences arising on settlement and conversion of foreign currency transaction are included in the Statement of Profit and Loss.

**e 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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the 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 Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest

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.

The 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 Special Purpose Combined Financial Information 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.

For assets and liabilities that are recognized in the Special Purpose Combined Financial Information on a recurring basis, The Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Group's Management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value.

At each reporting date, The Group analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per The Group's accounting policies. For this analysis, The Group verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

For the purpose of fair value disclosures, The 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.

#### **f 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.

##### **i) Income from Transmission of Power:**

Revenue are recognised immediately when the service is provided.

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.

##### **ii) Service concession arrangements (SCA) :**

With respect to SCA, revenue and costs are allocated between those relating to construction services and those relating to operation and maintenance services, and are accounted for separately. Consideration received or receivable is allocated by reference to the relative fair value of services delivered when the amounts are separately identifiable. The infrastructure used in a concession are classified as an intangible asset or a financial asset, depending on the nature of the payment entitlements established in the SCA. When the amount of consideration under the arrangement for the provision of public services is substantially fixed by a contract, The Group recognizes the consideration for construction services at its fair value as a financial asset and is classified as "financial asset under service concession arrangements". When the demand risk is with The Group, then, to the extent that The Group has a right to charge the user of infrastructure facility, The Group recognizes the consideration for construction services at its fair value, as an intangible asset. The Group accounts for such intangible asset in accordance with the provisions of Ind AS 38. When the amount of consideration under the arrangement comprises -

- fixed charges based on Annual Capacity and
- variable charges based on Actual utilisation of capacity

then, The Group recognizes the consideration for construction services at its fair value, as the "financial asset under service concession arrangement" to the extent present value of fixed payment to be received discounted at incremental borrowing rate and the residual portion is recognized as an intangible asset.

##### **(a) Infrastructure is under project phase, the treatment of income is as follows:**

Revenues relating to construction contracts which are entered into with government authorities for the construction of the infrastructure necessary for the provision of services are measured at the fair value of the consideration received or receivable. Revenue from service concession arrangements is recognised based on the fair value of construction work performed at the reporting date.

##### **(b) Infrastructure is in operation, the treatment of income is as follows:**

Finance income over financial asset after consideration of fixed transmission charges is recognized using effective interest method. Variable transmission charges revenue is recognized in the period when the service is provided. Revenues relating to construction contracts which are entered into with government authorities for the construction of the infrastructure necessary for the provision of services are measured at the fair value of the consideration received or receivable. Revenue from service concession arrangements is recognised based on the fair value of construction work performed at the reporting date.



**iii) 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 that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

**g Taxes on Income**

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 Taxation**

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 Taxation**

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 Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities

**h Property, plant and equipment (PPE)**

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.

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated.

Subsequent additions to the assets after capitalization are accounted for at cost. Cost includes purchase price (net of trade discount & rebates) and any directly attributable cost of bringing the asset to its working condition for its intended use and for qualifying assets, borrowing costs capitalised in accordance with Ind AS 23. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.

Depreciation is recognised based on the cost of assets (other than freehold land) less their residual values (Considering a salvage value of 5%) over their useful lives, using the straight-line method. The useful life of property, plant and equipment is considered based on life prescribed in schedule II to the Companies Act, 2013. 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





**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.

Estimated useful lives of assets are as follows:-

Type of Assets	Useful lives
Building	25-35 Years
Plant and Equipment	25-35 Years
Furniture and Fixtures	10 Years
Office Equipments	5 Years
Computer Hardware	5 Years
Vehicle	15 Years
Computer Software	3 Years

**i Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

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.

**j Inventories**

i) Stores and spares are valued at cost. Cost is determined on Weighted Average basis.

ii) Costs includes all non refundable duties and all charges incurred in bringing the goods to the their present location and condition.

**k Impairment of non-financial assets**

The carrying amount of assets, other than inventories, is reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the assets recoverable amount is estimated.

The impairment loss is recognised whenever the carrying amount of an asset or its cash generation unit exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in the uses which is determined based on the estimated future cash flow discounted to their present values. All impairment losses are recognised in the Statement of Profit and Loss.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount and is recognised in the Statement of Profit and Loss.

**l Employee benefits****i) Defined benefit plans**

The Group has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees through ATL (The holding entity) Gratuity Scheme of Life Insurance Corporation of India. The 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.

**ii) Defined contribution plan:**

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

**iii) 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.

**iv) Short-term and other long-term employee benefits:**

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

**m 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 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 profit or 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 a The Group entity are recognised at the proceeds received, net of direct issue costs.

**(A) Financial assets**

All financial assets, except investment in subsidiaries are recognised initially at fair value.

The measurement of financial assets depends on their classification, as described below:

**1) At amortised cost**

A financial asset is measured at the amortised cost if both the following conditions are met :

- (a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- (b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to The Group. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.



## 2) At Fair Value through Other Comprehensive Income (FVTOCI)

A financial asset is classified as at the FVTOCI if both of the following criteria are met:

(a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI) and on derecognition, cumulative gain or loss previously recognised in OCI is reclassified to statement of profit and loss. For equity instruments, The Group may make an irrevocable election to present subsequent changes in the fair value in OCI. If The Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment.

## 3) At Fair Value through Profit & Loss (FVTPL)

FVTPL is a residual category for debt instruments and default category for equity instruments. Financial assets included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

In addition, The Group may elect to designate a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Group has not designated any debt instrument as at FVTPL.

## Derecognition

On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

The Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets and credit risk exposure. The Group follows 'Simplified Approach' for recognition of impairment loss allowance on all trade receivables or contractual receivables.

Under the simplified approach The Group does not track changes in credit risk, but it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. If credit risk has not increased significantly, 12 month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used.

ECL is the difference between all contracted cash flows that are due to The Group in accordance with the contract and all the cash flows that The Group expects to receive, discounted at the original EIR. ECL impairment loss allowance (or reversal) recognised during the period is recognised as income / (expense) in the statement of profit and loss.

## (B) Financial liabilities

Financial liabilities are classified, at initial recognition as at amortised cost or fair value through profit or loss. The measurement of financial liabilities depends on their classification, as described below:

### At amortised cost

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

### At fair value through profit or loss (FVTPL)

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as such. Subsequently, any changes in fair value are recognised in the statement of profit or loss.

## Derecognition of Financial Liability

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. The difference in the respective carrying amounts is recognised in the statement of profit or loss.



