



# Adani Energy Solutions Limited

## Integrated Annual Report

2023-24

# STRONGER THAN EVER



Transmission



Distribution



Smart Metering



Cooling Solutions

AS IN SPORTS...

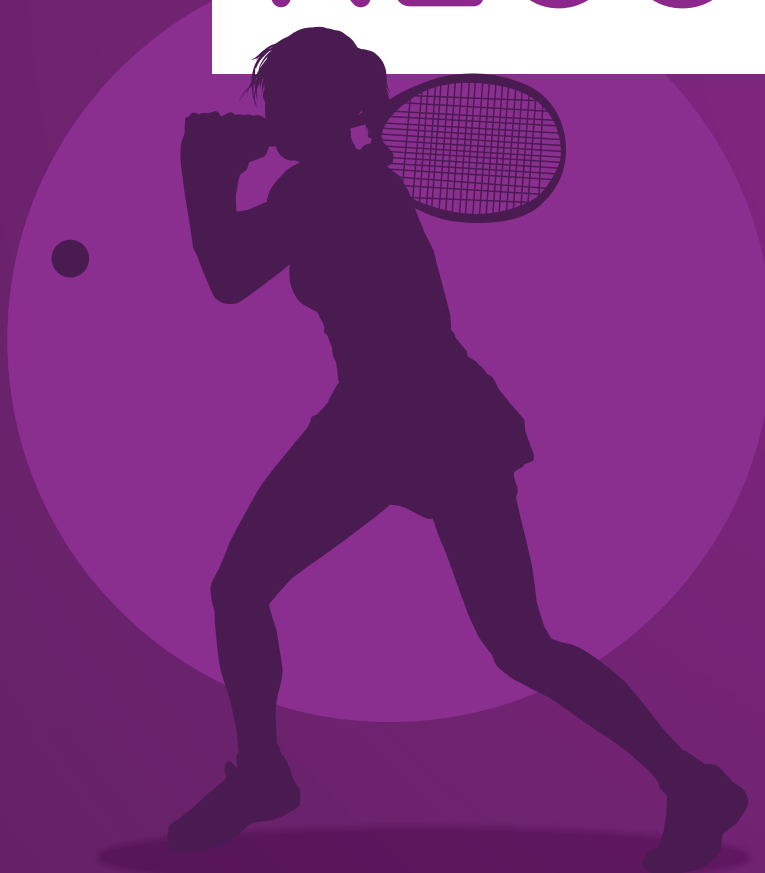
# BREAKING

"I have always been guided  
by striving to show  
the best that I could"

Steffi Graf

# ALL


# RECORDS





Monumental success is not merely about reaching new heights but shattering previous boundaries and redefining what is possible. It embodies the epitome of human potential, where individuals or entities

transcend conventional limits to achieve extraordinary feats. Such achievements become landmarks in history, inspiring generations and setting new benchmarks for excellence.



Mountains symbolise trust and truthfulness, strength and stillness, constancy and courage. In this publication, we have drawn our inspiration from the mountains, and paid our humble homage to the world's highest mountains.

Mount Everest, the world's highest mountain



While storms can flatten structures and cyclones can destroy cities,  
they cannot do anything to mountains.

Mountains remain unmoved and unaffected. From one peak to another,  
they continue to rise higher and higher.

And as they rise, they emerge stronger.

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We also faced a severe man-made storm recently – one that would have  
destroyed most businesses.

But, under the visionary leadership of our Chairman,  
we remained unyielding like a mountain.

We kept building inner strength by:

Our unceasing  
commitment to  
governance and  
compliance

Our unwavering  
focus on  
sustainability and  
impact creation

Our unending  
endeavour to  
trust and  
transparency

With untiring learning, we made the biggest comeback in the  
history of corporate India with our strongest performance ever.

We continue to rise higher and higher, and emerge

# Stronger Than Ever

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We showed our unbreakable spirit and proved that challenges could not weaken us; instead they became a testament to our ability to emerge stronger than ever.

**Gautam Adani**  
Chairman



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To view this report online, please visit:

[www.adanienergysolutions.com](http://www.adanienergysolutions.com)

# Approach to Integrated Reporting

## Approach to Integrated Reporting

This is Adani Energy Solutions Limited's ["Adani Energy Solutions/the Company"] (formerly known as Adani Transmission Limited) 6<sup>th</sup> Integrated Annual Report. Our integrated report is based on the principles contained in the <IR> Framework of the IFRS Foundation.

Through this Report, we showcase our approach to value creation covering all our stakeholders. We disclose financial and non-financial performance, in addition to our business model, material matters, risks and opportunities, strategy, governance, performance and outlook. Such disclosure goes beyond statutory requirements and empowers the providers of financial capital and the other stakeholders in making informed engagement decisions. A dedicated Environmental, Social and Governance (ESG) section also forms a part of this Report.

## Reporting Framework, Guidelines and Standards

The narrative sections of the Report adhere to the IIRC's <IR> Framework guidelines. These sections provide a comprehensive overview of the Company's performance and activities. The ESG section of the Report has been prepared in reference with the requirement of the Global Reporting Initiative (GRI) Standards 2021.

The statutory sections, including the Directors' Report, Management Discussion and Analysis (MDA) and Corporate Governance Report as well as the Financial Statements, comply with/reports on/references to the following:

- Companies Act of 2013 and its associated rules
- Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations of 2015, and the revised Secretarial Standards issued by The Institute of Company Secretaries of India
- Indian Accounting Standards
- Business Responsibility and Sustainability Reporting (BRSR) based on the National Guidelines on Responsible Business Conduct (NGRBC)
- United Nations Sustainable Development Goals (UN SDGs)

## Reporting Period, Scope and Boundary

The Report covers relevant financial and non-financial information for the Company and its subsidiaries. All the information in this Report pertains to the period April 01, 2023 to March 31, 2024. Historical trends of the data have been given wherever relevant to help give a better perspective to readers.

## Board Responsibility Statement

The Board of Adani Energy Solutions, in conjunction with management, acknowledge the shared responsibility for ensuring the integrity of the information provided in this Report. Both the Board and Management have applied their collective knowledge and have been actively involved in the

process of developing the Report's contents. They believe that the Report covers all relevant material matters and presents a fair, transparent and balanced perspective of the Company's value creation.

## External Assurance

An independent reasonable assurance of the Company's Business Responsibility and Sustainability Reporting ('BRSR') has been done by M/s. TUV India Pvt. Ltd. The standalone and consolidated annual financial statements have been audited by M/s. Walker Chandiok & Co LLP.

## Feedback

We value stakeholder inputs and consider them integral to our commitment to transparency, improving our reporting practices and taking ahead our integrated reporting journey. We welcome all our stakeholders to examine the Report and provide their valuable feedback to [Info@adani.com](mailto:Info@adani.com) and [sustainability@adani.com](mailto:sustainability@adani.com).

## Forward-looking Statement

This Report contains forward-looking statements that reflect Adani Energy Solutions Limited's views concerning future events and performance. These statements are based on reasonable assumptions and past performance and involve a variety of risks and uncertainties. These statements include all the statements other than historical facts, performance highlights, objectives, approaches, and mitigation plans. They are subject to change considering developments in the industry, geographical market conditions, government regulations, laws, and other incidental factors. Consequently, no forward-looking statement can be guaranteed, and actual results may vary materially causing a material impact on the Company's operations and performance.

## Adani Energy Solutions Limited's Public Information

### Investor-related information

- Equity Presentation
- Results Presentation
- Results Press Release
- Financial Statement
- Conference Call Transcript
- Annual Report
- Corporate Governance

<https://www.adanienergysolutions.com/investors/investor-downloads>

### Sustainability information

- Sustainability Report
- CDP Climate Change
- CDP Water Security
- Corporate Social Responsibility
- Safety

<https://www.adanienergysolutions.com/sustainability>





Mount K2 or Godwin Austen, the world's second highest mountain





# PORTFOLIO OVERVIEW

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Than Ever India

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12 Stronger Than  
Ever Performance

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THE ADANI PORTFOLIO OF COMPANIES

## Portfolio of Progress

At the heart of this Portfolio of Progress is a journey of evolution over the years. Like the ascending peaks of a mountain range, we have grown every year – not only on the strength of our business performance, but equally and importantly, through our steadfast commitment to environmental, social and governance practices underpinned by a culture of transparency.

The Adani portfolio of companies, headquartered in Ahmedabad, India, has been founded and promoted by the visionary industrialist Mr Gautam Adani. The operations of the portfolio commenced in 1988 with commodity trading business under the flagship company Adani Enterprises Limited (previously Adani Exports Limited).

The Adani portfolio of companies today stands amongst India's largest and fastest-growing diversified business portfolios spanning transport, logistics, energy and utility, materials, metals, mining and various B2C sectors. The portfolio comprises eleven publicly-traded companies, including four investment grade (IG)-rated businesses, and is India's sole Infrastructure Investment Grade bond issuer.

### Vision



To be a world-class leader in businesses that enrich lives and contribute to nations in building infrastructure through sustainable value creation.

### Values



#### Courage

We shall embrace new ideas and businesses

#### Trust

We shall believe in our employees and other stakeholders

#### Commitment

We shall stand by our promises and adhere to high standards of business

### Culture



#### Passion

Performing with enthusiasm and energy

#### Results

Consistently achieving goals

#### Integration

Working across functions and businesses to create synergies

#### Dedication

Working with commitment in the pursuit of our aims

#### Entrepreneurship

Seizing new opportunities with initiatives and ownership

### Core Philosophy



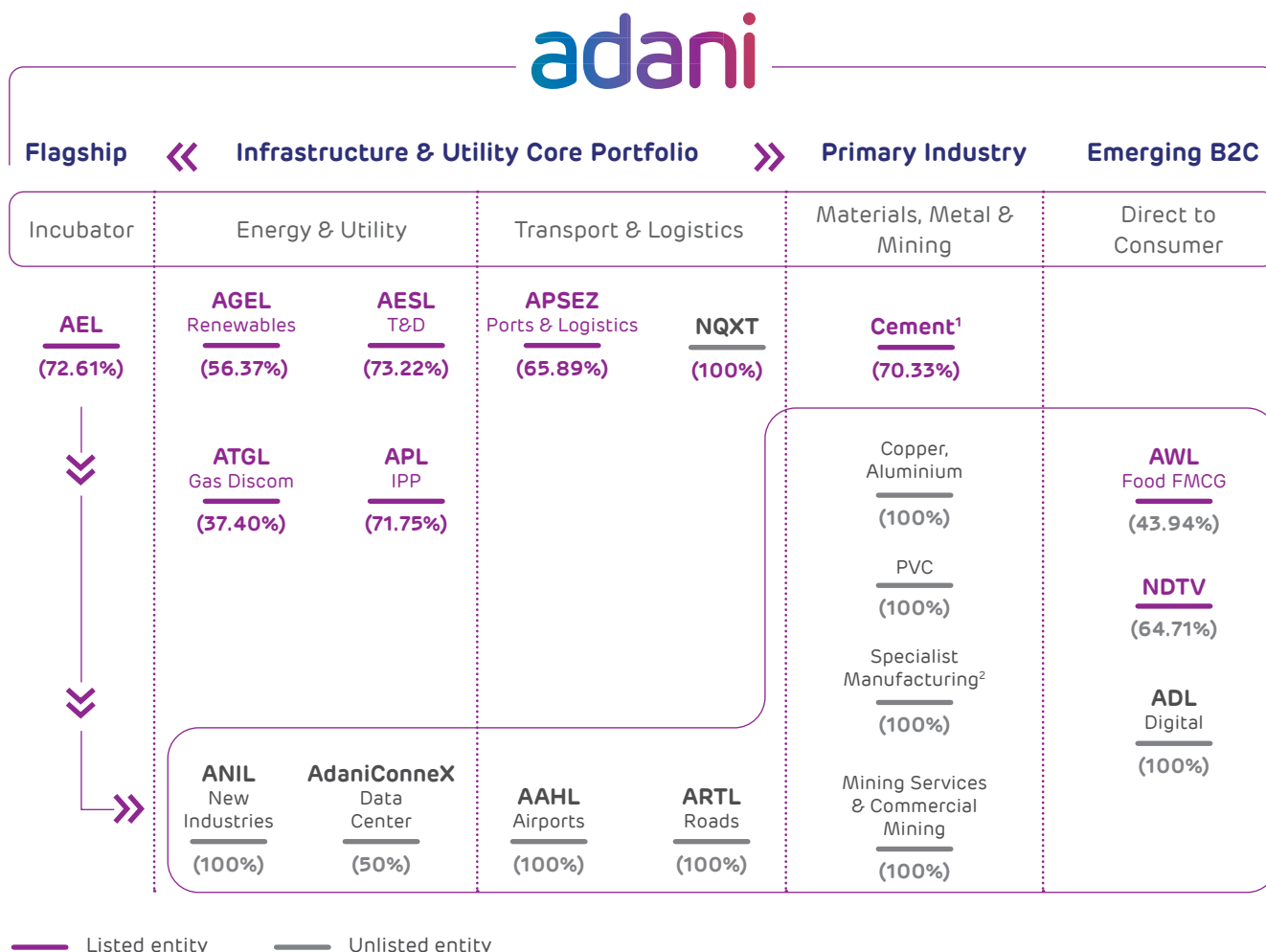
The Adani portfolio of companies is guided by the philosophy of 'Growth with Goodness', which emphasises sustainable and responsible development aligned with national priorities. To this end, ambitious ESG targets, with a focus on decarbonisation, have been set.

In one of the largest commitments of its kind globally, a significant USD 100 billion investment has been earmarked for a green transition and transport by 2030. This includes building Integrated Green Hydrogen Ecosystem encompassing three giga factories to develop 10 GW solar panels, 5 GW wind turbines and 5 GW hydrogen electrolyzers and expanding the portfolio of Adani renewables to 50 GW. Five major companies – Adani Ports, Adani Green Energy, Adani Energy Solutions, ACC and Ambuja – have committed to achieving net zero by 2050. Furthermore, a pledge has been made at WEF's 1t.org to plant 100 million trees by 2030.

The Adani Foundation, currently touching over 9.1 million lives, is positioned to address the critical needs of New India in areas like health, nutrition, education, basic sanitation, women's livelihood and skills development.

## Portfolio Structure

Unleashing growth and nation development with a world-class infrastructure and utility portfolio



(%) Adani family's equity stake in the Adani portfolio companies

(%) AEL equity stake

Holdings are as on March 31, 2024, except for cement, in which holding is as on April 30, 2024.

Data center, JV with EdgeConneX, **AEL**: Adani Enterprises Limited; **APSEZ**: Adani Ports and Special Economic Zone Limited; **AESL**: Adani Energy Solutions Limited; **APL**: Adani Power Limited; **AGEL**: Adani Green Energy Limited; **AAHL**: Adani Airport Holdings Limited; **ARTL**: Adani Roads Transport Limited; **ANIL**: Adani New Industries Limited; **AWL**: Adani Wilmar Limited; **ADL**: Adani Digital Labs Private Limited; **NDTV**: New Delhi Television Limited; **PVC**: Polyvinyl Chloride; **NQXT**: North Queensland Export Terminal; **ATGL**: Adani Total Gas Ltd, JV with TotalEnergies; **T&D**: Transmission & Distribution; **IPP**: Independent Power Producer

<sup>1</sup> Cement business includes 70.33% stake in Ambuja Cements Limited which in turn owns 50.05% in ACC Limited, Adani directly owns 6.64% stake in ACC Limited. Ambuja also owns 60.44% stake in Sanghi Industries

<sup>2</sup> Includes the manufacturing of Defence and Aerospace Equipment

# Committed to a Stronger Than Ever India

The Adani portfolio of companies boldly leads the way with extensive capacities spanning critical sectors of the economy and a nationwide footprint. They are strategically positioned to capture market leadership and propel the nation forward.