#### n Derivative financial instruments and hedge accounting

##### Initial recognition and subsequent measurement

In order to hedge its exposure to foreign exchange and interest rate risks, The Group enters into forward contracts, Principle only Swaps (POS) and other derivative financial instruments. The Group does not hold derivative financial instruments for speculative purposes.

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

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

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

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

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

##### (i) Fair value hedges

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

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

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

##### (ii) Cash flow hedges

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

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

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

#### o Cash & Cash Equivalents (for purpose of cash flow statement)

Cash comprises cash on hand and demand deposit with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of creation).



**p Cash Flow Statement**

Cash flows are reported using indirect method, whereby profit/ (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of The Group are segregated based on the available information.

**q Provision, Contingent Liabilities and Contingent Assets**

Provision are recognised for when The Group has at present, legal or contractual obligation as a result of past events, only if it is probable that an outflow of resources embodying economic outgo or loss will be required and if the amount involved can be measured reliably.

Contingent liabilities being a possible obligation as a result of past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more future events not wholly in control of The Group are not recognised in the accounts. The nature of such liabilities and an estimate of its financial effect are disclosed in notes to the Special Purpose Combined Financial Information.

Contingent assets are neither recognised nor disclosed in the Special Purpose Combined Financial Information.

**r Assets covered under Service Concession Arrangement**

The Company manages service concession arrangements which include the construction of transmission lines followed by a period in which the Company maintains and services the infrastructure. This may also include, in a secondary period, asset replacement or refurbishment. These concession arrangements set out rights and obligations related to the infrastructure and the service to be provided. Under Appendix C to Ind AS 115 – “Service Concession Arrangements”, these arrangements are accounted for based on the nature of the consideration. For fulfilling the obligations under SCA, the Company is entitled to receive either cash or another financial asset from the grantor or a contractual right to charge the users of the service. The financial model is used when the Company has an unconditional right to receive cash or another financial asset from or at the direction of the grantor for the construction services. Consideration so received or receivable is allocated by reference to the relative fair values of the services provided. Thus Revenue from the concession arrangements earned under the financial asset model consists of the (i) fair value of the amount due from the grantor; and (ii) interest income related to the capital investment in the project.

**s Leases**

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

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.

**t Recent Pronouncements for Indian Accounting Standards (Ind AS)**

Ministry of Corporate Affairs (“MCA”) notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During six month period ended September 30, 2022, MCA has not notified any new standards or amendments to the existing standards applicable to the Group.



**u Estimates, Judgments and Assumptions**

The preparation of The Group's Ind AS Financial Statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the Special Purpose Combined Financial Information were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of The Group. Such changes are reflected in the assumptions when they occur.

**i) Impairment of non-financial assets**

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that The Group is not yet committed to or significant future investments that will enhance the asset's performance being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognised by The Group.

**ii) Taxes**

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

**iii) Defined benefit plans (gratuity benefits)**

The Group based its assumptions and estimates on parameters available when the Special Purpose Combined Financial Information were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of The Group. Such changes are reflected in the assumptions when they occur.

**iv) Fair value measurement of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments 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.

**v) Property, plant and equipment**

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.



3.1. Property, Plant and Equipment

(₹ in Million)

Description of Assets	Tangible Assets							Total
	Land (Free hold)	Building	Plant & Equipment	Furniture and Fixtures	Office Equipments	Computer Equipment	Vehicles	
<b>I. Cost or Deemed Cost</b>								
Balances as at 1st April, 2021	188.1	207.7	29,745.6	5.1	4.2	2.5	1.1	30,154.3
Additions during the period	3.3	6.5	202.2	0.1	8.8	1.5	-	222.4
<b>Balances as at 30th September, 2021</b>	<b>191.4</b>	<b>214.2</b>	<b>29,947.8</b>	<b>5.2</b>	<b>13.0</b>	<b>4.0</b>	<b>1.1</b>	<b>30,376.7</b>
Additions during the period	-	6.9	142.7	1.2	11.1	0.3	-	162.1
Disposals during the period	-	(0.7)	-	-	-	-	-	(0.7)
<b>Balances as at 31st March, 2022</b>	<b>191.4</b>	<b>220.4</b>	<b>30,090.5</b>	<b>6.4</b>	<b>24.1</b>	<b>4.3</b>	<b>1.1</b>	<b>30,538.1</b>
Additions during the period	-	6.6	25.8	0.2	0.2	5.0	-	37.9
Disposals during the period	-	-	-	-	-	-	-	-
<b>Balances as at 30th September, 2022</b>	<b>191.4</b>	<b>227.0</b>	<b>30,116.3</b>	<b>6.6</b>	<b>24.3</b>	<b>9.3</b>	<b>1.1</b>	<b>30,576.0</b>
<b>II. Accumulated depreciation</b>								
Balances as at 1st April, 2021	-	27.9	1,750.2	1.1	0.8	0.2	0.0	1,780.2
Depreciation for the period	-	6.2	408.7	0.2	0.6	0.4	0.1	416.2
<b>Balances as at 30th September, 2021</b>	<b>-</b>	<b>34.1</b>	<b>2,159.0</b>	<b>1.3</b>	<b>1.4</b>	<b>0.6</b>	<b>0.1</b>	<b>2,196.4</b>
Depreciation for the period	-	6.4	409.8	0.2	1.6	0.6	0.0	418.6
Eliminated on disposal of assets	-	(0.0)	-	-	-	-	-	(0.0)
<b>Balances as at 31st March, 2022</b>	<b>-</b>	<b>40.5</b>	<b>2,568.8</b>	<b>1.5</b>	<b>3.0</b>	<b>1.2</b>	<b>0.1</b>	<b>2,615.0</b>
Depreciation for the period	-	4.0	414.5	0.3	2.3	0.6	0.0	421.8
<b>Balances as at 30th September, 2022</b>	<b>-</b>	<b>44.5</b>	<b>2,983.3</b>	<b>1.8</b>	<b>5.3</b>	<b>1.8</b>	<b>0.1</b>	<b>3,036.8</b>

Description of Assets	Land (Free hold)	Building	Plant & Equipment	Furniture and Fixtures	Office Equipments	Computer Equipment	Vehicles	Total
<b>Carrying Amount :</b>								
As at 1st April, 2021	188.1	179.8	27,995.4	4.0	3.4	2.3	1.0	28,374.1
As at 30th September, 2021	191.4	180.1	27,788.8	3.9	11.6	3.4	1.0	28,180.3
As at 31st March, 2022	191.4	179.9	27,521.7	4.9	21.1	3.1	1.0	27,923.1
As at 30th September, 2022	191.4	182.5	27,133.0	4.8	19.0	7.5	1.0	27,539.2