## Empowering Critical Sectors of the Indian Economy



### Transport and Logistics

Logistics (seaports, airports, logistics, shipping and rail), public transport infrastructure (roads and highways construction)



### Materials, Metals and Mining

Cement, mining development and operations, copper, petrochemicals, defence & aerospace



### Energy and Utility

Power generation, transmission & distribution, renewable energy (solar, wind, hybrid and pump hydro storage), green hydrogen, data center, water management



### B2C

Natural Gas & infrastructure (City Gas Distribution, EV Charging, Compressed Biogas Production, Smart Meters), agro (commodities, branded edible oil, packaged food products, cold storage and grain silos), media & entertainment, digital lab

## Scale and Market Leadership Across Businesses

### Adani Ports and Special Economic Zone Limited

**India's largest**  
private-sector port operator

**India's largest**  
port (Mundra)

**Highest** margin among peers

**627 MMT** cargo  
handling capacity

### Adani Green Energy Limited

**Among the world's largest**  
renewable energy business

**World's largest** wind-solar  
hybrid power project  
(2,140 MW) in Rajasthan

**21,953 MW** locked-in portfolio

Fully secured growth up  
to **50 GW** by 2030

### Adani Energy Solutions Limited

**India's**  
largest private-sector transmission and  
distribution company with over 20,500 ckm  
of network and 12 million consumers

**Only private player**  
in the country to have built and  
operate a HVDC line

**One of India's most efficient**  
transmission and distribution players in terms  
of line availability benchmarks and distribution  
losses and other operating parameters

AEML is rated as  
**India's No.1 power utility**  
(2<sup>nd</sup> year in a row)

**34.35%**  
Renewable power in the overall energy  
mix of AEML by FY 2023-24

## Adani Total Gas Limited

**India's largest**  
private city gas distribution business

**52\*** geographical areas  
of gas supplies

(\*including 19 IOAGPL GA's)

**606 EV** charging points and  
1,040 under various stages  
of construction

## Ambuja Cements Limited (with subsidiaries ACC Limited and Sanghi Industries Limited)

**Second largest**  
cement manufacturer in India

**Iconic** cement brand

**78.9 MTPA cement**  
manufacturing capacity

## Adani Enterprises Limited

**India's largest**  
business incubation company

**India's largest**  
airport infrastructure company

**4 GW** module manufacturing

**1.5 GW** wind turbine  
generator capacity

**17 MW** data center capacity

**500 KTPA** Copper Unit at Mundra

**5,000+** lane kms of road projects

**9** mine service contracts  
(operational: 4 coal and 1 iron ore)

## Adani Power Limited

**India's largest** private sector  
thermal power producer

**India's largest** single location  
private thermal IPP (Mundra)

**16.85 GW** of operating and  
upcoming capacity

## Adani Wilmar Limited

**India's largest**  
edible oil brand

**Amongst India's largest**  
port-based edible oil refinery

**5,000 MT** per day edible oil  
refinery capacity

**7.2 lakh** retail outlets

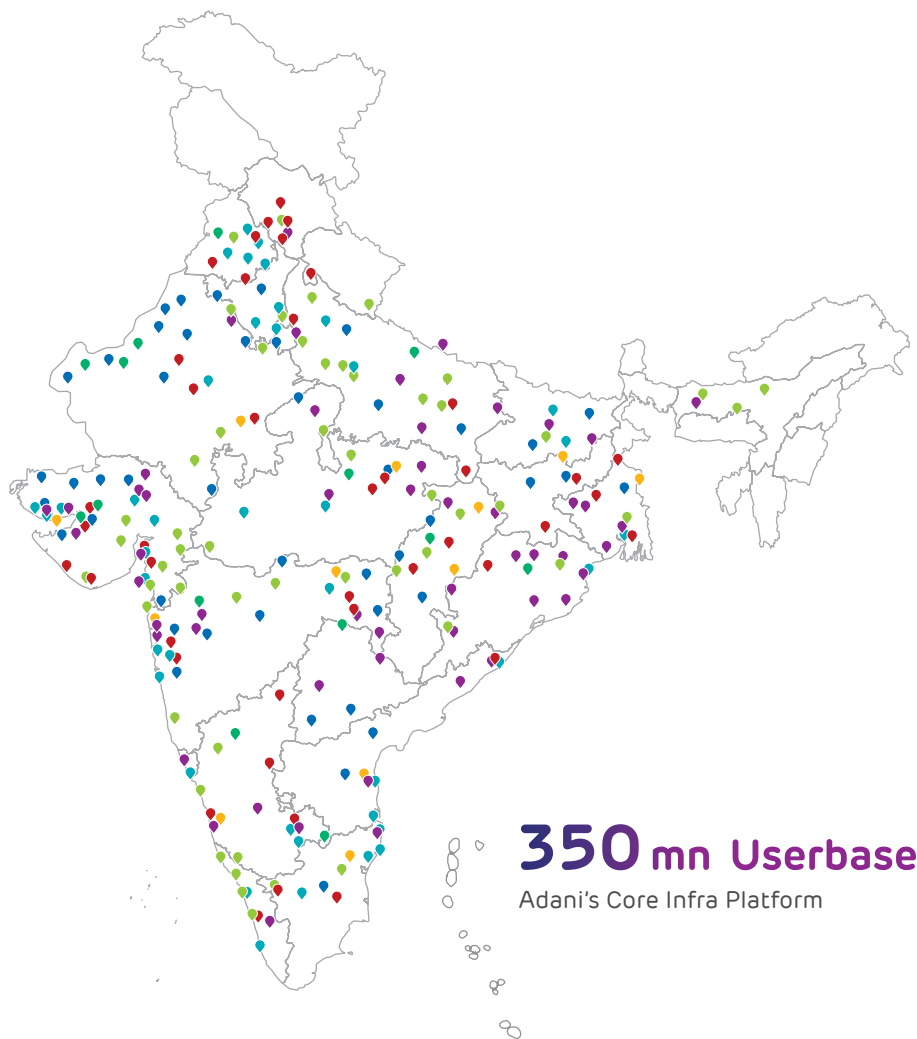
## NDTV Limited

**Among India's most trusted**  
media companies

**Countries**  
**65** NDTV 24\*7 | **10** NDTV India  
**5** NDTV Profit

**32.25 million**  
YouTube subscribers

## National Footprint with Deep Penetration



● AEL 
 ● APSEZ 
 ● AGEL 
 ● ATGL 
 ● AESL 
 ● APL 
 ● Adani Cement

Map not to scale and used for representation only.

# Stronger Than Ever Performance

## Industry-leading Profitability

Adjusted EBITDA	₹ 28,111 cr APL 96% ⬆	₹ 17,202 cr APSEZ 19% ⬆	₹ 6,322 cr AESL 4% ⬆	₹ 13,681 cr AEL 30% ⬆
	Note: Includes prior period items contributing ₹ 9,322 cr to EBITDA ₹ 8,847 cr AGEL 38% ⬆	₹ 1,166 cr ATGL 26% ⬆	₹ 7,589 cr Ambuja Cements Limited (with subsidiaries ACC Limited and Sanghi Industries Limited) 74% ⬆	₹ 1,406 cr AWL 28% ⬇

PAT	₹ 20,829 cr APL 94% ⬆	₹ 8,104 cr APSEZ 50% ⬆	₹ 1,197 cr Comparable PAT* AESL 12% ⬆	₹ 3,334 cr AEL 38% ⬆
	₹ 1,260 cr AGEL 30% ⬆	₹ 668 cr ATGL 22% ⬆	₹ 4,738 cr Ambuja Cements Limited (with subsidiaries ACC Limited and Sanghi Industries Limited) 119% ⬆	₹ 148 cr AWL 75% ⬇

\*Comparable PAT excludes all one-time items like regulatory income, provisions, bilateral charges

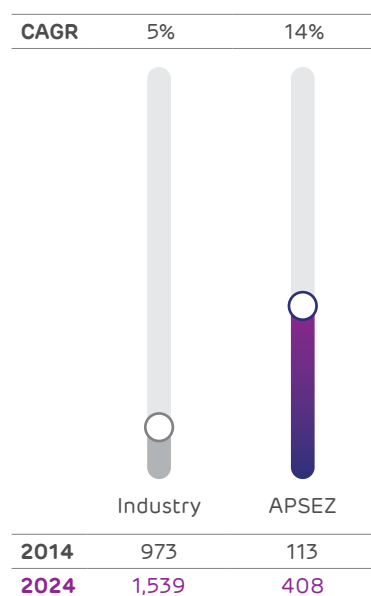
Note 1: Growth pertains to growth in FY 2023-24 vs FY 2022-23

Note 2: Adjusted EBITDA: PAT incl. Share of Profit from JV + Current Tax + Deferred Tax + Depreciation + Finance Cost + Unrealised Forex Loss / (Gain) + Exceptional Items

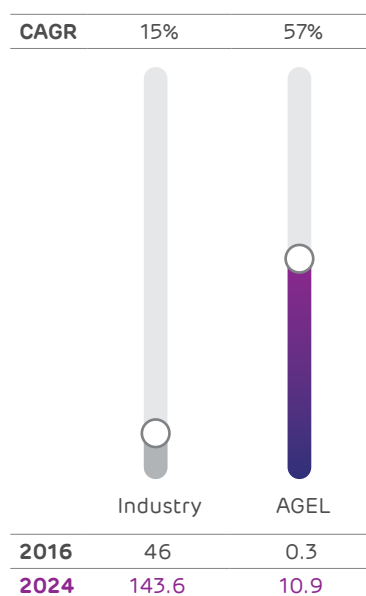
Note 3: EBITDA and PAT of AWL was impacted on account of hedges dis-alignment, tariff rate quota disparity and losses in Bangladesh operations



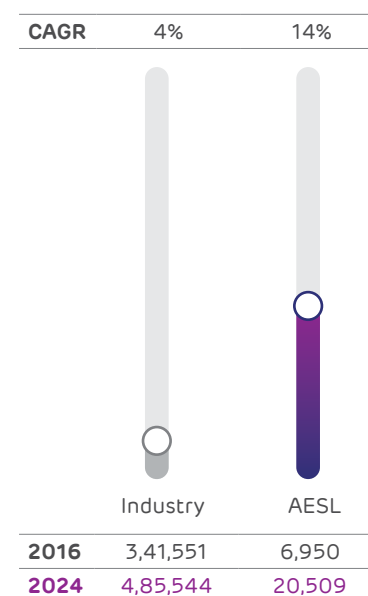
### Cargo Volume Growth (MMT)



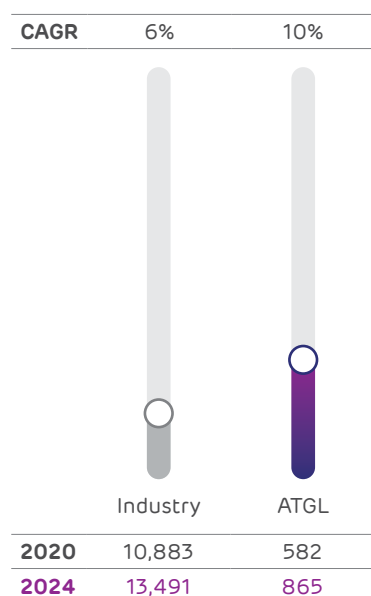
### Renewable Capacity Growth (GW)



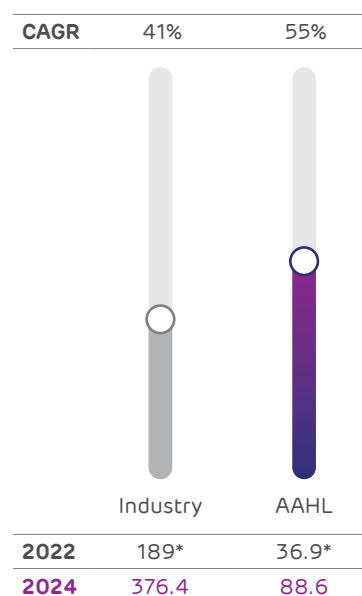
### Transmission Network Growth (ckm)



### City Gas Distribution Volume (MMSCM)



### Passenger Traffic (Mn)



Note: The start year considered for industry data is the year when the business commenced.

\* Pax numbers were impacted due to pandemic in FY 2021-22



Mount Kanchenjunga, the third highest mountain in the world



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## CORPORATE OVERVIEW

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# Indian Economy is Surging Fast, Poised to Become a Developed Nation by 2047.

Central to this rise has been the massive investments and supportive policies towards manufacturing in India, infrastructure creation and climate resilience.

This economic renaissance is ushering in a new era of digital and green economy and the uprising of new-age businesses. It is catalysing a tremendous spurt in energy demand and reshaping the energy landscape. Clearly, future energy needs will extend beyond electrons to other energy forms such as gases and molecules, heightening market competition.

Amidst the challenges and dynamism, we boldly redefined our business model, expanding our horizons to multiple energy solution areas including transmission, distribution, smart metering, cooling solutions and energy-as-a-service (Energy Distribution Platform).

## We Rebranded Ourselves from Adani Transmission Limited to Adani Energy Solutions Limited (Adani Energy Solutions) to Reflect this Transition.

At the same time, we remained steadfast in our performance, demonstrating exceptional execution to commission one of the largest capacities, secure large orders and expand geographic reach.

Striving to be the best-in-class, we pursued disciplined growth with strategic and operational de-risking and capital conservation, ensuring high credit quality and business excellence. Upholding our commitment to a robust ESG framework, we strengthened governance standards and a safety-centric culture.

## The Result

# Adani Energy Solutions is a Force Reinvented, Stronger Than Ever Before.

Our locked-in growth trajectory is stronger than ever, with a robust project pipeline in transmission, smart metering, and an improving landscape on the power distribution side. It stands to strengthen our pan-India presence and market-leading position. The planned expansion into new distribution geographies further opens prospects to tap a larger consumer base.

Our long-term sustainability is stronger than ever with our new identity. It equips us to offer comprehensive energy solutions, from bulk electron (trading or movement) to retail electron and beyond, setting the stage for growth across conventional and non-conventional business areas, providing customers choice to increase share of green power in total demand with reliability and saving on energy expenses.

Armed with resilience and vision, we are ready to navigate the challenges and seize opportunities. We are poised to deliver strong growth and create long-term value for all our stakeholders.



# This is what Being Stronger Than Ever Means for Adani Energy Solutions

## Unparalleled Execution and Expansion in the Growth Pipeline in FY 2023-24

**1,244 ckm**

New transmission lines commissioned

**2.28 crore**

Smart meter orders won

**9.4%**

Increase in energy sales to 9,916 MUs (AEML)

**12%**

Increase in asset base

**₹ 17,000 crore**

Transmission system under-construction

**₹ 27,195 crore**

Contracted value of total smart meter

**03**

Parallel licences applied for

## Solid Financial Metrics

**17%**

Increase in revenue from operations to ₹ 14,217 crore

**4%**

Increase in operating EBITDA to ₹ 6,322 crore

**12%**

Increase in Comparable PAT\* to ₹ 1,197 crore

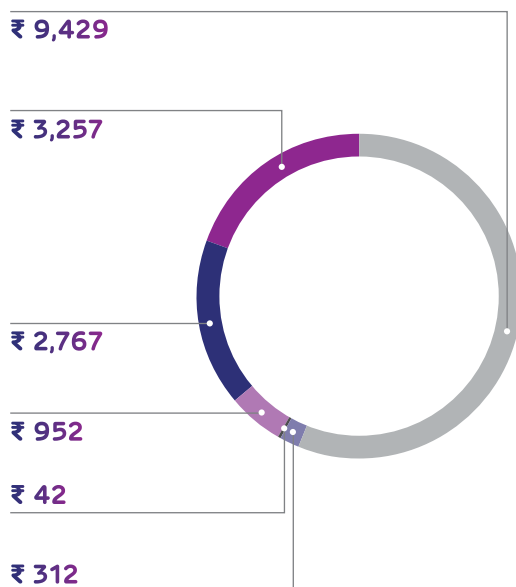
**₹ 1,14,339 crore**

Market capitalisation as on March 31, 2024

\*Comparable PAT excludes all one time items like regulatory income, provisions, bilateral charges

# Inclusive Growth and Value Creation for Stakeholders

## Value Distributed (₹ crore)



## Value Added (total revenue\*)

**₹ 17,218 crore**

Total value added in FY 2023-24

- Reinvested in business
- Paid to providers of debt
- Employee benefits
- Contribution to society
- Contribution to the national exchequer
- Operating costs

\*Total revenue includes revenue from operations & other income but excludes income/expenses on account of movement in regulatory deferral account balance.



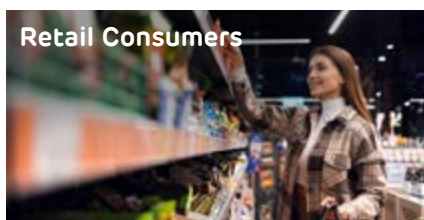
**₹ 3,257 crore**  
Cash profit



**4,959**  
Total permanent employees



**37,914**  
CSR beneficiaries



**99.996%**  
Supply reliability



**₹ 7,735 crore**  
(equivalent to **99.81%** of total spends)  
Procurement from local vendors



**23.87%**  
GHG emission intensity reduction (tCO<sub>2</sub>e/ ₹ Revenue)  
Adani Energy Solutions is certified for water positive, single-use plastic-free and zero waste to landfill

# Message from the Chairman



**Every challenge  
we have faced has  
made us more  
resilient.**



## Dear Shareholder,

This year marks a monumental milestone for us. I am immensely grateful for what we have achieved together. Your unwavering support and trust have fuelled our transformation and allowed us to emerge stronger than ever with the wherewithal to overcome every obstacle that has come our way.



**Our journey epitomised the essence of the - spirit that has always defined us and has allowed us to consistently turn setbacks into comebacks.**

## From Trials to Triumph

For the Adani Group, 2023 was a year unlike any other. In the face of an unprecedented challenge and widespread scrutiny, our journey epitomised the essence of the spirit that has always defined us and has allowed us to consistently turn setbacks into comebacks. In 2023, we showed our unbreakable spirit and proved that challenges could not weaken us; instead they became a testament to our ability to emerge stronger than ever.

As most of you know, we faced baseless accusations made by a U.S.-based short-seller that threatened to cast a shadow on our reputation and decades of hard work.

Typical short-selling targets financial markets. This was far more insidious. It was a two-pronged attack, simultaneously targeting our financial standing and dragging us into the political arena. The onslaught was a calculated strike two days before the closing of our Follow-on Public Offer (FPO). Amplified by a segment of complicit media, it was designed to defame us, inflict maximum damage and erode our hard-earned market value.

We were, therefore, faced with a multi-dimensional crisis. Despite successfully raising ₹ 20,000 crore through the FPO, we made the extraordinary decision to return the proceeds. This historic move underscored our unwavering dedication to our investors and our commitment to ethical business practices.

Amidst the challenges, our liquidity became our greatest asset. Augmenting our cash reserves, we raised approximately ₹ 40,000 crore more, comfortably covering the next two years of our debt repayment. This decisive action is a testament to the strength of your company. It restored market confidence, and we safeguarded our portfolio against any volatility by pre-paying ₹ 17,500 crore in margin-linked financing.

Despite never having faced any challenges with debt repayments while operating in the inherently leveraged infrastructure sector, we dropped our Debt to EBITDA ratio to 2.5x in just six months from 3.3x at the end of March 2023. It is now at 2.2x. We should keep in mind that five years ago, this ratio stood at 7x. This approach not only strengthens our financial resilience but also increases our capacity for future expansion.



**Amidst the challenges, our liquidity became our greatest asset. Augmenting our cash reserves, we raised approximately ₹ 40,000 crore more, comfortably covering the next two years of our debt repayment.**

2.2x

Portfolio-level  
Net Debt to EBITDA  
ratio in FY 2023-24

We were further vindicated when the Supreme Court of India affirmed our actions, and our commitment to operational excellence and transparent disclosures was validated not only by rating agencies and the well-informed financial community but also by respected global investors. Partners like GQG Partners (U.S.), TotalEnergies Limited (Europe), IHC and QIA (Middle East), and even the U.S. Development Finance Corporation (DFC) stood firmly by our side, signalling unwavering confidence in our integrity.

The fact is that the spirit to fight back, the courage to stand up, and the will to overcome makes us stronger than ever. The storms that tested us became the very ones that fuelled our strength.

### India's Moment: Navigating Complexity, Seizing Opportunity

The world stands at a crossroads. Geopolitical tensions strain relationships, the fight against climate change grows more challenging, and technological change disrupts the way we live and work. Amidst this uncertainty, a powerful light shines – the undeniable rise of India.



**India's trajectory is shaped by an exceptional time where opportunity and decisive action converge. This is evidenced by powerful metrics: a remarkable growth rate, declining fiscal and current account deficits, surging exports, controlled inflation, and rising income levels.**

India stands at a pivotal moment. A period where circumstances tilt in its favour, and decisive action can propel decades of growth and prosperity. Our nation is witnessing something extraordinary: a self-reinforcing cycle of progress. Growth feeds growth. India's trajectory is shaped by an exceptional time where opportunity and decisive action converge. This is evidenced by powerful metrics: a remarkable growth rate, declining fiscal and current account deficits, surging exports, controlled inflation, and rising income levels. These forces intertwine with declining poverty and expanding consumption, feeding corporate strength and slashing bank NPAs. This self-reinforcing cycle of progress is fuelled by domestic demand and amplified by global investors seeking stability and diversification, leading to record FDI inflows further bolstering the economy at a time of global insecurity.

The foundation of much of India's success rests in the clarity, consistency, and compassion of the government. Its focus on the welfare of the common citizen is transformative. Schemes like Direct Benefit Transfer, eliminating over 100 million fraudulent accounts and saving an astounding ₹ 3 lakh crore from misuse, Ayushman Bharat, saving the poor an estimated ₹ 1 lakh crore in healthcare expenses, the Prime Minister Ujjwala Yojana, providing clean cooking solutions to over 10 crore underserved citizens, or the Jal Jeevan Mission, which aims to supply 55 litres of water per person per day to every rural household, are more than just programmes – they are pillars of social progress that act as safeguards for the health and dignity of millions of our people. This trust in government emboldens the people and fuels their ambition.

It is this platform, established over the past decade, that has made India the world's fastest-growing major economy, a nation of scale, vision, and heart. In addition to the domestic success, its rising geopolitical stature and



principled global engagement positions India as a leading force for stability and progress during a tumultuous time as seen through initiatives like the G20 presidency.

This is India's moment. We are now the force for stability, cooperation, and progress in a complex world bolstered by vast domestic demand and propelled by the government's ambitious USD 2 trillion infrastructure investment target by 2030.

We, as a company, recognise this exceptional moment and that our ambitions are not just our own; they are interwoven with India's emergence as a true global power. India shines, and we shine with it.

### Hum Karke Dikhate Hai: The Philosophy for Our Success

India's robust macroeconomic stability and ambitious growth plans inspire unwavering confidence in our future. The pivotal role of public-private partnerships in infrastructure development, fuelled by strong multiplier effects, reinforces our belief. The nation's infrastructure spending has tripled in the past decade, with breakneck progress in highways, railways, and electrification. Initiatives like Gati Shakti will integrate infrastructure schemes (Bharatmala, Sagarmala, etc.) to drive logistics costs below 10%, bolstering competitiveness, and we are very well positioned to capitalise on such programmes.

This infrastructure push, combined with policies like Make in India and Production-Linked Incentive Schemes, will drive investment across vital sectors – roads, airports, ports, power, railways, and data centers, each of these are core businesses for the Adani Group. As India's leading infrastructure player, we see a clear narrative of immense and predictable growth.

Our record-breaking achievements in 2023 underscore our alignment with national priorities and our ability to execute the most complex, largescale projects with unmatched expertise.

Picture our Khavda Renewable Energy Park, the world's largest RE plant spanning several hundreds of square kilometres. Already generating 2,000 MW of clean energy, our aggressive timeline aims to develop 30 GW capacity in the next five years, enough to power nations like Belgium, Chile, and Switzerland. For us, this RE park is a symbol of our commitment to sustainability and a symbol of national pride.

In the spirit of sustainability, Adani Green became the proud sponsor of London Science Museum's stunning green energy gallery that looks at the past, present and future of energy systems. It is now considered one of the foremost museums that showcases how the world can generate and use energy more sustainably. It has quickly become a one-of-its-kind platform drawing and inspiring thousands of global visitors to understand solutions for an equitable and sustainable future.

## USD 2 trillion

Government of  
India's infrastructure  
investment target by 2030



**Our record-breaking achievements in 2023 underscore our alignment with national priorities and our ability to execute the most complex, largescale projects with unmatched expertise.**

## 420 MMT

Cargo handled by Adani  
Ports in FY 2023-24

## USD 553 mn

U.S. Development  
Finance Institution's  
investment in our  
container terminal  
JV in Sri Lanka



**We consistently take on projects of immense scale that others wouldn't dream of, proving our ability to deliver complex infrastructure that will fuel the nation's rise and most importantly continue to ensure that we do so without compromising on our growth and financial numbers.**

Or envision the cutting-edge Ammunition and Missile Complex, South Asia's largest, a testament to our commitment to India's security. Picture the Drishti 10 Starliner UAV, a symbol of Indian innovation, soaring through the skies, protecting our nation. These aren't just machines; they embody our unwavering dedication to India's well-being.

Further, visualise the world's largest slum at Dharavi in Maharashtra as we redevelop it over the next decade to provide dignity to over its 1 million residents. This is not a project of redevelopment; it's about dignity of living.

And we did not stop there.

We were privileged to have the Honourable Prime Minister inaugurate the state-of-the-art Terminal T3 at the Chaudhary Charan Singh International Airport in Lucknow, designed to accommodate 8 million passengers annually and enhance domestic and international connectivity.

Kutch Copper Limited, a pioneering project in Mundra, commenced operations at its greenfield copper refinery. By the end of this decade, we aim to make it the world's largest single-location copper smelter with a capacity of 1 MTPA, significantly enhancing India's self-reliance on a crucial metal needed for several critical industries.

Adani Ports experienced an exceptional year, exceeding 400 MMT of cargo for the first time and handling a record 420 MMT as it continued to expand its position as India's premier commercial port with significant double-digit growth across most facilities.

The U.S. Development Finance Corporation injected USD 553 million into CWIT, Adani's joint venture in Sri Lanka, to develop a deepwater shipping container terminal at Colombo Port. This investment is a strategic step showcasing the confidence of the DFC on Adani's capabilities as well as towards bolstering Sri Lanka's economic recovery through private sector-led initiatives.

Following the strategic acquisition of ACC and Ambuja Cements and the successful commissioning of our Ametha Integrated Unit, the Adani Group's combined cement capacity has risen from 67 MTPA to 78.9 MTPA. This puts us well on the path towards the 140 MTPA target we had set to achieve by 2028. Also, we are proud to state that Ambuja Cements was the lead supplier for the breathtaking Mumbai Trans Harbour Link, India's longest sea bridge covering 21.8 km that showcases its infrastructural prowess. Our approach is clear – align with the nation, build adjacencies, and de-risk through integration. Today, we stand as a testament to India's growth trajectory. We consistently take on projects of immense scale that others wouldn't dream of, proving our ability to deliver complex infrastructure that will fuel the nation's rise and most importantly continue to ensure that we do so without compromising on our growth and financial numbers. This is best manifested in the all-round growth numbers we delivered in 2023-24.

## Financial Performance: An All-Time Record

In terms of financial performance, I am delighted to state that we achieved an unprecedented milestone, recording the highest-ever EBITDA of ₹ 82,917 crore (roughly USD 10 billion), a remarkable surge of 45%. This exceptional financial performance drove our PAT to a record high of ₹ 40,129 crore, marking a substantial 70.8% growth. Our net Debt to EBITDA further fell to 2.2x from 3.3x over the past year, giving us additional headroom for future growth. All of this resulted in an all-time-high levels of liquidity for the Group with a cash balance of ₹ 59,791 crore.

These consistent and improved metrics demonstrate our highly stable infrastructure platform, and led to a series of rating and outlook upgrades. Three of our portfolio companies – Ambuja, ACC, and APSEZ, are now AAA rated.

# ₹ 82,917 Cr

Highest-ever  
portfolio-level  
EBITDA in FY 2023-24

### Highlighting the performance of a few of our companies:

#### AESL

We commissioned critical transmission infrastructure, including two 765 kV lines – Warora-Kurnool (1,756 ckm) and Khavda, Bhuj. Our transmission order book stands at ₹ 17,000 crore, and our smart metering order book has expanded to 2.28 crore meters.

#### AEL

As the incubation engine for the Group, AEL had a stellar year with three of our incubating businesses, including airports, green hydrogen eco-system and roads, picking up momentum. Passenger traffic at our airports witnessed a strong double-digit growth and stands at 88.6 million passengers. The solar manufacturing division has successfully commissioned a large-sized monocrystalline ingot and wafer unit, India's first, further enhancing control over the fully integrated green hydrogen production chain.

#### APSEZ

In addition to reaching 420 MMT and 10 of our ports recording lifetime high cargo volumes, we undertook successful acquisitions of Gopalpur and Karaikal ports.

#### Power businesses (APL and AGEL)

Given the RE growth potential, we revised our FY 2029-30 target from 45 GW to 50 GW. In the year, we added 2.8 GW, 15% of India's total renewable capacity addition. This includes the commissioning of the first 2 GW at the world's largest RE park at Khavda within 12 months of breaking ground, which highlights our execution capabilities.

## 9.1 mn people

Reach of Adani Foundation



**Adani Foundation reaches millions of individuals across 6,769 villages in 19 states. This vast engagement underscores our deep commitment to uplifting lives and fostering sustainable development nationwide.**

### APL

Our operating capacity increased by 12% to 15,250 MW, with the commissioning of the 1,600 MW Godda ultra-supercritical thermal power plant.

### ATGL

We expanded our CNG stations from 733 to 903 and PNG connections from 8.45 lakhs to 9.76 lakhs. We also commissioned 606 EV charging points and phase-1 of one of India's largest biomass plants in Barsana.

### Ambuja Cements

Our total capacity has increased to 78.9 MTPA from 67.5 MTPA and our EBITDA per tonne has more than doubled since we acquired the business. Our target is to reach 140 MTPA by 2028.

### NDTV

Our media entity has expanded its presence regionally and scaled digitally, with a 39% increase in global digital traffic. We also invested in next-generation infrastructure, with new facilities in BKC, Mumbai, and NCR, Delhi.

Overall, our record-breaking performance and strategic achievements across diverse sectors showcase our commitment to innovation and sustainable growth. Several of these achievements will significantly reduce national reliance on imports and help secure our national value chains. We have always believed that we are not just building businesses; we are contributing to powering India's future with infrastructure, energy solutions, and digital advancements. As we continue to invest in cutting-edge technologies and expand our reach, we are confident in our ability to deliver exceptional value and continue to contribute to our stakeholders.

### The Power of Purpose: Approach to Corporate Social Responsibility

We recognise that the most successful and enduring companies understand that integrating sustainability, ethical business practices, and community engagement into their core strategies is both a moral imperative and a smart business decision. In this context, the Adani Foundation's reach has now extended to 9.1 million individuals across 6,769 villages in 19 states. This vast engagement underscores our deep commitment to uplifting lives and fostering sustainable development nationwide. Our commitment to 'Growth with Goodness' drives our actions – from addressing environmental impact to prioritising the needs of all stakeholders, we strive to create long-term value while fostering thriving communities. And as outlined here, we continue to have inspiring stories of success.

Through the Adani Saksham (skill development) initiative, we empowered 1,69,000 young individuals with essential skills, helping them secure a brighter future and potentially become entrepreneurs.

Our agricultural programmes revitalised 26,000 acres of land, introducing sustainable practices and natural farming techniques that promise a greener tomorrow.

Our health outreach programmes, including mobile health care units and camps, touched 2 million lives, ensuring that essential services reach the most remote communities.

Further, the Gujarat Adani Institute of Medical Sciences, Adani Hospitals, and our rural clinics and wellness centers provided critical healthcare to approximately 2.7 million individuals.

The SuPoshan project enhanced the nutrition delivered to 4,14,000 women and children, fortifying the foundations of future generations.

Our efforts in animal husbandry improved the livelihoods of numerous farmers, with 9,100 cattle benefiting from better care and 30,000 instances of artificial insemination boosting productivity.

Our water conservation initiatives created a staggering 13.8 million cubic meters of storage capacity, ensuring water security and supporting the ecological balance of our ecosystems.

The engagement of 16,900 women in self-help groups underlined our initiative for sustainable economic development, empowering them to become agents of change in their communities.

At the Adani Foundation, each number tells a story of change, of a life empowered, and a community revitalised. These stories fuel our mission to continue making a significant and sustainable impact, and I am proud of what we have achieved together as we strive to do our part to leave a small positive mark on this world.

## **A Shared Destiny: Stronger than Ever and Building a Nation Together**

The challenges we overcame last year have strengthened our resolve. We draw inspiration from the very resilience that India embodies. Our ambitions are limitless, just like India's. We see a future where our expertise drives infrastructure revolutions, where our green energy initiatives power a sustainable tomorrow, and where our commitment to upliftment transforms communities.

The road ahead is paved with extraordinary possibilities and I can promise you that the Adani Group today is stronger than it's ever been. Our journey is a testament to the relentless pursuit of dreams, of turning ambition into reality. This isn't just about building businesses; it's about building a nation.

Hum Karke Dikhayenge! The best is yet to come.

**Gautam Adani**

# Message from the Managing Director



Today, we stand  
**STRONGER THAN EVER,**  
empowered by our  
strong performance and  
driven by our stronger  
potential.



## Dear Fellow Stakeholders,

It is with great pleasure that I present our FY 2023-24 integrated annual report. The year gone by has been extraordinary, marked by solid, all-round performance and a significant milestone in our evolution into an energy solutions company in alignment with global trends. Our operations and capabilities are now **STRONGER THAN EVER**, positioning us to seize unprecedented opportunities while addressing the diverse energy needs across customer segments. As we stand at the cusp of the future, I am pleased to share our aspiration for the future, underpinned by innovation, relentless pursuit of excellence and focus on sustainability.



**By solutioning, we intend to prioritise the consumer and place service at the forefront – offering them choices of accessible, reliable, affordable and sustainable energy solutions with green energy at the core.**

## A Changing Industry landscape

Globally, strategic changes are redefining the energy landscape, with renewable energy taking centre stage. In India specifically, profound changes are transpiring. First and foremost, the energy demand is surging rapidly aligned with economic growth. This momentum is likely to continue with the Indian economy projected to emerge as the third-largest economy by 2030. Moreover, government-backed initiatives such as the Make in India are driving growth in strategic sectors. Lastly, the emphasis on climate-conscious growth is greater than ever with the nation committing to ambitious carbon reduction plans at the COP26 summit, thereby laying emphasis on transition to green electrons as also to green molecules, in all formats of energy usage.

These developments are reshaping industry paradigms, fostering the emergence of new-age industries including data centers, semiconductors and manufacturing related to aircraft components, renewables value chains and large AI warehousing capabilities. This transformation has also unleashed the urgency for reliability as a service to guarantee a stable and dependable supply of quality green power. India is committed to this energy transition as the future energy demand lies in both electrons and molecules, which in turn would increase the complexity and competitive intensity within the industry.

## Transforming for a New Era

Before I delve into our transformation and future direction, it would be vital to understand our journey thus far. We started with the transmission business in 2015, and since have added significant capacities to emerge as the largest private-sector transmission company in India. In 2018, our strategic move into the distribution sector with the acquisition of Mumbai Retail Distribution Infrastructure's assets, propelled us towards last-mile connectivity. This momentum continued with the addition of retail electricity distribution portfolio at Mundra SEZ with the acquisition of MPSEZ Utilities Limited in 2020, which is slated to be expanded to contiguous geographies in Kutchh region.

As the energy landscape underwent a dynamic shift, characterised by growing power loads, the emergence of large data centers and growing per capita cooling needs, we recognised an opportunity to redefine our role. At the same time, we realised that perhaps the energy sector was amongst the last choice-less service frontier.

This required us to make a strategic pivot, as we expanded into smart meters and cooling solutions businesses and focussed on addressing the energy requirements of both open access and captive customers. Further, we adopted a new mindset, transitioning from a mere service provider to becoming a comprehensive solutions company. By solutioning, we intend to prioritise the consumer and place service at the forefront – offering them choices of accessible, reliable, affordable and sustainable energy solutions with green energy at the core. With this, we now have a larger role in the energy value chain, emerging as a preferred solutions partner.

20x

Projected rise in demand of cooling solutions over the next two decades

This pivot has propelled the Company beyond its traditional role as a transmission player to emerge as a comprehensive energy solutions provider. A shift this significant, demanded a bold new identity, culminating in our strategic rebranding from Adani Transmission Limited to Adani Energy Solutions Limited in 2023. The new name ushers a new era of boundless potential, underpinned by our commitment to innovation and adaptability. It underscores our agility and readiness to embrace opportunities in both electrons (electricity) and molecules (hydrocarbons and green hydrogen). It positions us to capitalise on the immense opportunities in smart metering, cooling as a service and other energy solutions while retaining our pioneering status in the transmission and distribution sectors. Today, we stand STRONGER THAN EVER, empowered by our strong performance and driven by our stronger potential.

### Securing Growth with Our New Identity

Our transmission and distribution businesses registered strong performances in FY 2023-24. Considering the strong growth opportunity in the businesses, we have taken various decisive moves.

In the transmission business, the Company has expanded its engagement beyond B2G to encompass B2B, aiming to directly cater the commercial and industrial customers. We focus on differentiating by providing a cost-effective alternative to grid electricity while assuming responsibility for meeting their 24x7 requirements and fulfilling renewable purchase obligations with green electrons.

This transformative shift propels the Company beyond the realm of being mere providers of transmission lines for bulk electrons to playing a more significant role in the energy landscape. It empowers us to seize opportunities in competitive renewable energy procurement, bundling it with conventional energy and storage solutions to offer customers innovative, state-of-the-art energy solutions.

In electricity distribution, we are distinguishing ourselves by offering customers choices. During the year, we won the distribution licence to supply power to Santacruz Electronics Export Processing Zone (SEEPZ) SEZ. Here we are making a significant impact by guaranteeing power reliability and quality as a service at competitive tariffs. Furthermore, our efforts include the removal of batteries, aiding factories in reducing their carbon footprints. We intend to scale this model further and we have applied for parallel licences in three new areas. Two of these are in Navi Mumbai and Kutchh, contiguous to our existing DISCOMs in Mumbai and Mundra SEZ. The third one is in western Uttar Pradesh stretching from Ghaziabad to the Jewar-Bulandshahr area. We intend to leverage our expertise to improve consumer experiences in these regions.