(Transactions below ₹ 50000.00 denoted as ₹ 0.0 Million)



## 3.2 Capital Work-In-Progress

(₹ in Million)

Particulars	(₹ in Million)	
	As at 30th September, 2022	As at 30th September, 2021
Opening balance	157.1	204.2
Expenditure incurred during the period	40.2	86.7
Capital Inventory	52.5	36.1
Less: Capitalized during the period	(37.9)	(230.9)
<b>Closing Balance</b>	<b>211.9</b>	<b>96.1</b>

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

(₹ in Million)

Particulars	Amount in CWIP for a period of				
	<1 year	1-2 years	2-3 years	> 3 years	Total
<b>Balances as at 30th September, 2022</b>					
- Projects in progress	171.3	39.0	1.6	-	211.9
- Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>171.3</b>	<b>39.0</b>	<b>1.6</b>	<b>-</b>	<b>211.9</b>
<b>Balances as at 30th September, 2021</b>					
- Projects in progress	94.4	0.2	1.5	-	96.1
- Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>94.4</b>	<b>0.2</b>	<b>1.5</b>	<b>-</b>	<b>96.1</b>





## 3.3. Intangible Assets

(₹ in Million)

Description of Assets	Computer Software	Total
<b>I. Gross carrying value</b>		
Balance as at 1st April, 2021	0.5	0.5
Additions during the period	8.5	8.5
Disposals during the period	-	-
<b>Balances as at 30th September, 2021</b>	<b>9.0</b>	<b>9.0</b>
Additions during the period	0.9	0.9
Disposals during the period	-	-
<b>Balances as at 31st March, 2022</b>	<b>9.9</b>	<b>9.9</b>
Additions during the period	-	-
Disposals during the period	-	-
<b>Balances as at 30th September, 2022</b>	<b>9.9</b>	<b>9.9</b>
<b>II. Accumulated Amortisation</b>		
Balance as at 1st April, 2021	0.1	0.1
Amortisation Charge during the period	1.5	1.5
Eliminated on disposal of asset during the period	-	-
<b>Balances as at 30th September, 2021</b>	<b>1.6</b>	<b>1.6</b>
Amortisation Charge during the period	3.3	3.3
Eliminated on disposal of asset during the period	-	-
<b>Balances as at 31st March, 2022</b>	<b>4.8</b>	<b>4.8</b>
Amortisation Charge during the period	2.0	2.0
Eliminated on disposal of asset during the period	-	-
<b>Balances as at 30th September, 2022</b>	<b>6.8</b>	<b>6.8</b>
<b>Net Carrying Value as at 1st April, 2021</b>	<b>0.4</b>	<b>0.4</b>
<b>Net Carrying Value as at 30th September, 2021</b>	<b>7.4</b>	<b>7.4</b>
<b>Net Carrying Value as at 31st March, 2022</b>	<b>5.1</b>	<b>5.1</b>
<b>Net Carrying Value as at 30th September, 2022</b>	<b>3.1</b>	<b>3.1</b>

(Transactions below ₹ 50000.00 denoted as ₹ 0.0 Million)



		As at 30th September, 2022 (₹ In Million)	As at 30th September, 2021 (₹ In Million)		
<b>4</b>	<b>Loans</b> (Unsecured, Considered Good)				
	Loans (Refer note 41)	3,863.8	994.4		
	<b>Total</b>	<b>3,863.8</b>	<b>994.4</b>		
<b>5</b>	<b>Non-current Financial Assets- Others</b>				
	Interest accrued but not due	51.9	-		
	Financial asset under service concession agreement (SCA) (Refer note below)	1,273.6	1,273.1		
	Security deposit	4.7	5.0		
	Balances held as Margin Money or security against borrowings	0.1	1,354.5		
	Derivative instruments designated in hedge accounting relationship	146.8	295.6		
	<b>Total</b>	<b>1,477.1</b>	<b>2,928.2</b>		
<p>The company has classified the Arrangement as Financial Assets and has disclosed "SCA Receivables", being amount due from the Grantor. The amount due from the grantor comprises of Fair value (FV) of the cost incurred in relation to the project measured at cost incurred excluding the borrowing cost plus current estimates of margin, (being management estimate of FV of cost incurred), net of grant received from the Department of Economic Affairs, Ministry of Finance. Finance Income is measured based on estimated project cash flows and Receivables net of grant received and receivable from the Department of Economic Affairs, Ministry of Finance, reviewed for any change in project cash flows, annually or on occurrence of any event requiring such adjustment. Both Receivables and Finance Income are reviewed annually or on occurrence of any event requiring such adjustment for any change in cashflows.</p> <p>The significant accounting policies, including the criteria for recognition, the basis of measurement and on which income and expenses are recognized, in respect of each class of financial asset are detailed in note 2 (f) of these financial statements.</p>					
<b>6</b>	<b>Income Tax Assets (Net)</b>				
	Income Tax Assets (Net)	72.3	30.3		
	<b>Total</b>	<b>72.3</b>	<b>30.3</b>		
<b>7</b>	<b>Other Non-current Assets</b>				
	Capital advances	1,092.9	1,109.1		
	<b>Total</b>	<b>1,092.9</b>	<b>1,109.1</b>		
<b>8</b>	<b>Inventories</b> (At lower of Cost and Net Realizable Value)				
	Stores & spares	17.0	6.9		
	<b>Total</b>	<b>17.0</b>	<b>6.9</b>		
<b>9</b>	<b>Current Financial Assets - Investments</b>				
		Face value of ₹ unless otherwise specified	No. of units	As at 30th September, 2022 (₹ In Million)	As at 30th September, 2021 (₹ In Million)
	<b>Investment in Mutual Funds units at FVTPL (Unquoted)</b>				
	ICICI Prudential Overnight Fund Direct Plan	100	37962.179 (P.Y. - 702309.967)	44.3	79.2
	Kotak Overnight Fund Direct-Growth	1000	278313.154 (P.Y. - 39444.437)	326.2	44.0
	HDFC Overnight Fund- Direct plan-Growth	1000	2525.045 (P.Y. - 186422.231)	7.9	579.0
	SBI Overnight Fund Direct Growth	1000	33096.931 (P.Y. - 128016.758)	116.6	435.9
	Edelweiss Overnight Fund Direct Plan Growth	1000	11893.455 (P.Y. - 11893.455)	12.5	12.9
	Aditya Birla Overnight Fund Growth -Direct Plan	1000	15502.795 (P.Y. - 254146.746)	18.1	287.4
	UTI Overnight Fund-Direct Growth Plan	1000	7817.722 (P.Y. - 11371.232)	22.0	32.5
	Axis Overnight Fund - Direct growth Plan	1000	Nil (P.Y. - 46009.897)	-	50.8
	<b>Total</b>			<b>547.6</b>	<b>1,521.7</b>
	<b>Aggregate book value of un-quoted investments</b>			<b>547.6</b>	<b>1,521.7</b>
	<b>Aggregate market value of un-quoted investments</b>			<b>547.6</b>	<b>1,521.7</b>



10 Trade Receivables	As at		As at				
	30th September, 2022	30th September, 2021	30th September, 2022	30th September, 2021			
	(₹ In Million)		(₹ In Million)				
<b>Unsecured</b>							
- Considered Good			1,058.9	946.7			
- more than 6 months			-	-			
			<b>1,058.9</b>	<b>946.7</b>			
<b>Impairment allowance (Allowance for bad &amp; doubtful debts)</b>							
Less : Expected Credit Loss			-	-			
<b>Total</b>			<b>1,058.9</b>	<b>946.7</b>			
<b>10.1 Age of Trade Receivables</b>							
	Outstanding for following periods from due date of receipt						
Particulars	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>As at 30th September, 2022</b>							
(i) Undisputed Trade receivables - considered good	532.4	524.5	1.2	0.8	-	-	1,058.9
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
<b>Total</b>	<b>532.4</b>	<b>524.5</b>	<b>1.2</b>	<b>0.8</b>	<b>-</b>	<b>-</b>	<b>1,058.9</b>
<b>As at 30th September, 2021</b>							
(i) Undisputed Trade receivables - considered good	531.9	414.0	0.8	0.0	-	-	946.7
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
<b>Total</b>	<b>531.9</b>	<b>414.0</b>	<b>0.8</b>	<b>0.0</b>	<b>-</b>	<b>-</b>	<b>946.7</b>
<b>11 Cash and Cash Equivalents</b>							
	As at		As at				
	30th September, 2022	30th September, 2021	30th September, 2022	30th September, 2021			
	(₹ In Million)		(₹ In Million)				
<b>Balances with banks</b>							
In current accounts			73.6	38.6			
Fixed Deposits (with original maturity of three months or less)			37.2	36.2			
<b>Total</b>			<b>110.8</b>	<b>74.8</b>			
<b>12 Bank Balance other than Cash and Cash Equivalents</b>							
	As at		As at				
	30th September, 2022	30th September, 2021	30th September, 2022	30th September, 2021			
	(₹ In Million)		(₹ In Million)				
Fixed Deposit - Margin Money (Lodged against Debt Service Reserve Account)			1,462.3	1.2			
Fixed Deposits (with original maturity of more than three months)			107.4	102.6			
<b>Total</b>			<b>1,569.7</b>	<b>103.8</b>			
<b>13 Current Financial Assets - Loans</b> (Unsecured, considered good)							
	As at		As at				
	30th September, 2022	30th September, 2021	30th September, 2022	30th September, 2021			
	(₹ In Million)		(₹ In Million)				
Loans to employees			0.2	0.1			
<b>Total</b>			<b>0.2</b>	<b>0.1</b>			
<b>14 Current Financial Assets - Others</b>							
	As at		As at				
	30th September, 2022	30th September, 2021	30th September, 2022	30th September, 2021			
	(₹ In Million)		(₹ In Million)				
Interest receivable			21.5	63.0			
Unbilled Revenue			655.4	628.2			
Financial Asset Under Service Concession Arrangement (SCA)			4.6	14.7			
Security deposit			3.1	2.9			
Derivative Instruments designated in hedge accounting relationship			37.0	6.0			
Other Receivables			89.1	89.1			
<b>Total</b>			<b>810.7</b>	<b>803.9</b>			
<b>15 Other Current Assets</b>							
	As at		As at				
	30th September, 2022	30th September, 2021	30th September, 2022	30th September, 2021			
	(₹ In Million)		(₹ In Million)				
Advance to Suppliers			4.7	32.2			
Balances with Government authorities			10.7	42.0			
Prepaid Expenses			12.5	11.6			
Advance to Employees			0.1	0.2			
<b>Total</b>			<b>28.0</b>	<b>86.0</b>			
<b>16 Net Parent Investment</b>							
	As at		As at				
	30th September, 2022	30th September, 2021	30th September, 2022	30th September, 2021			
	(₹ In Million)		(₹ In Million)				
Opening Net Parent Investment			7,557.7	5,369.7			
Profit for the period (after tax)			995.4	1,111.9			
Other Comprehensive Income for the period (after tax)			(1,600.0)	514.8			
<b>Closing Net Parent Investment</b>			<b>6,953.1</b>	<b>6,996.3</b>			

Net Parent Investment represents the aggregate amount of share capital, Instrument entirely equity in nature and other equity of the Group entities for the period ended and does not necessarily represent legal share capital for the purpose of the Group.

(Transactions below ₹ 50000.00 denoted as ₹ 0.0 Million)



## 17 Non current Financial Liabilities - Borrowings

	Non-current		Current	
	As at 30th September, 2022 (₹ In Million)	As at 30th September, 2021 (₹ In Million)	As at 30th September, 2022 (₹ In Million)	As at 30th September, 2021 (₹ In Million)
<b>Secured</b>				
<b>Bonds</b>				
5.20% US Private Placement Notes	28,913.1	27,219.3	944.6	860.6
<b>Unsecured borrowings</b>				
From Related Parties (Refer Note 41)	140.8	140.8	-	-
<b>Total</b>	<b>29,053.9</b>	<b>27,360.1</b>	<b>944.6</b>	<b>860.6</b>
Less: Amount disclosed under the head Current Borrowings (Refer Note 21)			(944.6)	(860.6)
<b>Total</b>	<b>29,053.9</b>	<b>27,360.1</b>	<b>-</b>	<b>-</b>