Our smart meters business is aligned with the government's mandate (RDSS) to install 25 crore smart meters by FY 2025-26. These intelligent meters enhance billing accuracy and provide valuable insights that empower DISCOMs Pan India, like ours, to manage risks and reduce losses effectively. Further, they facilitate the optimisation of electricity costs for consumers by offering various insights into consumption patterns.

Supported by our existing expertise in the segment, we have secured 2.28 crore smart meter orders so far with a market share of 20%. Our total revenue potential from these orders is valued at ₹ 27,195 crore. All efforts are currently directed towards managing the front and back-end to execute these orders seamlessly.

The cooling solutions sector is a massive opportunity in India. Its demand is projected to rise 20 times over the next two decades driven by growing disposable income, global warming and low air conditioning penetration rate at 7-9% compared to over 90% in developed nations. Notably, this demand is expected to veer away from traditional cooling solutions, such as air conditioners, which are unsustainable given their energy-guzzling nature and exacerbation of the heat island effect through heat release during operations.



**Our smart meters business is aligned with the government's mandate to install 25 crore smart meters by FY 2025-26.**

With cooling solutions concepts and thermal storage, we are offering differentiated solutions under cooling as a service model which is sustainable, low-carbon and affordable with a pay-per-use structure. Little competition and our Indian market knowledge, position us attractively to capture a large share of the cooling solutions market, estimated to aggregate over 7.92 million tonnes of refrigeration by FY 2029-30.

We are executing a few projects with prominent builders' communities in Navi Mumbai as well as with Adani Realty in Ahmedabad. These projects, aimed at providing complete air conditioning solutions on a district-level basis, will not only mitigate hazards related to fire and greenhouse gas emissions but also make us more benign. Moreover, it will qualify for various credits under the UNFCCC CDM programme, further enhancing our sustainability credentials.

## ESG Commitment

ESG factors remain a focus area for the Company, underscoring our commitment to sustainability and responsible corporate citizenship. Notably, we are proud of our safety performance, maintaining a track record of zero fatalities across our pan-India operations.

As an institution, we aspire to be ranked among the top 20 global companies in the global utility industry, and continue taking monumental steps towards this. Back in FY 2021-22, we launched India's first energy sector sustainability-linked bond with legally binding sustainability performance targets that included increasing renewable energy penetration and reducing GHG emission intensity in line with COP26 goals. We have already exceeded our FY 2022-23 target of 30% renewable power in the overall mix closing the year at 34.35%. We remain on track to achieve the next milestone for increasing renewable power mix to 60% and 50% reduction in GHG emission intensity by FY 2026-27, compared to FY 2018-19 baseline.

Additionally, we have implemented measures to ensure the Company is water positive, single use plastic free and ensure Zero waste to landfill. Our community efforts benefitted 37,914 lives in the areas of education, health and well-being, skill development and community infrastructure development.

I am delighted to share that our efforts have been recognised across multiple platforms. FTSE has reaffirmed the Company as a constituent of the FTSE4Good index series, with an improved ESG score of 4.0 (FY 2023-24) from 3.3 (FY 2022-23). Sustainalytics ESG score has improved from 32.8 (FY 2022-23 - High Risk) to 25.3 (FY 2023-24 - Medium Risk) placing us in the top echelons of electric utilities globally. Adani Electricity Mumbai DISCOM is rated as India's No. 1 power utility (second year in a row) for FY 2022-23 as per the 12<sup>th</sup> edition of Integrated Rating of DISCOMs (a joint study by the Ministry of Power, McKinsey and PFC). This is a testament to the Company's dedication to pursuing the agenda on different environmental, social and governance aspects.

## Closing Thoughts

In FY 2023-24, our proactive approach to project execution, building capabilities and rebranding the Company has positioned us as a formidable force in the energy sector. We are well-poised to offer comprehensive energy solutions to deliver growth across both conventional and non-conventional areas, with the potential to gradually move into the overall energy paradigm. Our renewed positioning enhances our consumer relevance and positions us to meet individual, commercial and national energy requirements most effectively, affordably, and sustainably.

On behalf of the entire Board, I extend my heartfelt gratitude to all stakeholders for their unwavering support and collaboration. It is through our collective efforts and shared commitment to excellence that we have achieved significant milestones, setting the stage for future success. We remain committed to delivering growth and value-creation for all stakeholders and contributing to a sustainable energy future, making the Company and the country **STRONGER THAN EVER**.

**Anil Sardana**

Managing Director

# 34.35%

Renewable power  
in the overall energy mix



**Adani Electricity Mumbai DISCOM is rated as India's No.1 power utility (second year in a row) for FY 2022-23 as per the 12<sup>th</sup> edition of Integrated Rating of DISCOMs (a joint study by the Ministry of Power, McKinsey and PFC).**

ABOUT ADANI ENERGY SOLUTIONS LIMITED

# Leading India's Quest for Energy Access and Energy Security

**We are India's largest private integrated energy service provider, pioneering transformative solutions across the nation's dynamic energy spectrum. From transmission to retail electricity distribution, smart metering, cooling solutions and energy-as-a-service, our portfolio spans various facets of the energy domain.**

We are consolidating our position as India's largest private Transmission & Distribution (T&D) company with a growing smart metering portfolio, contributing to nation-building by delivering energy in the most efficient, sustainable and affordable manner through operational excellence and technology-led innovation. Our recent forays into smart metering, cooling solutions and energy-as-a-service further stand to enhance the energy sector's sustainability and resilience.

Through our integrated offerings that are aligned with sustainable development goals, we lead the charge in revolutionising the energy delivery paradigm for end consumers. Our catalytic role positions us to strengthen our market foothold and maximise value creation for all stakeholders.



## Vision

**To be a world-class leader in businesses that enrich lives, create sustainable value and contribute to nation-building.**

---

## Mission

### Transmission

**To set up 30,000 circuit km of transmission lines by 2030.**

### Distribution

**To serve our customers with affordable, reliable and sustainable power with highest quality, availability and renewable mix, whilst employing a whole host of digital technologies for our customer-facing offerings and workforce productivity.**

---

## Values

### Courage

We shall embrace new ideas and businesses

### Trust

We shall believe in our employees and other stakeholders

### Commitment

We shall stand by our promises and adhere to the highest standard of business

## Our customers

We cater to customers in both B2B and B2C segments, offering diverse solutions:



### Transmission

Serving B2B customers such as power generation companies and state and national governments



### Distribution

Addressing the needs of B2B industrial consumers through MPSEZ Utilities Limited (MUL) and both retail and C&I consumers through Adani Electricity Mumbai Limited (AEML); Energy-as-a-service to C&I consumers



### Smart Metering

Catering B2B distribution companies (DISCOMs)



### Cooling Solutions

Providing B2B cooling solutions for commercial real estate, industrial cooling, data centers and airports under Cooling as a Service (CaaS) model

## Our Evolution from Transmission to Diversified Energy Solutions

### The Journey Begins with Power Transmission

Our journey began in 2015 with a strategic demerger and transfer of transmission assets from Adani Enterprises Limited to pursue opportunities in India's transmission sector. Since then, we have pursued multiple inorganic and organic growth opportunities. Notable milestones include the acquisition of transmission assets of GMR in Rajasthan (2016), Reliance Infrastructure's transmission assets in Gujarat, Madhya Pradesh and Maharashtra (2017), KEC's transmission assets in Rajasthan (2019), Kalpataru's transmission assets in West Bengal (2020) and Essel Infraprojects' assets in Andhra Pradesh and Telangana (2021).

### Diversification into Power Distribution

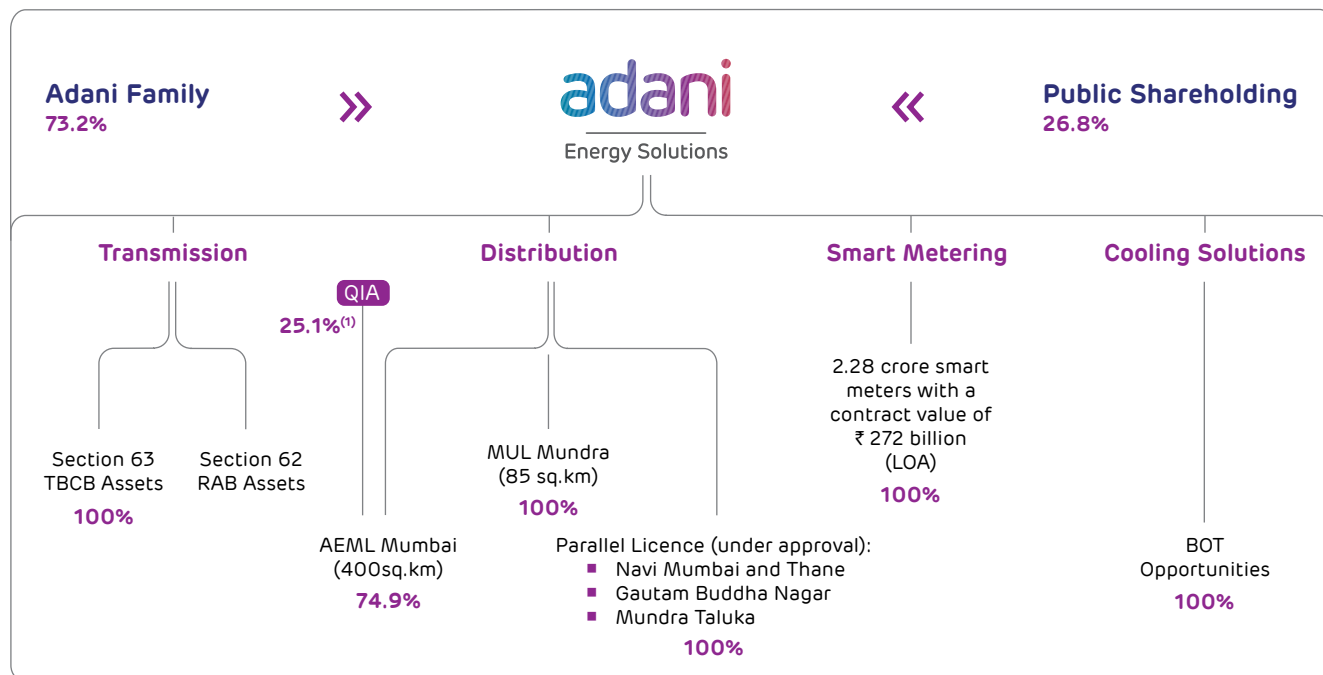
In 2018, we expanded into the power distribution business through the acquisition of Reliance Infrastructure's power generation, transmission and distribution businesses. This was renamed to Adani Electricity Mumbai Limited (AEML). In 2021, we expanded our presence by acquiring MPSEZ Utilities Ltd from Adani Ports and Special Economic Zone, engaged in distributing power to Mundra SEZ.

### Evolution into Energy Solutions

In 2022, we entered the smart metering business, reinforcing our commitment to provide customer-centric solutions, especially in retail last-mile connectivity. Since then, our smart metering portfolio has grown significantly, and we are emerging as one of the largest integrator in the country. In 2023, we entered the cooling solutions business, recognising the immense growth prospects in the cooling sector and the need to meet it sustainably.

In 2023, we rebranded from "Adani Transmission Limited" to "Adani Energy Solutions Limited" to reflect the dynamic nature of our energy solution offerings. The new name paves the way to embark on a growth journey in both conventional and non-conventional business areas – including tapping huge opportunities in smart metering, cooling solutions and other energy solutions while maintaining a pioneering position in the transmission and distribution sectors.

## Shareholding and Operating Structure



Notes:

<sup>(1)</sup> Primary Equity – QIA's Investment in AEML: USD 452 million (₹ 32 billion) total investment (USD 170 million of Equity and USD 282 million of shareholder sub-debt) for 25.1% stake in AEML

RAB: Regulatory Asset Base; AEML: Adani Electricity Mumbai Limited; MUL: MPSEZ Utilities Limited; LOA: Letter of Award; Sq.Km: Square Kilometre; BOT: Build Own Transfer; BOOM: Build Own Operate Manage; TBCB: Tariff Based Competitive Bidding





PORTFOLIO AND PRESENCE

# Stronger Tomorrow with Expansive Ecosystems

We stand at the helm of India's energy landscape, powering industries, illuminating homes and driving economic growth. With our formidable presence spanning diverse energy domains and geographies, we ensure that energy flows reliably, sustainably and efficiently, fuelling the nation's journey towards a brighter, more prosperous and climate-resilient future.

## Our diversified business verticals

### Transmission

Engaged in construction and operation & maintenance (O&M) of power transmission systems

**14 states**

**57,011 MVA**

Transformation capacity  
(132 to 765 kilovolts of HVAC systems and  
+/- 500 kilovolts of HVDC systems)

**20,509 ckm**

Transmission line

### Distribution

Engaged in last-mile power distribution in Mumbai and Mundra region

**12 million+**

Consumers served

**9,916 million units**

Of energy demand met

### Smart Metering

Engaged in installing smart meters for DISCOMs Pan India under design, build, finance, own, operate and transfer (DBFOOT)

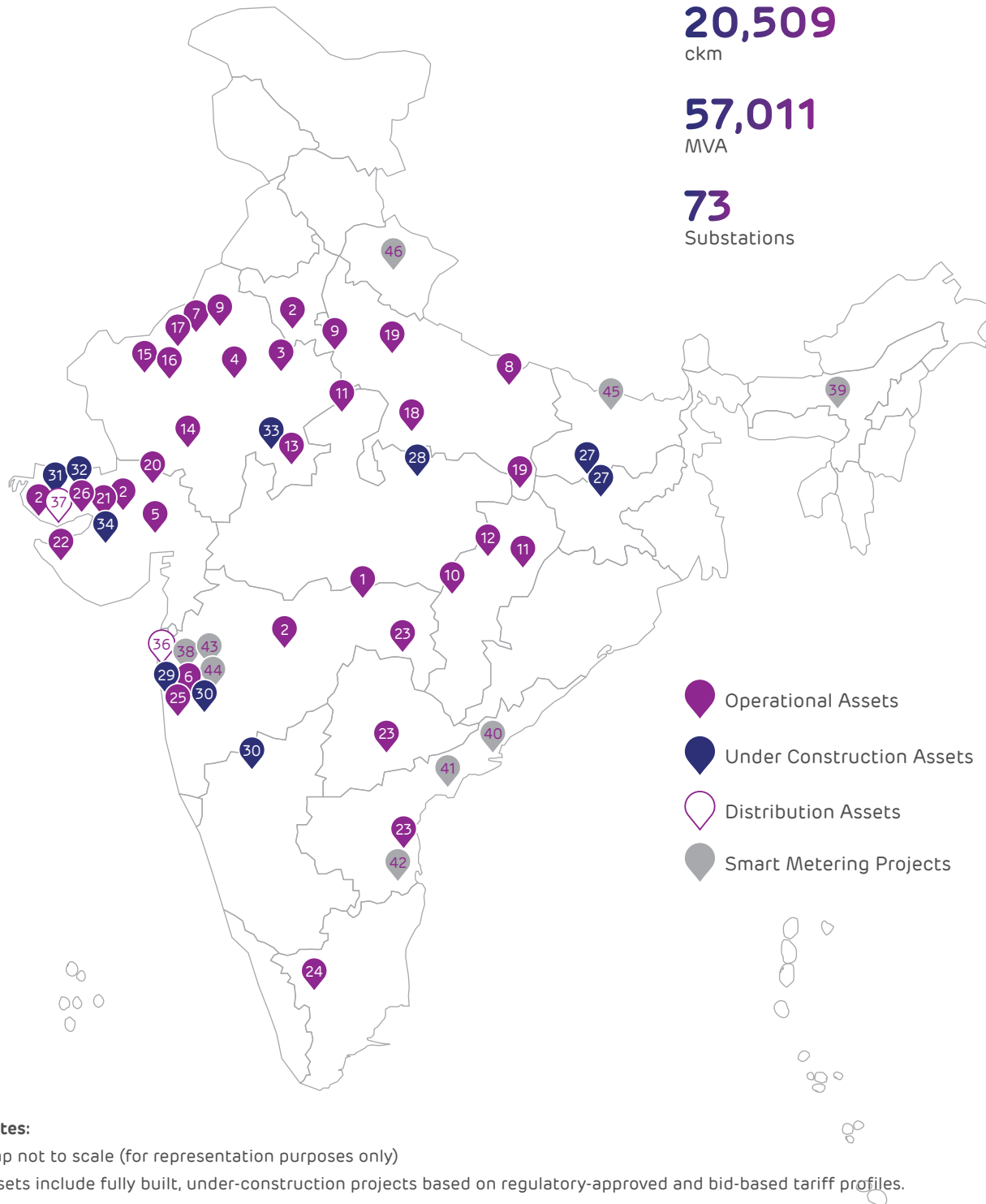
**2.28 crore**

Total order book

### Cooling Solutions

Engaged in delivering centralised, energy-efficient and low-carbon cooling solutions to diverse sectors