## Notes

Borrowing	Security	Terms of Repayment
USD Denominated Notes	5.20% US Private Placement Notes are secured by first ranking charge on receivables, on all immovable and movable assets, charge or assignment of rights under Transmission Service Agreement and other project documents, charge or assignment of rights and/or designation of the Security Trustee as loss payee under each insurance contract in respect of Project. The Notes are also secured by way of pledge over 100% of shares of the Group held by Holding Entity, i.e. Adani Transmission Limited.	(i) 5.20%, 370.50 Million USD Denominated Notes aggregating ₹ 30138.32 Million (As at 30th Sept, 2021: ₹28378.13 Millions) which has a semi-annual repayment schedule with first repayment in the month of September-2020 and semi-annually then after over the period of its tenor ending March-2050. (ii) The USPP Notes has been hedged by Principal only Swap Agreement with INR 72.98 / USD rate. Accordingly the USPP Notes Liability in INR terms comes to INR 27,039 Mn at hedged rate.
Inter Corporate Loan	Unsecured	Inter-corporate loan from Holding company of 140.8 Millions (As at 30th Sept, 2021: 140.8 Millions) are unsecured and carries interest at the rate of 11 % p.a. The loan is repayable only from the distributable surplus as per the terms and conditions of US Private Placement Notes.

## 18 Non Current Financial Liabilities - Others

	As at 30th September, 2022 (₹ In Million)	As at 30th September, 2021 (₹ In Million)
Retention Money	56.3	37.6
Interest accrued but not due on long term borrowings	48.2	122.7
<b>Total</b>	<b>104.5</b>	<b>160.3</b>

## 19 Provisions

	Non-Current		Current	
	As at 30th September, 2022 (₹ In Million)	As at 30th September, 2021 (₹ In Million)	As at 30th September, 2022 (₹ In Million)	As at 30th September, 2021 (₹ In Million)
Provision for Employee Benefits				
- Gratuity	0.5	1.0	0.9	0.2
- Leave Encashment	1.6	0.9	1.0	0.3
<b>Total</b>	<b>2.1</b>	<b>1.9</b>	<b>1.9</b>	<b>0.5</b>



## 20 Deferred Tax Liabilities (net)

	As at 30th September, 2022 (₹ In Million)	As at 30th September, 2021 (₹ In Million)
<b>Deferred Tax Liabilities</b>		
Timing difference between book and tax depreciation	1,237.2	1,403.1
Less :- Deferred Assets for deferred tax liabilities	-	-
<b>Net deferred tax liabilities</b>	<b>1,237.2</b>	<b>1,403.1</b>
<b>Total</b>	<b>1,237.2</b>	<b>1,403.1</b>

## Deferred Tax relates to following:

Particulars	As at 30th September, 2022 (₹ In Million)	As at 30th September, 2021 (₹ In Million)
<b>Deferred Tax Liabilities</b>		
Difference between book base and tax base of property, plant and equipments/SCA Receivables	(3,068.1)	(2,571.0)
Finance lease	0.7	-
M2M Gain on Mutual Funds	(1.0)	(0.6)
<b>Gross Deferred Tax (Liabilities) (a)</b>	<b>(3,068.4)</b>	<b>(2,571.8)</b>
<b>Deferred Tax Assets</b>		
Hedge Reserve - OCI	718.4	31.5
Provision for Employee benefits	1.2	-
Business Losses	6.9	-
Unabsorbed Depreciation	1,104.7	1,137.2
<b>Gross Deferred Tax Assets (b)</b>	<b>1,831.2</b>	<b>1,168.7</b>
<b>MAT Credit Entitlement (c)</b>	<b>-</b>	<b>-</b>
<b>Net Deferred Tax (Liabilities) (a+b-c)</b>	<b>(1,237.2)</b>	<b>(1,403.1)</b>

## (a) Movement in deferred tax liabilities (net) for six months ended on 30th September, 2022

(₹ In Million)

Particulars	Opening Balance as at 1st April, 2022	Recognised in profit and loss	Recognised in OCI	Closing Balance as at 30th September, 2022
<b>Tax effect of Items constituting deferred tax liabilities:</b>				
Difference between book base and tax base of property, plant and equipment/SCA Receivables	(2,849.0)	(219.1)	-	(3,068.1)
M2M gain on Mutual Funds	(1.4)	0.4	-	(1.0)
Finance lease	-	0.7	-	0.7
<b>Total (a)</b>	<b>(2,850.4)</b>	<b>(218.0)</b>	<b>-</b>	<b>(3,068.4)</b>
<b>Tax effect of Items constituting deferred tax assets:</b>				
Hedge Reserve-OCI	180.2	-	538.1	718.4
Lease liabilities	0.5	(0.5)	-	-
Provision for Employee benefits	0.5	0.8	-	1.2
Unabsorbed Depreciation	1,144.8	(40.1)	-	1,104.7
Business Losses	-	6.9	-	6.9
<b>Total (b)</b>	<b>1,325.9</b>	<b>(32.9)</b>	<b>538.1</b>	<b>1,831.2</b>
<b>MAT Credit Entitlement (c)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Deferred Tax Asset / (Liabilities) (a+b+c)</b>	<b>(1,524.4)</b>	<b>(250.9)</b>	<b>538.1</b>	<b>(1,237.2)</b>

## (b) Movement in deferred tax liabilities (net) for six months ended on 30th September, 2021

(₹ In Million)

Particulars	Opening Balance as at 1st April, 2021	Recognised In profit and loss	Recognised in OCI	Closing Balance as at 30th September, 2021
<b>Tax effect of Items constituting deferred tax (Liabilities):</b>				
Difference between book base and tax base of property, plant and equipment	(2,282.2)	(288.8)	-	(2,571.0)
M2M gain on Mutual Funds	(0.7)	(0.1)	-	(0.8)
<b>Total (a)</b>	<b>(2,282.9)</b>	<b>(288.9)</b>	<b>-</b>	<b>(2,571.8)</b>
<b>Tax effect of Items constituting deferred tax assets:</b>				
Hedge Reserve-OCI	204.7	-	(173.2)	31.5
Unabsorbed Depreciation	1,154.6	(17.4)	-	1,137.2
<b>Total (b)</b>	<b>1,359.3</b>	<b>(17.4)</b>	<b>(173.2)</b>	<b>1,168.7</b>
<b>MAT Credit Entitlement (c)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Deferred Tax Asset / (Liabilities) (a+b+c)</b>	<b>(923.6)</b>	<b>(306.3)</b>	<b>(173.2)</b>	<b>(1,403.1)</b>

## 21 Current Financial Liabilities - Borrowings

	As at 30th September, 2022 (₹ In Million)	As at 30th September, 2021 (₹ In Million)
<b>Secured Bonds</b>		
Current maturity - 5.20% US Private Placement Notes	944.6	860.6
<b>Total</b>	<b>944.6</b>	<b>860.6</b>

Borrowing	Security	Terms of Repayment
Bonds		Refer Note 17



Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	<1 year	1-2 years	2-3 years	>3 years	
<b>22 Trade Payables</b>						
						As at 30th September, 2022 (₹ in Million)
						As at 30th September, 2021 (₹ in Million)
Trade Payables						
- Micro and Small Enterprises						0.0
- Other than Micro and Small Enterprises						99.1
Accrual for Employees						0.7
<b>Total</b>						<b>99.8</b>
						<b>62.8</b>
<b>23 Current Financial Liabilities - Others</b>						
						As at 30th September, 2022 (₹ in Million)
						As at 30th September, 2021 (₹ in Million)
Current maturities of long-term borrowings (Unsecured)						83.2
Interest accrued but not due on borrowings						25.4
Payable on purchase of Property, Plant and Equipment						-
Derivative Instruments designated in hedge accounting relationship						0.0
Security Deposit						-
<b>Total</b>						<b>108.6</b>
						<b>136.1</b>
<b>24 Other Current Liabilities</b>						
						As at 30th September, 2022 (₹ in Million)
						As at 30th September, 2021 (₹ in Million)
Statutory liabilities						44.8
Other Payables						6.4
<b>Total</b>						<b>51.2</b>
						<b>42.2</b>
<b>25 Income Tax liabilities (Net)</b>						
						As at 30th September, 2022 (₹ in Million)
						As at 30th September, 2021 (₹ in Million)
Income Tax liabilities (Net)						17.1
<b>Total</b>						<b>17.1</b>
						<b>42.4</b>

(Transactions below ₹ 50,000.00 denoted as ₹ 0.0 Million)



26 Revenue from Operations	For six months ended 30th September, 2022 (₹ in Million)	For six months ended 30th September, 2021 (₹ in Million)
Income from transmission line	3,052.5	3,101.6
Income under Service Concession Arrangements (SCA) (Refer Note 39)	111.3	97.2
<b>Total</b>	<b>3,163.8</b>	<b>3,198.8</b>

**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	For six months ended 30th September, 2022 (₹ in Million)	For six months ended 30th September, 2021 (₹ in Million)
Trade receivables (Refer Note 10)	1,058.9	946.7
Contract assets (Refer Note 14)	655.4	628.2
Contract liabilities	6.4	0.0

The contract assets primarily relate to the Group's right to consideration for work completed but not billed at the reporting date. The contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the 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:

Particulars	For six months ended 30th September, 2022 (₹ in Million)	For six months ended 30th September, 2021 (₹ in Million)
Revenue as per contracted price	3,092.6	3,140.5
<b>Adjustments</b>		
Rebate on prompt payment	40.1	38.9
<b>Revenue from contract with customers</b>	<b>3,052.5</b>	<b>3,101.6</b>

27 Other Income	For six months ended 30th September, 2022 (₹ in Million)	For six months ended 30th September, 2021 (₹ in Million)
Interest Income		
- Bank	3.3	3.6
- Others	112.8	219.1
Gain on Sale/Fair Value of Current Investments measured at FVTPL	28.1	26.1
Miscellaneous Income	0.1	2.0
<b>Total</b>	<b>144.3</b>	<b>250.8</b>

28 Operating expenses	For six months ended 30th September, 2022 (₹ in Million)	For six months ended 30th September, 2021 (₹ in Million)
Maintenance of Transmission Line	115.7	80.1
Other Operating Expenses	4.1	4.0
<b>Total</b>	<b>119.8</b>	<b>84.1</b>

29 Employee Benefits Expense	For six months ended 30th September, 2022 (₹ in Million)	For six months ended 30th September, 2021 (₹ in Million)
Salaries, Wages and Bonus	13.9	12.0
Contribution to Provident and Other Funds	0.9	0.8
Staff Welfare Expenses	0.5	0.4
<b>Total</b>	<b>15.3</b>	<b>13.2</b>

30 Finance costs	For six months ended 30th September, 2022 (₹ in Million)	For six months ended 30th September, 2021 (₹ in Million)
Interest Expenses	761.8	758.4
Interest on Intercompany Deposit	7.8	9.8
Interest on Lease Obligation	1.9	1.9
Bank Charges & Other Borrowing Costs	9.0	3.9
Loss on Derivatives Contracts & Exchange rate difference (net)	604.8	648.0
<b>Total</b>	<b>1,385.3</b>	<b>1,422.0</b>



31 Other Expenses	For six months ended 30th September, 2022 (₹ in Million)	For six months ended 30th September, 2021 (₹ in Million)
Repairs and Maintenance -Building	-	0.0
Repairs and Maintenance - Others	-	0.0
Rent Expenses	0.4	0.4
Legal & Professional Expenses	9.5	11.3
Payment to Auditors	0.2	0.2
Communication Expenses	1.7	3.8
Travelling & Conveyance Expenses	7.8	6.3
Insurance Expenses	4.4	3.6
Corporate Social Responsibility expenses	0.0	4.4
Advertisement & Selling expense	0.2	-
Miscellaneous Expenses	4.5	4.4
<b>Total</b>	<b>28.7</b>	<b>34.4</b>
32 Income Tax Expenses	For six months ended 30th September, 2022 (₹ in Million)	For six months ended 30th September, 2021 (₹ in Million)
Current Tax	85.3	54.2
Tax Adjustment relating to earlier periods	-	2.2
Deferred Tax	250.9	306.3
<b>Total</b>	<b>336.2</b>	<b>362.7</b>

(Transactions below ₹ 50,000.00 denoted as ₹ 0.0 Million)





**33 Contingent liabilities and Commitments****(i) Contingent liabilities :**

Claims against the Company not acknowledged as debts in respect of:

Direct tax

Indirect tax - VAT and Entry Tax

	As at 30th September, 2022 (₹ in Million)	As at 30th September, 2021 (₹ in Million)
	-	0.2
	50.4	255.5
	<b>50.4</b>	<b>255.7</b>
	20.3	86.5
	<b>20.3</b>	<b>86.5</b>

**(ii) Commitments :**

Estimated amount of contracts remaining to be executed on capital account (net of capital advances)

**34 a) The details of foreign currency exposures those are not hedged by a derivative instrument or otherwise are as under:**

Particulars	As at 30th September, 2022		As at 30th September, 2021	
	₹ in Million	Foreign Currency (USD in Million)	₹ in Million	Foreign Currency (USD in Million)
Import Creditors and Acceptances	-	-	5.4	0.1
Foreign currency borrowings	0.0	0.0	0.0	0.0

**b) 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, 2022		As at 30th September, 2021	
	1% Increase	1% Decrease	1% Increase	1% Decrease
Risk Sensitivity				
Rupee / USD - (Increase) / Decrease	(0.0)	0.0	(0.1)	0.1

**35 Capital Management**

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

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

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

No changes were made in the objectives, policies or processes for managing capital during the period ended as at 30th September, 2022 & 30th September, 2021.