## National Footprint with Deep Penetration



ckm: Circuit Kilometre; MVA: Mega Volt Amp



Asset	Route length (ckm)	Transformation capacity (MVA)	No. of substation	Counterparty
<b>Transmission – Operational Assets</b>				
1 Maharashtra Eastern Grid Power Transmission Company Limited (MEGPTCL)	1,217	6,000	2	State
2 Adani Transmission (India) Limited (ATIL)	3,834	6,630	3	Centre/State
3 Aravali Transmission Service Company Ltd (ATSCL)	97	630	1	State
4 Maru Transmission Service Company Ltd (MTSCL)	300	730	1	State
5 Western Transmission (Gujarat) Ltd. (WTGL)	974	-	-	Centre
6 Western Transco Power Ltd (WTPL)	2,089	-	-	Centre
7 Adani Transmission Bikaner Sikar Private Limited (ATBSPL)	343	-	-	State
8 Alipurduar Transmission Ltd. (ApTL)	650	-	-	Centre
9 Adani Transmission (Rajasthan) Limited (ATRL)	278	-	-	State
10 Raipur Rajnandgaon-Warora Transmission Limited (RRWTL)	611	-	1	Centre
11 Chhattisgarh-WR Transmission Limited (CWRTL)	434	630	1	Centre
12 Sipat Transmission Limited (STL)	348	-	-	Centre
13 Hadoti Power Transmission Limited (HPTSL)	116	310	5	State
14 Barmer Power Transmission Limited (BPTSL)	133	150	6	State
15 Thar Power Transmission Limited (TPTSL)	164	125	5	State
16 Fatehgarh Bhadla Transmission Ltd. (FBTL)	292	-	1	Centre
17 Bikaner Khetri Transmission Limited (BKTL)	481	-	-	Centre
18 Ghatampur Transmission Limited (GTL)	897	-	-	State
19 Obra- C Badaun Transmission Limited (OBTL)	630	950	1	State
20 Lakadia Banaskantha Transco Limited (LBTL)	351	-	-	Centre
21 WRSS XXI(A) Transco Limited (WRSS_XXIA)	295	3,000	1	Centre
22 Jam Khambaliya Transco Limited (JKTL)	37	2,500	1	Centre
23 Warora Kurnool Transmission Ltd. (WKTL)	1,756	3,000	1	Centre
24 Karur Transmission Line (KTL)	9	1,000	1	Centre
25 Kharghar Vikroli Transmission Limited (KVTL)	74	1,500	1	State
26 Khavda Bhuj Transmission (KBTL)	217	4,500	1	State

**Transmission – Under Construction Assets**

27 North Karanpura Transco Limited (NKTL)	304	1,000	1	Centre
28 MP Power Transmission Package II Ltd (MP II)	1,087	2,736	18	State
29 Adani Electricity Mumbai Infra Limited (AEMIL - HVDC)	80	1,000	2	State
30 WR SR Transmission Limited (Narendra-Pune Line)	630	6,000	1	Centre
31 Khavda Phase – II Part A	355	-	-	Centre
32 Khavda Pooling Station 1 (KPS – 1)	42	6,000	1	Centre
33 Sangod Transmission Service Limited (STSL)	15	1,160	1	State
34 Khavda Phase – III Part-A	560	-	1	Centre
35 Line and Substation Augmentation Projects*	-	3,500	-	Centre/State

**Distribution Assets**

36 Adani Electricity Mumbai Limited (AEML)	573	3,250	8	State
37 MPSEZ Utilities Limited (MUL)	237	710	7	State
<b>Total</b>	<b>20,509</b>	<b>57,011</b>	<b>73</b>	

**Smart Meters Projects**

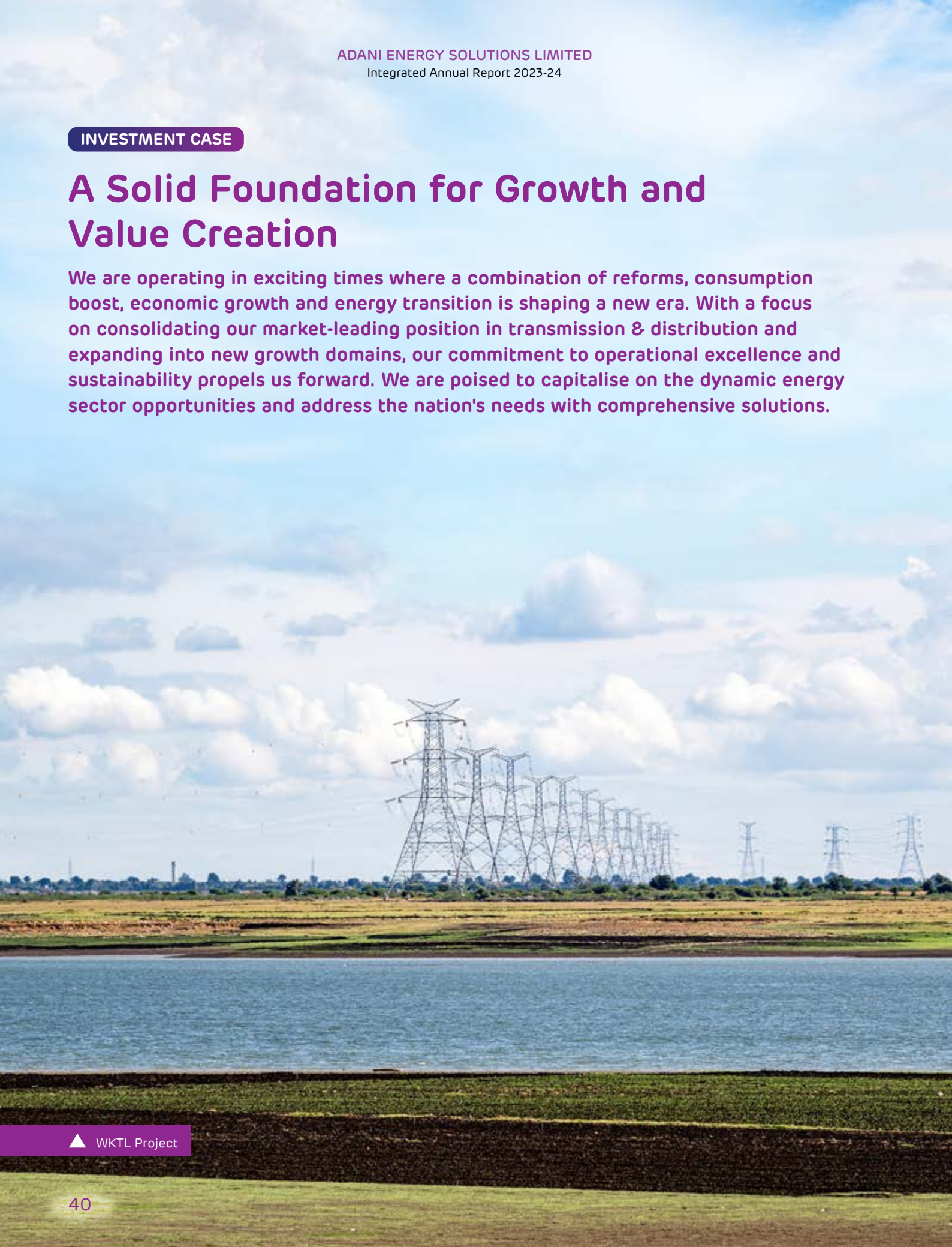
	Meter Quantity
38 Brihanmumbai Electric Supply & Transport Undertaking (BEST)	10.80 lakhs
39 Assam Power Distribution Company Limited (APDCL)	7.73 lakhs
40 Andhra Pradesh Eastern Power Distribution Company Limited (APEPDCL)	10.78 lakhs
41 Andhra Pradesh Central Power Distribution Company Limited (APCPDCL)	17.24 lakhs
42 Andhra Pradesh Southern Power Distribution Company Limited (APSPDCL)	13.21 lakhs
43 Maharashtra State Electricity Distribution Co. Ltd (MSEDCL, NSC-05)	80.75 lakhs
44 Maharashtra State Electricity Distribution Co. Ltd (MSEDCL, NSC-06)	52.46 lakhs
45 North Bihar Power Distribution Company Limited (NBPDC)	28.39 lakhs
46 Uttarakhand Power Corporation Limited (UPCL)	6.55 lakhs



INVESTMENT CASE

# A Solid Foundation for Growth and Value Creation

We are operating in exciting times where a combination of reforms, consumption boost, economic growth and energy transition is shaping a new era. With a focus on consolidating our market-leading position in transmission & distribution and expanding into new growth domains, our commitment to operational excellence and sustainability propels us forward. We are poised to capitalise on the dynamic energy sector opportunities and address the nation's needs with comprehensive solutions.



## Investment Case

1

Well positioned for growth in a favourable industry landscape

## Locked-in Growth and Outlook

**₹ 17,000 crore**

Under-construction pipeline in transmission

**₹ 27,195 crore**

Smart metering contracts

**12.5 crore**

Untapped smart meter opportunity

3

Newer geographies where parallel distribution licences applied

- Focus on grid reliability, consumerism and renewable energy along with increasing power demand is propelling investments in the energy sector. The transmission sector, crucial for reliable power infrastructure, presents a ₹ 2.44 trillion opportunity for network expansion with an emphasis on advanced systems for grid reliability and resilience. The focus in consumer-facing power distribution is to enhance reliability and experiences, and provide consumers choices in terms of service providers through parallel distribution licences
- Adani Energy Solutions, with presence in diverse energy domains (Transmission, Distribution, Smart Metering, Cooling Solutions), is poised to benefit from a stable regulatory regime:
  - As a leading transmission player with robust execution capabilities and effective financial management, we are investing in expanding networks and advanced technologies to optimise operations
- In distribution, we leverage our position as a leading electricity supplier by focussing on smart metering, technology upgrades to optimise operations and enhance customer experiences, and expanding our coverage to meet growing demand and customised, reliable, cost efficient energy solution to C&I customers
- In smart metering, our edge through existing expertise in distribution and smart meter installation helped gain a ~20% market share
- Our portfolio includes ~8,000 kms of OPGW fibre network, 73 substations and 30,000+ tower locations offering leasing potential to telecom carriers, data providers, content players and communication service operators

## Investment Case

2

Demonstrated excellence in development, construction and asset optimisation

**5,769 ckm**

Transmission line added in five years

**31,231 MVA**

Transformation capacity added in five years

**50%**

Increase in AEML's regulated asset-based (RAB) in the last five years to ₹ 8,485 crore

- We have a track record of rapidly creating new transmission capacities supported by our Project Management & Assurance Group (PMAG) having end-to-end project capabilities right from bidding to development, execution and closure. As we look to expand, this execution expertise provides an inherent advantage. Our scale benefits and countrywide presence will ensure competitiveness at the bidding stage. Further, solid vendor management and strong relationships add to business sustainability and avoid cost escalations.
- In distribution, we have a track of asset hardening by adding new substations, lines and infrastructure development to accommodate rising demand. Extensive infrastructure replacement, modernisation projects, and implementation of smart metering have improved product and service delivery efficiency and customer satisfaction while reducing losses.

## Investment Case

3 Operational and execution excellence

**99.996%**

Service availability score (AEML)

**5.29%**

Low distribution losses

**99.62%**

Average system availability (transmission)

Our operational excellence has resulted in robust operational metrics with one of the highest line availability, supply reliability and lowest distribution loss and tariffs.

Further, leveraging predictive maintenance and technology excellence, we achieve low O&M costs and industry-leading EBITDA margin.

### O&M Excellence in Transmission Business

- We have implemented multiple operational strategies including reliability centered maintenance, Asset Performance Management (APM), predictive analytics, Asset Health Indexing, advanced technology integration and employee skilling to ensure superior O&M capabilities
- Further, our dedicated cluster maintenance teams, supported by internationally recognised standards, operational practice and our Energy Network Operation Center (ENOC) have positioned us to swiftly adapt to challenges and ensure uninterrupted energy transmission. Key measures undertaken by them include:
  - Power systems Center of Excellence (CoEs) to do diagnostic analysis, RCA's and data analytics on continuous basis to improve availability, asset health and overall system healthiness & upkeep
  - Operationalising redundancy and backup systems for swift deployment
  - Undertaking comprehensive risk assessments, strategic asset management, real-time monitoring for swift issue resolution and adoption of predictive maintenance techniques
  - Deploying emergency response and recovery plans to respond effectively to emergencies

- Collaborating with industry partners and actively participating to stay abreast with technological advancements
- Ensuring regulatory compliance and fostering a culture of continuous improvement

### AI-powered ENOC for World-class O&M Practices

- ENOC enables centralised, fully automated monitoring of operations, providing real-time data on asset performance. Equipped with predictive analytics and machine learning (ML), it leverages data to forecast equipment failures, schedule maintenance activities and undertake remote monitoring and diagnostics. This enhances decision-making and improves operational performance to industry-leading levels.

### O&M Excellence in Distribution Business

- Implementing Supervisory Control and Data Acquisition (SCADA) and Distribution Management System (DMS) automation for high tension (HT) networks, our distribution business achieves world-class reliability metrics. This includes a service availability score of 99.996%, low distribution losses of 5.29% and the ability to restore service of affected customers within five minutes. We have also implemented strategic initiatives including theft-proof infrastructure, to reduce technical loss and having a dedicated Central Vigilance Team (CVT) to control distribution losses through extensive vigilance activities.

## Investment Case

4 Excellence in sustainable practices

## Net Zero

By 2050

34.35%

Renewable power in the overall energy mix

- We are committed to and contribute towards UNSDGs by maintaining zero waste to landfill, single-use plastic-free and net water positive status and aspiring to achieve Net Positive Gain to biodiversity. Additionally, we have set a target to attain net zero emission by 2050 with interim medium-term SBTi targets
- We have included sustainability aspects in business decision-making, emphasising grid decarbonisation through enhancing the share of RE transmission and distribution
- Our strategic initiative of RE procurement enables customers to achieve net zero/SBTi targets, while green tariffs empower residential consumers to participate in reducing their carbon footprint. Installation of smart meters further facilitates consumers in gaining insights into power consumption patterns and optimising them
- Enhance workforce safety with continuous monitoring by ENOC and facilitate safe and seamless operations

## Investment Case

5 Strong credit profile with robust capital management and allocation capabilities

3.8x

Net Debt to EBITDA\* in FY 2023-24

7.3 years

(FY 2023-24)  
Tenure of long-term debt

- Our robust capital structure is based on diversified debt financing sources, with a prudent balance of debt and net worth and fixed-priced and Fully hedged debt with long tenures. The long-term nature of our business with stable cash flows makes debt financing attractive for growth. As of March 31, 2024, we had debt with elongated maturity averaging 7.3 years, aligned with concession life and asset terms. A healthy debt position with comfortable liquidity solidifies our credit profile, earning us BBB- ratings from Fitch, Baa3 by Moody's, making us the only private-sector transmission and distribution company in India with an International IG Rating since FY 2015-16
- Our track record of robust growth (16% EBITDA CAGR from FY 2016-24) and credit discipline with stable net debt to EBITDA of 3.8 (FY 2023-24), strengthens our financial profile and enables us access to capital at competitive rates for sustainable growth
- We adhere to a disciplined approach in new project bidding and acquisitions, guided by a stringent internal rate of return (IRR) threshold
- With a fully funded plan, including a USD 700 million (USD 1.1 billion fully drawn) revolving facility and an additional USD 2 billion Global Medium Term Note (GMTN) programme, we have adequate funding lines to support the capex programme

\*For the Net Debt to EBITDA calculation, net debt here refers to total long-term debt at the hedge rate excluding shareholders affiliated debt and adjusted for cash & cash equivalent, bank balance, current & non-current investments, balances held as margin money or security against borrowings divided by reported EBITDA.



## AWARDS AND ACCOLADES

# Achievements Recognised Across Platforms

### Operational Excellence Awards

AEML received the CII 2023 DX Award in the Best Practices category as the **Most Innovative Company** for our unwavering commitment to innovation and excellence

AEML received the highest award in the **Best Innovative Leadership Development Programme category for 'AE-Marvels'** by Economic Times HR World

Received "**Excellence in Procurement Innovation**" & "**Outstanding Leader in Procurement**" awards at the 8<sup>th</sup> ISM-India Conference & CPO Awards 2023 for our commitment to innovation, sustainable and strategic procurement practices

Adani Electricity has been bestowed with the prestigious distinction of **Mumbai's No. 1 power distribution utility** by the National Consumer Service Ratings!

AEML **ranked #1 utility in performance ranking of power distribution companies** for FY 2022-23 in the 12<sup>th</sup> edition of Integrated Rating of DISCOMs

Recipient of the **11<sup>th</sup> Innovation with Impact Awards** for DISCOMs: **Ranked #2** in Category A (Green Energy): **Ranked #3** in Category B (Efficient Operations) and **Ranked #3** in Category E (Performance Improvement)

**Power Utility of the year** for T&D and **Innovative Power Technology of the year** at the Asian Power Awards 2023

AEML, was rated '**A**' in **National Consumer Service Ratings** by the Ministry of Power out of the 62 DISCOMs evaluated across India

Won **multiple quality awards** at events organised by Quality Circle Forum of India (QCFI):

- 5S NC – 9 Par Excellence and 1 Excellent
- Chapter Convention on Quality Concepts (CCQC) – 18 Gold, 4 Silver, one Best Case Study and Presentation OC and 2 Best Coordinator Gold Awards
- National Convention on Quality Concepts (NCQC) – 5 Par Excellence and 7 Excellent
- International Convention on Quality Control Circles (ICQCC) – 4 Gold





## Safety Awards

**Platinum Award for Occupational Health and Safety** at the 8<sup>th</sup> Apex India Occupational Health and Safety Award 2023

AEML was awarded **"Excellence in Road Safety"** and **"Excellence in Innovation in Safety Technology"** at the OSH India Awards for road & workplace safety

## Sustainability Awards

Won the prestigious **Golden Peacock Award in Environment Management (GPEMA)**, underscoring our commitment to sustainable practices

Received **Global Sustainability Leadership Award 2023** by the World Sustainability Congress for best sustainable performance

**Excellent Energy Efficient Unit award** in 24<sup>th</sup> National Award for Excellence in Energy Management 2023 from Confederation of Indian Industry (CII)

Adani Energy Solutions' commitment to environmental transparency and prompt actions on climate changes improved **CDP Climate Change 2023 scores to B**, surpassing the Asia regional average of C

**ESG score from Sustainalytics improves to 25.3** (as on February 2024 - Medium Risk) from 32.8 (as on April 2023 - High Risk), placing the Company amongst the top 20 global electric utilities





Mount Lhotse, the fourth highest mountain in the world



# 3

## STRATEGIC REVIEW

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## BUSINESS MODEL

# A Sustainable Model for Today and Tomorrow

### Input



#### Financial Capital

- ₹ 13,703 crore net worth
- ₹ 53,708 crore asset base
- ₹ 4,617 crore in cash and cash equivalents



#### Manufactured Capital

- 20,509 ckm transmission lines
- 73 substations
- 57,011 MVA power transformation capacity
- 8,000 route kms OPGW fibre network



#### Intellectual Capital

- ₹ 50 crore (grid) / ₹ 19 crore (retail electricity) investments in digital transformation and automation initiatives
- ₹ 119 crore investments in smart grid upgradation
- ₹ 3.38 crore investments in capacity building for corporate learning



#### Human Capital

- 4,959 permanent employees
- 6,189 contractual workforce
- 8% female representation
- 46% workforce consists of engineers and professionals
- 3,00,855 hours of learning and development
- ₹ 16.25 crore spent on employee well-being initiatives



#### Social and Relationship Capital

- 615 suppliers
- ₹ 42.16 crore spent on CSR
- 3.18 million electricity customers



#### Natural Capital

- 4,57,892 trees planted
- 3.36 MW of captive solar capacity
- ₹ 155.32 crore invested in eco-friendly technologies
- 21,12,006 KL fresh water withdrawal
- 700 MW wind solar hybrid power purchased

### Our Business Model



#### Culture

**Passion**  
Performing with enthusiasm and energy

**Results**  
Consistency in achieving goals

**Integration**  
Working across functions and businesses to create synergies

**Dedication**  
Working with commitment in the pursuit of our time

**Entrepreneurship**  
Seizing new opportunities with initiatives and ownership

### Business Activities and Operating Model

#### Power Transmission and Distribution



##### Transmission

Operating and maintaining power transmission assets with high availability

**31 TBCB**

Transmission assets

**4 RAB**

Assets



##### Distribution

Operating and maintaining distribution network with minimal losses and best of reliability

**485 sq km**

Licensed distribution area in Mumbai and Mundra SEZ



##### End users

Reliable electricity to retail consumers

**12+ million**

Retail consumers



### Vision

To be a world class leader in businesses that enrich lives, create sustainable value and contribute to nation-building.