The Group monitors capital using gearing ratio, which is net debt (total debt less cash and bank balance) divided by total capital plus net debt.

(₹ in Million)

Particulars	Refer Note	30th September, 2022	30th September, 2021
Total Borrowings (Including current maturities of long term borrowings)	17 & 21	29,998.4	28,220.7
Less: Cash and Bank Balances	11 & 12	1,680.6	178.6
<b>Net Debt (A)</b>		<b>28,317.9</b>	<b>28,042.1</b>
<b>Total Equity (B)</b>	16	6,953.1	6,996.4
<b>Total Equity and Net Debt (C=A+B)</b>		<b>35,271.0</b>	<b>35,038.5</b>
<b>Gearing Ratio (A/C)</b>		<b>0.80</b>	<b>0.80</b>

(Transactions below ₹ 50000.00 denoted as ₹ 0.0 Million)



## 36 Fair Value Measurement :

a) The carrying value of financial instruments by categories as of 30th September, 2022 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
<b>Financial Assets</b>					
Investments in mutual funds	-	547.6	-	547.6	547.6
Trade Receivables	-	-	1,058.9	1,058.9	1,058.9
Cash and Cash Equivalents	-	-	110.8	110.8	110.8
Bank Balances other than Cash and Cash Equivalents above	-	-	1,569.7	1,569.7	1,569.7
Derivative instruments designated in hedge accounting relationship	2,138.2	(1,954.4)	-	183.8	183.8
Loans	-	-	3,864.0	3,864.0	3,864.0
Other Financial Assets	-	-	2,103.9	2,103.9	2,103.9
<b>Total</b>	<b>2,138.2</b>	<b>(1,406.8)</b>	<b>8,707.3</b>	<b>9,438.7</b>	<b>9,438.7</b>
<b>Financial Liabilities</b>					
Borrowings (Including current maturities and interest accrued)	-	-	30,129.8	30,129.8	30,129.8
Derivative instruments designated in hedge accounting relationship	-	-	-	-	-
Other Financial Liabilities	-	-	81.7	81.7	81.7
Trade Payables	-	-	99.8	99.8	99.8
<b>Total</b>	<b>-</b>	<b>-</b>	<b>30,311.3</b>	<b>30,311.3</b>	<b>30,311.3</b>

b) The carrying value of financial instruments by categories as of 30th September, 2021 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
<b>Financial Assets</b>					
Investments in mutual funds	-	1,521.7	-	1,521.7	1,521.7
Trade Receivables	-	-	946.7	946.7	946.7
Cash and Cash Equivalents	-	-	74.8	74.8	74.8
Bank Balances other than Cash and Cash Equivalents above	-	-	103.8	103.8	103.8
Derivative instruments designated in hedge accounting relationship	-	301.6	-	301.6	301.6
Loans	-	-	994.5	994.5	994.5
Other Financial Assets	-	-	3,430.5	3,430.5	3,430.5
<b>Total</b>	<b>-</b>	<b>1,823.3</b>	<b>5,550.3</b>	<b>7,373.6</b>	<b>7,373.6</b>
<b>Financial Liabilities</b>					
Borrowings (Including current maturities and interest accrued)	-	-	28,404.3	28,404.3	28,404.3
Derivative instruments designated in hedge accounting relationship	(45.2)	57.6	-	12.4	12.4
Other Financial Liabilities	-	-	100.4	100.4	100.4
Trade Payables	-	-	62.8	62.8	62.8
<b>Total</b>	<b>(45.2)</b>	<b>57.6</b>	<b>28,567.5</b>	<b>28,579.9</b>	<b>28,579.9</b>

## Notes:

- 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.
- 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.
- The fair value of loans from banks and other financial liabilities, as well as other non-current financial liabilities is estimated by discounting future cash flow using rates currently available for debt on similar terms, credit risk and remaining maturities.
- Fair value of mutual funds are based on the price quotations near the reporting date.
- The 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 Group's own non-performance risk.

## 37 Fair Value hierarchy :

(₹ in Million)

Particulars	30th September, 2022	30th September, 2021
	Level 2	Level 2
<b>Assets</b>		
Investments in unquoted Mutual Funds measured at FVTPL	547.6	1,521.7
Derivative instruments designated in hedge accounting relationship	183.8	301.6
<b>Total</b>	<b>731.3</b>	<b>1,823.3</b>
<b>Liabilities</b>		
Derivative instruments designated in hedge accounting relationship	-	12.4
Borrowings (Including current maturities and interest accrued)	30,129.8	28,404.3
<b>Total</b>	<b>30,129.8</b>	<b>28,416.7</b>

- The fair value of Loans given is equivalent to amortised cost.
- Fair value of mutual funds are based on the price quotations near the reporting date.



**38 Financial Risk Management Objectives**

The Group's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance The Group's operations/projects. The 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 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 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 Group's risk management activities are subject to the management, direction and control of Central Treasury Team of the Group under the framework of Risk Management Policy for Currency and Interest rate risk as approved by the Board of Directors of the Group. The Group's central treasury team ensures appropriate financial risk governance framework for The Group through appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. It is the 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 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 Group is exposed to Interest rate risk, Credit risk, and Liquidity risk.

**Interest rate risk**

The Group is exposed to changes in market interest rates due to financing, investing and cash management activities. The Group's exposure to the risk of changes in market interest rates relates primarily to The Group's long-term debt obligations with floating interest rates and period of borrowings. However, during the year and as at period end the Group does not have any borrowings with floating interest rates. Hence, the Group is not exposed to any interest rate risk.

**Credit Risk**

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a loss to the Group. The 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 Group's maximum exposure to credit risk.

Cash are held with creditworthy financial institutions.