### Products and Services



#### Smart Metering

Executing projects under TOTEX model (capex + opex)

**2.28 crore**

Smart meter order book



#### Cooling Solutions

Offer Cooling as a Service model (CaaS)

### Key Strategic Priorities

Safety Culture

ESG Integration

Efficient Capital Allocation and Execution Capabilities

Portfolio of Efficient Operating Assets

Robust Financial Profile

Business Excellence

### Enablers



Development and construction expertise



Operational and execution excellence



Cutting-edge technologies



Innovation



Skilled workforce



Capital management and allocation



Collaborative partnerships



Sustainable practices

## Outcomes

### Financial Capital

- ₹ 14,217 crore operating revenue
- Smart metering projects with contract value of ₹ 27,195 crore
- ₹ 1,197 crore comparable PAT
- 3.8x Net Debt to EBITDA ratio

### Manufactured Capital

- 4% y-o-y increase in transmission network and 24% y-o-y increase in transformation capacity
- ₹ 104 crore incentive earned from operating transmission capacity above the contracted level
- Reduction in distribution losses to 5.29%
- 99.996% supply reliability (ASAI) in distribution

### Intellectual Capital

- 79.57% of total collection through digital payments in AEML
- 8,527 hours of training to employees related to new technologies
- 3 strategic partnerships with technology providers

### Human Capital

- Employee productivity at ₹ 1.27 crore EBITDA/employee
- Lower attrition rate at 7.8%
- Zero fatalities
- Great place to work certified

### Social and Relationship Capital

- 99.81% raw material procured from local vendors
- 97.10% suppliers screened
- 37,914 CSR beneficiaries
- 100% of consumer complaints resolved
- 101.01% collection efficiency

### Natural Capital

- 34.35% of clean energy mix achieved
- Zero waste to landfill across all sites
- 23.87% reduction in GHG emission intensity
- 78% y-o-y reduction in hazardous waste generation
- 241.6 Ha of forest area avoided with route diversion & optimisation
- Compensatory afforestation over 753 hectare

## STAKEHOLDER ENGAGEMENT

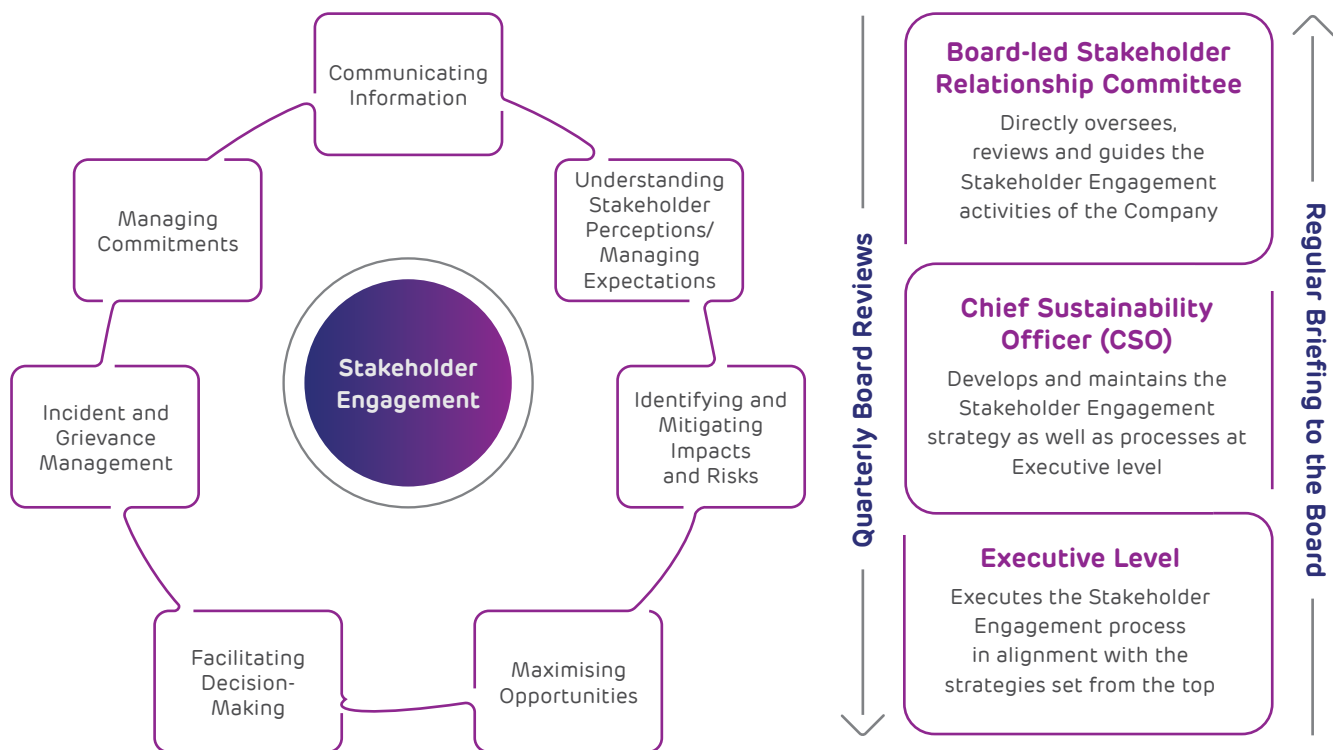
# Creating Value Through Inclusive and Collaborative Approach

Consistent engagement with our internal and external stakeholders is demonstration of our commitment towards factoring in their perspectives for building a resilient enterprise and creating lasting value for everyone involved. Leveraging the diverse inputs of our stakeholders help us identify the potential risks & opportunities, and formulate innovative solutions to respond to the emerging challenges and opportunities.

### Approach and Governance

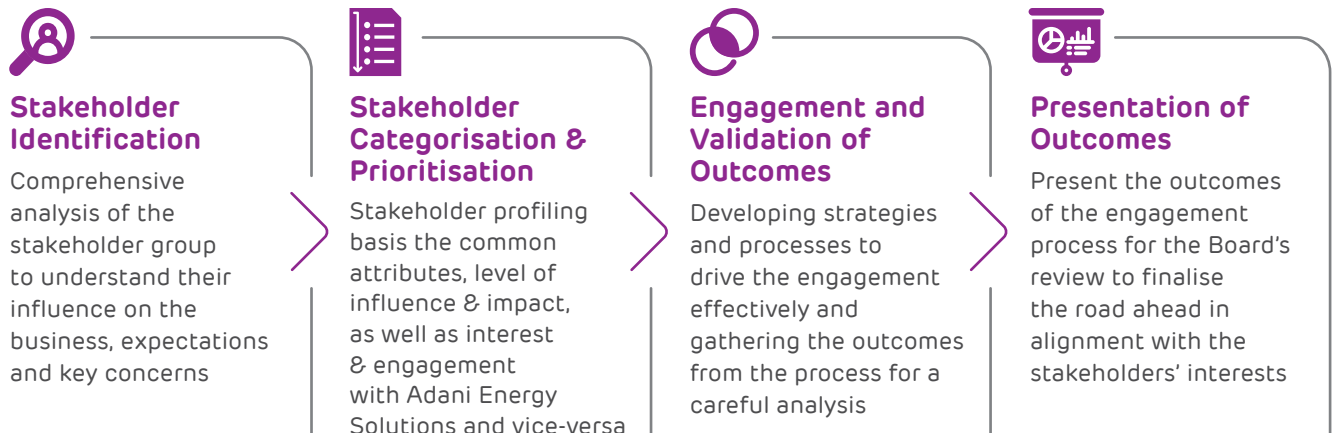
We establish deep trust by holding focussed dialogues with our key stakeholders at regular intervals through various engagement channels to comprehend their key concerns and expectations. The approach allows us to identify key challenges for our business and find mutually beneficial solutions. This fuels our strategy planning process and augments our agility and informed-decision-making ability to consistently meet the changing market demands.

We have established a robust governance system to ensure effective stakeholder engagement. Our stakeholder engagement activities are directly overseen and guided by the Board of Directors at the top.



Our Stakeholder Engagement process is also guided by the **Governance Policies**.

## Stakeholder Engagement Process



## Key Stakeholders



### Employees and Contract Workers

#### Stakeholder Importance

Our workforce is our biggest asset and plays a key role for seamless running of our operations. Continuous engagement helps us to foster a sense of ownership, loyalty leading to increased productivity and long-term growth of the organisation.

#### Engagement Channels

- Direct interaction with the MD, CEO and senior management
- Employee engagement surveys
- Employee feedback surveys
- Townhalls and interviews
- Informal meetings through open forums

#### Frequency

Continuous, Monthly, Quarterly, Annually and Need-based

#### Key Areas of Focus

- Health & Safety
- Plant Efficiency
- Work Environment

#### Stakeholder Expectations

- A work culture that promotes diversity, equity & inclusion
- Fostering innovation within unique markets and customer interactions
- Career progression opportunities
- Learning & development opportunities
- Forums to express and interact with management

#### Adani Energy Solutions' Response

- Undertake several initiatives to foster health & safety, learning & development, engagement, diversity, equity and inclusion
- Conduct learning & development programmes for upskilling the employees
- Established an open-door policy encouraging employees to connect with the leadership anytime
- Encourage regular career and performance discussions between employees and management

#### Value Created

- Skill development & career progression opportunities
- Satisfied and motivated employees by addressing their concerns & expectations crucial for organisation's success
- Enhanced productivity by alignment with the Company's objectives
- Safe workplace through proactive management and risk mitigation strategies
- Improved workforce morale and loyalty by forging enduring relationships
- Compliance with laws & regulations and guidance for conducting business and resolving disputes
- Improved operational processes and efficiency through people-centric measures
- Meeting sustainability goals through Informed strategic decisions





## Vendors

### Stakeholder Importance

They are integral for ensuring timely availability of services that we source. Regular Engagement aligns them with our commitment to efficient operations by promoting reliable partnerships and encouraging responsible sourcing for supply chain resilience.

### Engagement Channels

- Onboarding processes
- Site visits to manufacturing facilities
- One-on-One interaction
- Pre-Bid Conferences
- Supplier Summits
- Online & Offline training sessions

### Frequency

Continuous, as well as need-based

### Key Areas of Focus

- Feedback and clear & timely information about requirements, and changes

- Grievance mechanism
- Knowledge sharing
- Timely payments
- Contract management & automation
- ESG assessments of vendor

### Stakeholder Expectations

- Clear Communication
- Timely Payments
- Fair and Ethical Treatment
- Long-Term Relationship
- Support and collaboration for overcoming challenges to achieve mutual goals
- Transparency in operations, especially regarding future plans that may affect them
- Respect & recognition for the expertise
- Adoption of Technology at scale
- Turnkey Contracts

### Adani Energy Solutions' Response

- Supplier Code of Conduct to build transparent & ethical supply chain practices
- Undertaking programmes and initiatives to enhance quality and compliance with applicable ESG standards

- Driving supplier engagement through regular audits, training, and knowledge exchange
- Developed robust category strategies to build strong relationships with vendors
- Leveraging digital technologies and analytics to improve procurement processes, gain insights, and make strategic decisions
- Fair and ethical treatment to vendors with transparent communication and timely payments
- Fostering long-term relationships by providing stability, predictability and support to overcome challenges for achieving mutual goals
- Ensuring transparency in our operations and future plans that may affect our vendors
- Recognising, respecting and leveraging their expertise and for mutual benefits

### Value Created

- Mutually beneficial strategic partnerships and alignment with goals
- Clear communication of needs, expectations, and goals
- Performance reviews to address issues and realign goals
- Value prioritisation through contract management
- Enhanced compliance through Supplier Engagement Strategy
- Performance excellence
- Enhanced ESG awareness in supply chain partners
- Economic development of MSMEs
- Supply chain resilience



## Local Communities Including Civil Societies

### Stakeholder Importance

They are critical to gain long-term viability and Social Licence-to-Operate. Engagement helps us in assessing the impact of our activities on them and comprehend their sustainable developmental needs to nurture positive relationships. Ingraining community engagement into our Company culture, demonstrates our vision extending beyond the workplace. This prepares us for potential conflicts or issues with crisis management strategy that includes stakeholder perspectives.

### Engagement Channels

- Interaction with NGO partners and communities
- Meetings/discussions with local communities & Project Officers

- Public Consultations
- Corporate Social Responsibility (CSR) Initiatives
- Feedback & Grievance Mechanisms

### Frequency

Continuous, as well as need-based

### Key Areas of Focus

- Employment and industry relation
- Resource availability
- Support in utilisation of ecosystem services
- Healthcare support

### Stakeholder Expectations

- Positive, social and economic contribution
- Provide long-term support
- Address climate change & environmental issues
- Understand their concerns, and involve them in decision-making processes
- Generate employment opportunities

- Understand health and safety related hazards especially the ones related with power generation and distribution

### Adani Energy Solutions' Response

- Ensuring transparent availability and accessibility of information about the Company's operations
- Addressing socio-economic development of local communities through CSR programmes & initiatives
- Established community grievance redressal mechanism for effective remediation
- Conducting Impact assessments to optimise CSR programmes & align them with community needs

### Value Created

- Social Licence to Operate and positive social impact by understanding & addressing communities' concerns and expectations
- Improved standard of living and empowerment of underprivileged communities through support for their upliftment
- Enhanced compliance with legal obligations
- Enhanced corporate image and community relations
- Addressing challenges and capitalising on opportunities



## Regulatory Authorities

### Stakeholder Importance

Being in policy-shaping and regulatory roles, the engagement is pivotal to maintain a conducive business environment. Advocating for regulatory independence helps ensuring compliances, enables fair competition, reducing legal risks, strengthening brand reputation and running uninterrupted power operations. Participation in regulatory forums not only helps harmonising regulations across power sector but also fosters consumer satisfaction.

### Engagement Channels

- Policy advocacy
- Direct interactions on a case-to-case basis
- Public consultations and hearings
- Regulatory audits and inspections
- Collaborative initiatives with regulators for development of sector-specific policies and regulations affecting the power sector
- Compliance management
- Regulatory forums & Awards

### Frequency

Periodic and Need-based

### Key Areas of Focus

- Compliance on Policy and regulatory parameters
- Revenue
- Taxes
- Community development
- Ash management

### Stakeholder Expectations

- Compliance with regulatory standards and contribution to country's energy transition
- Abidance by adjudicated disputes and compliance with performance standards
- Adoption of technology at scale and support for digital transformation
- Strong capital base and liquidity position
- Adoption of robust code of conduct
- Positive development on ESG parameters
- Robust governance, transparency in reporting

### Adani Energy Solutions' Response

- Adoption of practices and procedures for 100% compliance with applicable laws and regulations
- Collaborations with stakeholders to ensure compliance, foster business-friendly environment and overall industry growth
- Robust procedures and systems to proactively mitigate non-compliance risks
- Transparent and timely compliance disclosures via Website, Annual Reports, Sustainability Reports and other standalone reports
- Embracing digital transformation to stay ahead of the competition
- Power Purchase Agreements (PPAs) with renewable energy developers to support country's energy transition for a sustainable future
- Promoting adoption of energy-efficient appliances by end consumers through Demand-side Management programmes

### Value Created

- Enhanced regulatory compliance
- Stronger brand reputation and credibility
- Contribution towards national goals
- Improved decision-making legitimacy
- Commitment to transparency and responsible business practices
- Grievance redressal mechanism and performance standards as mandated by law to ensure consumer protection and participation in regulatory proceedings
- Voicing customer needs & satisfaction
- Contribution to development of power sector policies & regulations through collaborative initiatives with regulators



## Investors and Shareholders

### Stakeholder Importance

They are the providers of capital. Continuous engagement helps build trust, transparency, and alignment with organisational goals, attracting financial support and long-term financial stability.

### Engagement Channels

- Investor Meets
- Annual Reports and Shareholder Meetings [Annual General Meetings]
- Periodic declaration on performance
- Public disclosures, Sustainability reports and ESG rating reports
- Industry forums, panels, and discussions
- Investor Conferences and Roadshows
- Investor Relations (IR) webpage on company website
- Social media and digital platforms
- Webinars, webcasts, and virtual tours
- One-on-One meetings
- Regulatory filings, newsletters, media relations, market intelligence reports
- Investor days

### Frequency

Quarterly as well as periodic and need-based

### Key Areas of Focus

- Transfer of shares
- Non-receipt of Annual Report
- Issue of certificates, general meetings
- Business and ESG Performance
- Growth Opportunities
- Debt Servicing

### Stakeholder Expectations

- Stable, robust and sustainable financial performance
- Transparency and progress on ESG topics
- Align the Company's values and actions with those of the investors
- Participation in decision-making regarding the changes advocated by the shareholders
- Receive scheduled updates on the Company's progress

### Adani Energy Solutions' Response

- Uphold profitability through cost management for greater efficiency and sustainable growth
- Prioritise environmental and social impact along with the economic performance
- Robust governance structure to ensure ethical business conduct and compliance
- Continuous progress on management of business and ESG topics through clear and measurable goals
- Transparent & timely communication as well as disclosures on business as well as ESG performances

- Adopting new technologies for better grid management and energy accounting for operational efficiencies and cost savings
- Expanding into new geographic markets and customer segments for new revenue and growth opportunities
- Share insights on market trends, competitive analysis, and industry forecasts
- Host special investor events featuring company operations and strategies, highlighting competitive advantages compared to peers
- Value stakeholder inputs and encourage them to share their opinions and ideas
- Prioritising transparent and prompt communication with during unforeseen events or crises
- Media engagement to publish articles and interviews enhancing company's visibility and profile among potential investors & shareholders
- Maintain strong revenue growth and profitability, directly enhancing shareholder/investor value
- Provide direct value through attractive dividend policies
- Have a dedicated Investor Relations Officer as the primary contact for investor enquiries and communications

### Value Created

- Trust & Confidence in Company's Management
- Investors' & Shareholders' Value Enhancement
- Personalised Communication
- Opportunity to meet/address stakeholders' expectations, concerns and grievances





## Customers

### Stakeholder Importance

Voice of customer is critical for process improvement, service quality enhancement and cost optimisation. Regular engagement gives us insights into their preferences enabling tailored services leading to elevated customer delight & loyalty.

### Engagement Channels

- Direct Communication
- One-on-One interaction
- Feedback Surveys
- Grievance Mechanism

### Frequency

Continuous and Need-based

### Key Areas of Focus

- Planned maintenance
- Power outage
- Transparency in billing & performance
- Modernisation and upgradation

### Stakeholder Expectations

- Differentiated service offerings & product portfolio
- Digitally-enabled positive experience
- Participation in various industrial forums
- Digital disruption
- Customer need identification and satisfaction
- Brand reputation
- Customer privacy and feedback

### Adani Energy Solutions' Response

- Maintaining customer-centric digital approach through digital transformation and value-added competitive solutions addressing present and future needs of the end users
- Undertake several initiatives for enhanced responsiveness superior value delivery
- Comprehensive grievance redressal mechanism for effective resolution

- Integration of data privacy system into our risk management framework to safeguard customer data
- Embracing new technologies and data-driven solutions for cost savings, efficiency & informed decisions
- Expanding into new market areas, such as renewable energy sources
- Implementing cost reduction programmes and effective cash management
- Alignment with Sustainable Development Goals for responsible business practices
- Providing sustainable, affordable, and innovative energy solutions
- Prioritising environmental sustainability in operations and services offered through demand side management programmes
- Advocating customer concerns to regulators for consumer-friendly policies and schemes

### Value Created

- Enhanced Consumer Experience
- Consumer Loyalty



## Media

### Stakeholder Importance

Regular engagement enables us in effective communication of our business/ESG vision and performance to our stakeholders.

### Engagement Channels

- Direct Communication
- Social Media

### Frequency

Need and Issue based

### Key Areas of Focus

Performance related to

- Brand management
- Local community development
- Health and safety
- Adherence to legal compliance
- Environment protection

### Stakeholder Expectations

- Transparency and credibility in the Company's dealings, operations and communications
- Accountability and Social Responsibility in the Company's actions and decisions
- Adherence with ethical practices

### Adani Energy Solutions' Response

- Differentiated communication strategies for media personnel, depending whether consultation or mere information is required
- Multiple communication channels, such as emails, newsletters, social media, and in-person meetings
- Fostering strong ties with media for long-term collaboration and relevant participation
- Social media interactions through prompt, accurate and timely responses to comments/questions

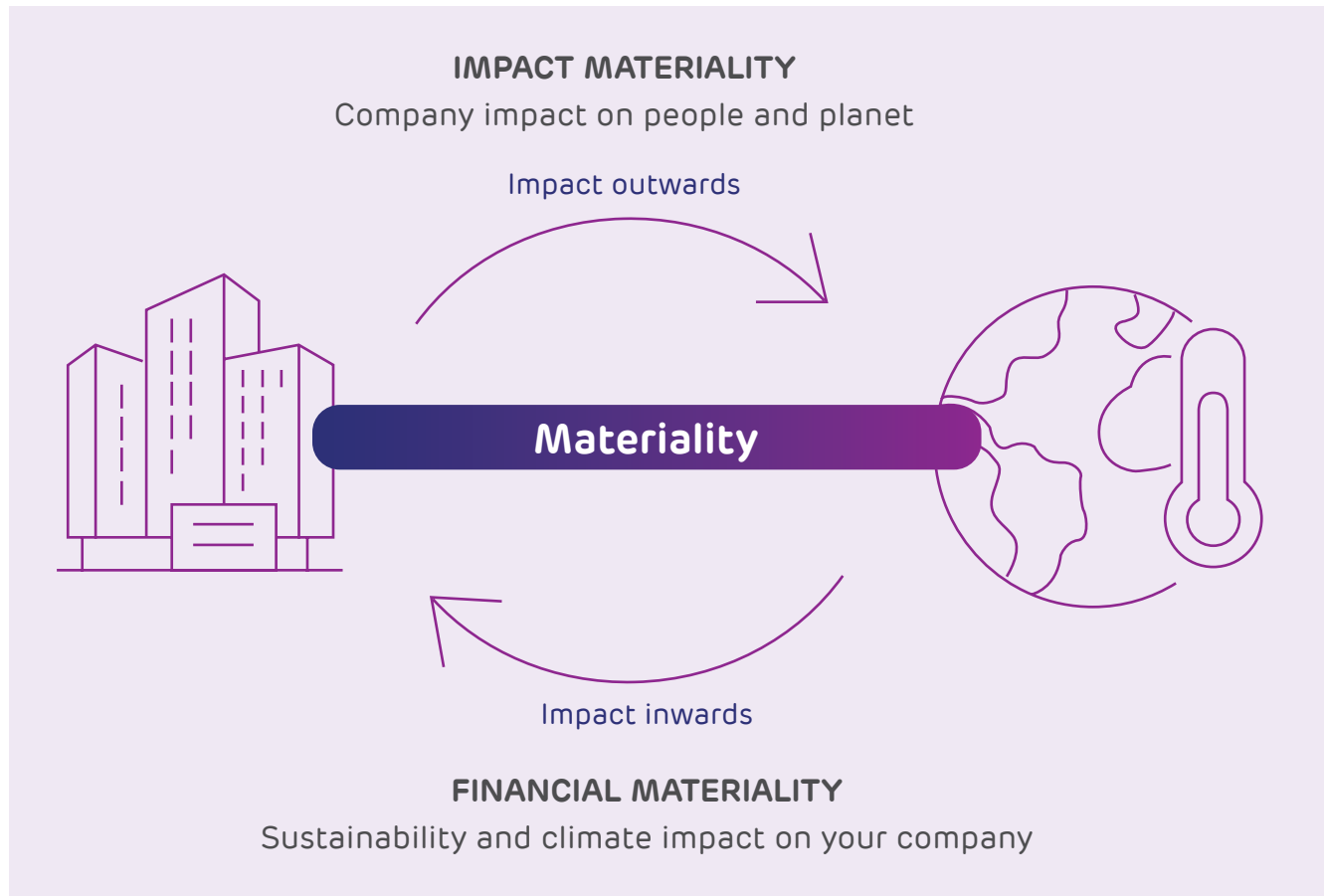
### Value Created

- Informed Stakeholder Base
- Enhanced Public Perception
- Strategic Partnerships
- Improved organisational strategy by understanding & addressing media's expectations and key challenges
- Pioneering new business models such as EV charging, solar rooftops, and smart meters, which are of interest to media stakeholders looking for innovative and sustainable business practices
- Generation of media interest by leveraging our infrastructure to provide telecom services
- Comprehensive disclosure of our business practices and impacts through sustainability reports, aligned with national and international sustainability goals

## MATERIALITY ASSESSMENT

# Mapping Priorities for Long-term Success

Materiality helps us determine the issues of significance and is the bedrock for our sustainability commitments and strategy. We factor in stakeholders' concerns and significance to the business while finalising the material topics. This exercise helps to focus on priority topics enabling us to allocate resources, set goals, and develop strategies that address the material issues in a meaningful and impactful way.



### Approach to Materiality Assessment

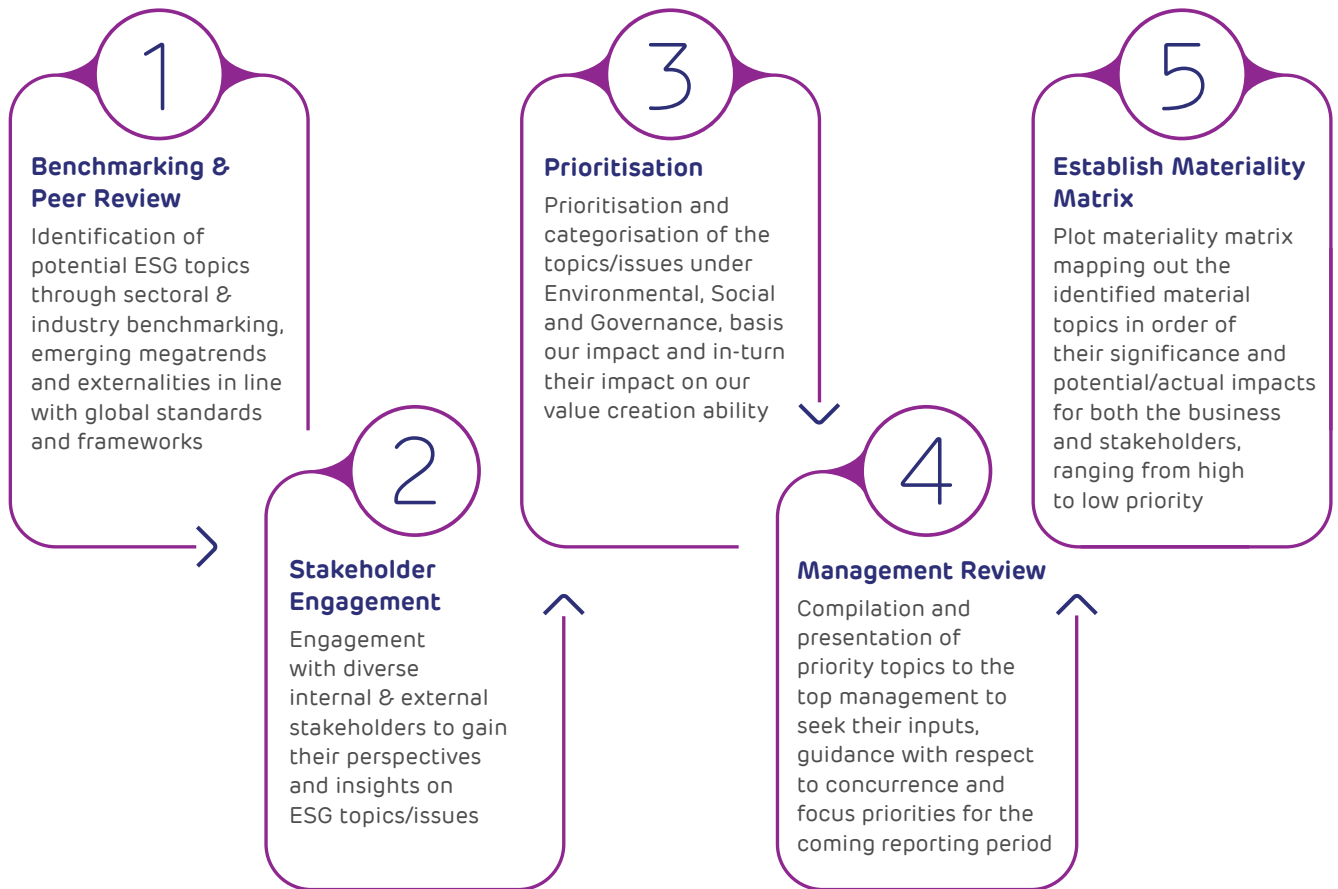
We undertake comprehensive materiality analysis every 3 years in collaboration with our internal and external stakeholders, to align our strategies with the ever-evolving trends and regulatory & statutory requirements. A detailed materiality assessment was

conducted in FY 2020-21 through internal and external stakeholder engagement. The exercise helped us in identification of high priority material topics relevant to our operations. In the year 2021-22, we revisited the material topics through elaborate internal stakeholder engagement and identified our top ten material

issues. As of March 31, 2024, we have already commenced undertaking our first ever Double Materiality Assessment (DMA) through an external consultancy in line with global frameworks. The process is slated to complete in Q1 of the next financial year.

## Materiality Assessment Process

The scope and boundary of our materiality process includes Adani Energy Solutions and all its subsidiaries.

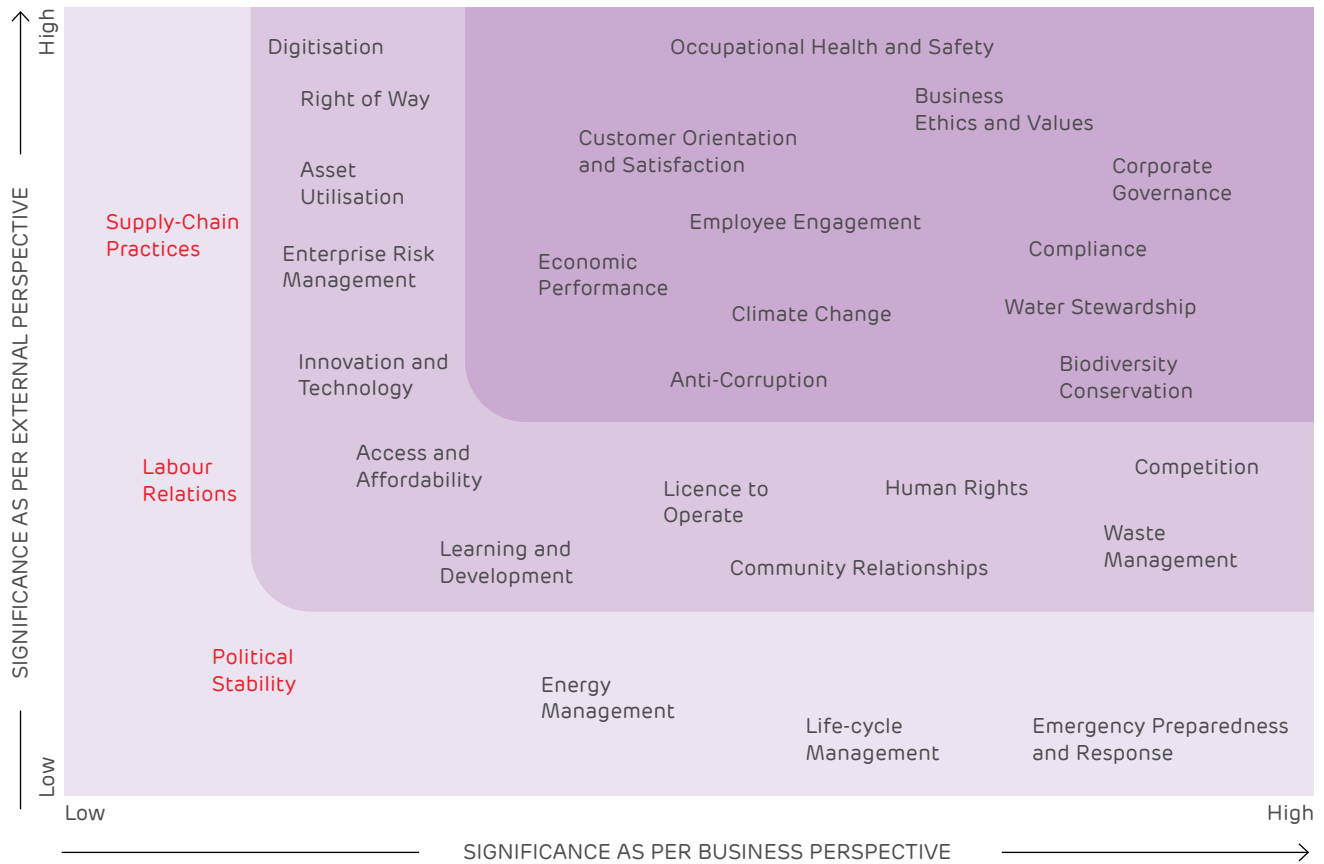


### Adani Energy Solutions' Megatrend: Key Insights for Shaping the Future

- Climate Change
- Transition to Clean Energy
- Diversity, Equity & Inclusion
- Technology Trends in the Power Industry
- Business Model Transition
- Digital Transformation & Innovation
- Geopolitical and Geoeconomic Forces
- Cybersecurity
- Regulations
- Transforming Consumer & Societal Behaviour and Preferences



## Materiality Matrix



While most of the material topics can be evaluated within a specific timeframe, it is important to note that certain issues, may have an ongoing and continuous impact on the business, regardless of the timeframe. Therefore, these topics are considered significant regardless of the time horizon. Content marked in red are the material topics that do not have a timeframe and are carried out on a continuous basis.

## Outcome of the Materiality Assessment

We have mapped our most high priority material issues and our approach to manage them for sustainable value creation.