**Liquidity risk**

The 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 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 shows analysis of derivative and non-derivative financial liabilities of the Group into relevant maturity 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)				
30th September, 2022	Less than 1 year	1-5 years	Over 5 years	Total
Borrowings (Including current maturities)*#	2,572.3	10,344.9	41,602.0	54,519.2
Derivative Financial Liabilities	-	-	-	-
Trade Payables	99.8	-	-	99.8
Other financial Liabilities**	156.8	56.3	-	213.1

(₹ in Million)				
30th September, 2021	Less than 1 year	1-5 years	Over 5 years	Total
Borrowings (Including current maturities)*#	2,355.7	9,053.8	40,075.7	51,485.2
Trade Payables	12.4	-	-	12.4
Derivative Financial Liabilities	62.8	-	-	62.8
Other financial Liabilities**	246.4	37.6	-	284.0

\* Includes Non-current borrowings, current borrowings, current maturities of non-current borrowings, committed interest payments on borrowings.

\*\* Includes both Non-current and current financial liabilities.

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

**39 One Company "ATRL" has entered into transmission agreements in the nature of Service Concession Arrangements (SCA) with Rajasthan Rajya Vidyut Prasaran Nigam Limited (RVPNL)**

(a) Agreement for maintaining transmission lines with RVPNL (Grantor) is to construct & operate a transmission system comprising:-

- 400 KV Double Circuit transmission line from Suratgarh to Bikaner with a design capacity to transfer electricity equivalent to 1066 MW on Design, Build, Finance, Operate & Transfer (DBFOT) basis having contract for 35 years from the license issued. Upon completion of concession period or on termination of agreement, Transmission Lines will vest with the grantor free and clear of all encumbrances. Financial assets is created on the basis of Present values of future Cash Flows. No intangible assets is created for this SCA accounting.

Financial summary of above concession arrangement are given below:

(₹ in Million)			
Sr.No.	Particulars	For six months ended 30th September, 2022	For six months ended 30th September, 2021
1	SCA Revenue Recognised (Including Construction Revenue)	111.3	97.2
2	Profit after tax for the period	55.6	35.6

**40 Events occurring after the Balance sheet Date**

The Group evaluates events and transactions that occur subsequent to the balance sheet date but prior to the approval of financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements. As of 4th November, 2022, there are no subsequent events to be recognized or reported that are not already disclosed.



**41 Related party disclosures :**

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

> Holding Company	Adani Transmission Limited
> Key Managerial Personnel (KMP)	Mr. Gautam S. Adani, Chairman Mr. Anil Sardana, Managing Director and Chief Executive Officer Mr. Rohit Soni, Chief Financial Officer (w.e.f. 6th September, 2021) Mr. Jaladhi Shukla, Company Secretary Mr. K. Jairaj - Non Executive Director Ms. Meera Shankar - Non Executive Director Dr. Ravindra H. Dholakia - Non Executive Director
> Fellow Subsidiaries	Maharashtra Eastern Grid Power Transmission Company Limited Jam Khambaliya Transco Limited Maru Transmission Service Company Limited. Adani Transmission India Limited North Karanpura Transco Limited Ghatampur Transmission Limited Aravali Transmission Service Company Limited.
> Entities under Common Control with whom there are transactions during the period (Other Parties)	Adani Infra (India) Limited Adani Enterprise Limited Adani Krishnapatnam Port Ltd Adani Infrastructure Management Service Limited

**Terms and conditions of transactions with related parties**

Outstanding balances of related parties at the year-end are unsecured and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

**Note:**

The names of the related parties and nature of the relationships where control exists are disclosed. For others, the names and the nature of relationships is disclosed only when the transactions are entered into by the Group with the related parties during the existence of the related party relationship.

**(A) Transactions with Related Parties**

(₹ in Million)

Particulars	With Holding Company		With Fellow Subsidiaries		With Other Parties	
	30th September, 2022	30th September, 2021	30th September, 2022	30th September, 2021	30th September, 2022	30th September, 2021
Equipment Hire Charges	-	-	0.1	-	-	-
Interest Expense	7.8	9.8	-	-	-	-
Interest Income	52.8	31.1	-	-	41.9	36.3
Loan Repaid back	-	109.1	-	-	-	-
Loan Given	1,389.1	885.8	-	-	-	-
Loan Given Received Back	-	0.2	-	-	-	-
Purchase of Goods	-	-	-	-	19.6	47.7
Conversion of Perpetual Investment to ICD	590.0	-	-	-	-	-
Operation and Maintenance Expense	-	-	-	-	67.6	66.3

**(B) Balances with Related Parties**

(₹ in Million)

Particulars	With Holding Company		With Fellow Subsidiaries		With Other Parties	
	30th September, 2022	30th September, 2021	30th September, 2022	30th September, 2021	30th September, 2022	30th September, 2021
Loan Payable	140.8	140.8	-	-	-	-
Loans Receivable	3,863.8	994.4	-	-	-	-
Interest Accrued but not due	48.2	122.7	-	-	-	-
Interest Accrued due receivable	51.9	42.4	-	-	20.8	37.4
Capex Advance	-	-	-	-	1,092.2	1,097.0
Accounts Receivables	-	-	1.2	0.0	4.6	-
Accounts Payable	2.9	0.5	1.4	-	74.9	37.9



**42 Other Disclosures**

- (i) The Group's operations fall under single segment namely "Transmission Income" hence no separate disclosure of segment reporting is required to be made as required under IND AS 108 'Operating Segments'.
- (ii) Due to outbreak of COVID-19 globally and in India, the 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 Group's ability to continue as a going concern and meeting its liabilities as and when they fall due.
- (iii) The Special Purpose Combined Financial Statements for the period ended 30th September, 2022 have been approved by the Management Committee of Adani Transmission Limited (the holding entity) on 4th November, 2022.

As per our attached report of even date

**For Dharmesh Parikh & Co. LLP**  
Chartered Accountants  
Firm Registration Number : 112054W/W100725

*Chirag & Shah*

**CHIRAG SHAH**  
Partner  
Membership No. 122510



For and on behalf of the Board of Directors  
**ADANI TRANSMISSION LIMITED**

*Anil Sardana*

**ANIL SARDANA**  
Managing Director  
DIN: 00006867

*Rohit Soni*

**ROHIT SONI**  
Chief Financial Officer

*Jaladhi Shukla*

**JALADHI SHUKLA**  
Company Secretary

Place : Ahmedabad  
Date : 4th November, 2022

Place : Ahmedabad  
Date : 4th November, 2022