### Environmental

#### BIODIVERSITY CONSERVATION

##### Why is it Material?

- Biodiversity loss can highly impact the overall ecosystem, health & well-being
- Construction & operational activities can potentially disrupt local ecosystems, affecting flora, fauna, and habitats
- Ineffective biodiversity management can disrupt business continuity and growth, and may lead to regulatory & legal risks

##### Financial Implication

Positive & Negative

##### Risk or Opportunity

Risk as well as Opportunity

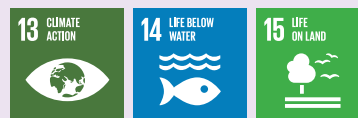
##### Approach to Mitigation/Adaptation, in Case of Risk

- Dedicated policy focussing on preservation and enhancement of biodiversity with an aim to achieve "Net Positive Gain" by FY 2024-25
- Signatory to India Business and Biodiversity Initiative (IBBI)
- Focus on avoiding ecologically sensitive zones for transmission line routes, minimising biodiversity impact, and restoring/nurturing habitats
- Undertake third-party biodiversity impact & dependency assessment of operational sites and utilise its findings for informed decision-making and planning
- Build partnerships to undertake planned initiatives and carbon sequestration for restoring/nurturing ecosystems, habitats, conservation of biodiversity, increasing green cover and reducing soil erosion
- Adani Energy Solutions is aligned to the Group's pledge to grow & nurture 100 million trees by 2030 – one of the largest [1t.org](https://www.1t.org) pledge across India
- Strict adherence to regulations and obtain required permissions and clearances before drawing transmission lines
- Compensate for biodiversity loss by creating or restoring habitats elsewhere. Engage employees, local communities and environmentalists to foster goodwill, conservation mindset and ensure sustainable practices

##### GRI Alignment

GRI 3-3, GRI 304

##### SDG Alignment



##### Capital Impacted



##### KPIs

- Operational sites in areas with high biodiversity value
- Biodiversity Impact & Dependency Assessment (BIDA) of the sites, tree plantations and mangrove plantations in terms of number and area coverage (in hectares), native species management & habitat restoration area (in hectares), indicating restoration efforts
- Record Sea-water temperature fluctuations to track temperature changes due to thermal discharge



Financial Capital



Natural Capital



Manufactured Capital



Human Capital



Social and Relationship Capital



Intellectual Capital

## CLIMATE CHANGE (ENERGY AND EMISSIONS)

### Why is it Material?

- Significant exposure to emerging and climate-related physical and transitional risks due to the nature of our business
- Climate-change related physical & transition risks pose challenges to our nation-wide physical assets, operating performance, and business continuity
- Failure to adaptation to these risks can erode competitive advantage and may lead to regulatory penalties

Deployment of innovative technologies to tackle climate change, transition to renewable power and curbing the GHG emissions can usher in opportunities for new streams of revenue, increased operational efficiencies, enhanced compliance, and competitive advantage.

### Financial Implication

Positive & Negative

### Risk or Opportunity

Risk as well as Opportunity

### Approach to Mitigation/Adaptation, in Case of Risk

- Board-level Corporate Responsibility Committee that governs sustainability related operational and financial risks
- Develop and implement robust Business Continuity Plan
- Climate performance-linked remuneration to all key management personnel
- Conduct third-party assessments to evaluate asset vulnerability owing to climate risks and tap into the new business opportunities
- Investment in innovation and technologies to mitigate impact of climate change on our operations such as Renewable Energy, solar capacity, energy-efficient technologies
- Emergency Restoration System to ensure swift recovery in case of transmission and distribution network failure and ensures reliability during extreme weather conditions
- Augmentation of solar capacity to reduce auxiliary power consumption
- Align with global climate goals and adoption of sustainable practices for long-term viability
- Evaluate sustainability goals and climate resilience strategies every 3-5 years

### GRI Alignment

GRI 3-3, GRI 302, GRI 305

### SDG Alignment



### Capital Impacted



### KPIs

- Energy consumption (from renewable vs non-renewable sources) and energy intensity
- Sites and assets covered under third-party assessment
- Share of Renewable Energy (RE) procured in overall energy mix
- GHG emissions (Scope 1, Scope 2 and Scope 3) and emission intensity
- Installation of solar power capacity
- Frequency and duration of outages caused by climate hazards, transmission losses and grid upgrades
- Distribution losses, maintenance costs, and asset utilisation



Financial Capital



Natural Capital



Manufactured Capital



Human Capital



Social and Relationship Capital



Intellectual Capital

## WATER STEWARDSHIP

### Why is it Material?

- Water is scarce and a shared resource
- Our 11 assets are operating in high water-stressed regions
- Non-compliance with regulatory norms can lead to penalties and or operational disruptions
- There are physical risks and reputational risks associated with water
- Overuse & inefficient water management can impact overall ecosystem and long-term viability
- Minimisation of water consumption, and reuse/recycling initiatives conserve natural resource
- Reducing dependency on freshwater and replenishment of waterbodies presents an opportunity to obtain social licence-to-operate, build a positive brand reputation in turn, leading to long-term viability of our business operations

### Financial Implication

Negative

### Risk or Opportunity

Risk

### Approach to Mitigation/Adaptation, in Case of Risk

- Systems and processes to manage water consumption through continuous monitoring and tracking across all operational sites
- Implementation of rainwater harvesting at substations to reduce dependency on freshwater
- Planned initiatives to replenish natural water sources by extracting lesser than what we utilise
- Treatment of effluent in in-house sewage plants and reusing it for horticulture activities
- Monitor compliance with Water Regulations and Water Quality Standards
- Consume water responsibly and reduce water intensity through efficient cooling systems and low-water technologies
- Business Continuity Planning considering water-related risks (droughts, pollution, floods etc.)
- Regular maintenance and leak repairs to ensure optimal water performance
- Continuous review of progress against water neutrality

### GRI Alignment

GRI 3-3, GRI 303

### SDG Alignment



### Capital Impacted



### KPIs

- Water withdrawal intensity (cubic meters per megawatt-hour) to assess water use efficiency
- Water consumption per unit of electricity generated
- Water risk assessment score and emergency preparedness
- Rainwater harvesting capacity created
- Compliance with water regulations and water quality standards
- Sea water discharge temperature



Financial Capital



Natural Capital



Manufactured Capital



Human Capital



Social and Relationship Capital



Intellectual Capital



## Social

### OCCUPATIONAL HEALTH AND SAFETY

#### Why is it Material?

- Ineffective management of health & safety can expose our workforce to health & safety risks
- Health & safety incidents can lead to reduced workforce productivity, morale, loss of skilled man-hours required for O&M activities
- Subsequent, negative impact on business operations, customer satisfaction and profitability

#### Financial Implication

Negative

#### Risk or Opportunity

Risk

#### Approach to Mitigation/Adaptation, in Case of Risk

- Robust Health and Safety governance to ensure workplace healthy and safety
- ISO 45001:2018 certified Integrated Management System (IMS)
- Six-step Contractor Safety Management (CSM) System along with monitor mechanism to ensure contractor's compliance with required safety standards
- Implementation of Incident Reporting and Investigation mechanism in line with Group's safety standard
- Regular health check-ups and safety trainings to the employees and contract workers to reduce accidents
- Undertake a host of health & safety initiatives for the workforce in line with Group's health & safety standards such as 'Safety Samvaad', 'Sabhi ki Suraksha WhatsApp Group', direct monthly interactions of workers with the COO, etc.
- Inhouse and third-party safety audits undertaken for operational & under-construction sites

#### GRI Alignment

GRI 3-3, GRI 403

#### SDG Alignment



#### Capital Impacted



#### KPIs

- Workplace fatalities for employees and contract workers
- Lost-Time Injury Frequency Rate (LTIFR) for employees and contract workers
- Work-related ill-health for employees and contract workers
- Safety Training Coverage & effectiveness for employees and contract workers
- Health Assessment Compliance
- Gather feedback on the training process to evaluate relevance and clarity of training materials. Observe workplace behaviour post-training to determine if employees apply what they've learned
- Number of safe behaviour acknowledged publicly for positive reinforcement



Financial Capital



Natural Capital



Manufactured Capital



Human Capital



Social and Relationship Capital



Intellectual Capital

## CUSTOMER ORIENTATION AND SATISFACTION

### Why is it Material?

- Customer Satisfaction leads to loyalty and positive brand perception
- Enhanced customer satisfaction is key to thrive in a progressively competitive landscape
- Offering superior quality of products & services, demonstrating high responsiveness to customers enhance new business opportunities

### Financial Implication

Positive

### Risk or Opportunity

Opportunity

### Approach to Mitigation/Adaptation, in Case of Risk

Not Applicable

### GRI Alignment

GRI 3-3, GRI 418

### SDG Alignment



### Capital Impacted



### KPIs

- Customer Satisfaction Scores
- Incidents related to breach of customer data
- Average Duration of Interruption (ADI)
- Average Time to Resolve Customer Complaints
- Billing Error Rate

## EMPLOYEE ENGAGEMENT

### Why is it Material?

- Employees are biggest asset for the growth of our organisation and operations
- Regular engagement fosters high retention rate, employee satisfaction & effectiveness and reduces employee turnover rate
- Higher employee productivity through continuous engagement contributes to organisation's growth and profitability

### Financial Implication

Positive

### Risk or Opportunity

Opportunity

### Approach to Mitigation/Adaptation, in Case of Risk

Not Applicable

### GRI Alignment

GRI 3-3, GRI 400 series

### SDG Alignment



### Capital Impacted



### KPIs

- Employee Engagement Score and Employee Engagement Index
- Learning & Development hours
- Employee turnover and retention rates
- Employee referrals
- Spends on employee benefits
- Employee satisfaction score



Financial Capital



Natural Capital



Manufactured Capital



Human Capital



Social and Relationship Capital



Intellectual Capital

## Governance

### BUSINESS ETHICS AND VALUES

#### Why is it Material?

- Adherence with ethical practices fosters stakeholders' trust and compliance with laws & regulations
- Incidents of non-compliance & breach of code can expose us to legal and financial risks and erode stakeholders' confidence
- Breach of ethics & value can tarnish brand reputation, negatively impacting our revenues and growth prospects due to operational disruptions
- Transparency, accountability, fair & timely disclosures enhance our credibility and business continuity

#### Financial Implication

Negative

#### Risk or Opportunity

Risk

#### Approach to Mitigation/Adaptation, in Case of Risk

- Robust corporate governance practices and procedures led by the Board of Directors
- Policies, code of conduct and KPIs to promote ethical behaviour and highest level of compliance
- Strong systems and frameworks to monitor day-to-day operations and ensure compliance, ethics, trust, transparency across the processes
- Training to the employees for business ethics, identification and reporting of unethical behaviour through whistleblower mechanism
- Regular audits to ensure compliance with the code of conduct; third-party verification of compliance management systems
- Fair and timely disclosures about our performance to all key stakeholders
- Commitment to continuous improvement by assessing ethics programme effectiveness which requires collaboration across departments/functions and levels

#### GRI Alignment

GRI 3-3, GRI 206

#### SDG Alignment



#### Capital Impacted



#### KPIs

- Training of Directors, employees and senior management personnel on Code of Business Ethics & Conduct and Whistle Blower mechanism
- Incidents related to the breach of code including corruption and bribery
- Incidents related to human rights violation
- Audits and third-party assessments
- Number of incidents reported through whistleblower hotline or reporting system
- Stakeholder Trust Index and Reputation Index
- Crisis Response Time i.e., the time taken to respond to ethical crises
- New Investment Inflows and exiting investors outflows

### CORPORATE GOVERNANCE & COMPLIANCE

#### Why is it Material?

- Robust governance is critical to ensure efficient and transparent business conduct
- Ensures compliance with regulatory and statutory norms
- Strong governance fosters investors & stakeholders' confidence
- Governance based on ethical practices & robust controls paves the way for capital access, strong brand value, productivity improvement, talent retention and attraction

#### Financial Implication

Positive

#### Risk or Opportunity

Opportunity

#### Approach to Mitigation/Adaptation, in Case of Risk

Not Applicable

#### GRI Alignment

GRI 3-3, Multiple disclosures under GRI 2

#### SDG Alignment



#### Capital Impacted



#### KPIs

- Payment of penalties for non-compliances related to legal, statutory & environmental norms



Financial Capital



Natural Capital



Manufactured Capital



Human Capital



Social and Relationship Capital



Intellectual Capital

## ECONOMIC PERFORMANCE

### Why is it Material?

- It is our fiduciary duty to deliver strong financials, maintain healthy balance sheet and operational excellence to meet the expectations of our investors and other stakeholders
- Strong financial performance & robust balance sheet will empower our business to grow by bidding for new transmission projects across the country
- Prioritising economic performance ensures financial resilience and supports India's energy transition

### Financial Implication

Positive

### Risk or Opportunity

Opportunity

### Approach to Mitigation/Adaptation, in Case of Risk

Not Applicable

### GRI Alignment

GRI 3-3, GRI 201

### SDG Alignment



### Capital Impacted



### KPIs

- Direct economic value generated and distributed

## ANTI-CORRUPTION

### Why is it Material?

- Incidents of corruption & bribery can expose us to legal and financial risks and erode stakeholders' confidence
- Breach of ethics & value can tarnish brand reputation, negatively impacting our revenues and growth prospects

### Financial Implication

Positive

### Risk or Opportunity

Opportunity

### Approach to Mitigation/Adaptation, in Case of Risk

Not Applicable

### GRI Alignment

GRI 3-3, GRI 205

### SDG Alignment



### Capital Impacted



### KPIs

- Instances of corruption and unethical business practices
- Employees' and value chain partners' training on anti-corruption and business ethics



Financial Capital



Natural Capital



Manufactured Capital



Human Capital



Social and Relationship Capital



Intellectual Capital



RISKS AND OPPORTUNITIES

## Catering Opportunities & Mitigating Risks

Effective risk management is integral for enterprises to operate with resilience in an ecosystem which is ever-evolving and lined with pertinent new challenges and disruptions. We have embedded a robust risk management process across all business functions, which is in line with ISO 31000 and COSO (The Committee of Sponsoring Organisations of the Treadway Commission) framework, to ensure proactive identification and management of significant risks for long-term growth.

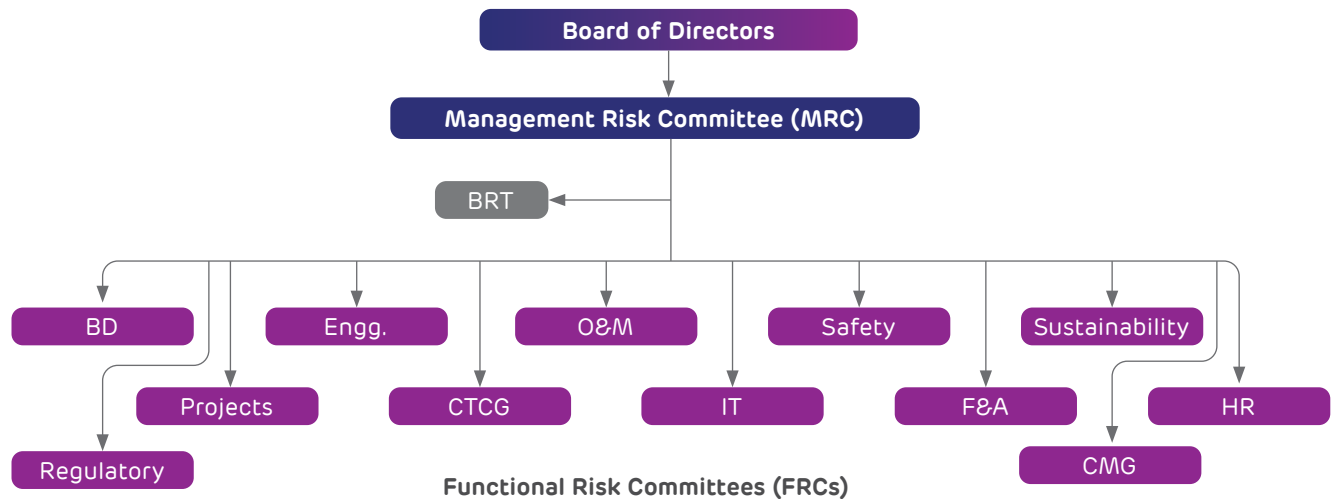


## Risk Governance and Oversight

We manage risks through a collaborative effort with participation from the Board-level committees, departments and skilled professionals. Our Risk Management process is driven and overseen by the Board at the top and assisted by the Group-level Statutory Audit Committee and

Risk Management Committee (RMC). These statutory committees engage with the Management Risk Committee (MRC) to supervise the risk management framework and its operation, including the review of risk functions, policies, practices, guidelines, and procedures. The Chief Risk Officer (CRO), who reports directly to the CEO, is the custodian of the Risk

Identification and Management process, with dedicated responsibilities at the operational level. The engagement from the Chief Risk Officer, Management Risk Committee (MRC), Business Risk Team (BRT) and Function Risk Committees (FRCs) at department level strengthen our Risk Management process.



## Roles & Responsibilities

### Board

- Set the tone at the top to drive transparent Risk Management culture
- Review the risk appetite of the Company and provide strategic directions

### Risk Management Committee (RMC)

**Review Frequency:** Quarterly

- Assist the Board in management of significant risks
- Evaluate and monitor the efficacy of Company's risk management procedures and controls
- Provide guidance and direction to the Management Risk Committee (MRC) for review of internal business functions

### Management Risk Committee (MRC)

**Review Frequency:** Quarterly

- Assist RMC in ensuring the efficacy of risk management procedures & controls
- Regular review of business functions to assess top risks
- Provide guidance to BRT and FRC on mitigation of prioritised risks
- Communicate implications of notable risks on Company's operations to RMC

### Business Risk Team (BRT)

**Review Frequency:** Quarterly

- Drives risk management process across various business units
- Supervises and coordinates with FRCs in risk identification & management across functions

- Analyses the risks through peer-risk-benchmarking and plot risk interactions
- Appraises MRC regularly for the most significant risks

### Functional Risk Committee (FRC)

**Review Frequency:** Quarterly

- Comprises dept-level representatives to oversee risk management process within their functions
- Assign ranking to gauge risk-severity and obtain sign off from the Function Head
- Prepare, monitor, and update the Risk Register & Risk Plan
- Present function-level risk report to the Management Risk Committee (MRC)

## Risk Management Framework

A robust Risk Management framework defines our systematic approach towards identification, prioritisation, management, monitoring, and reporting on existing as well as emerging risks. The framework involves meticulous procedures for identification of

internal and external risks, and implementation of appropriate mitigation measures & controls. The risk management framework, guided by the Chief Risk Officer, is implemented across the Company to enable all employees and business associates to raise any risk identified by them to

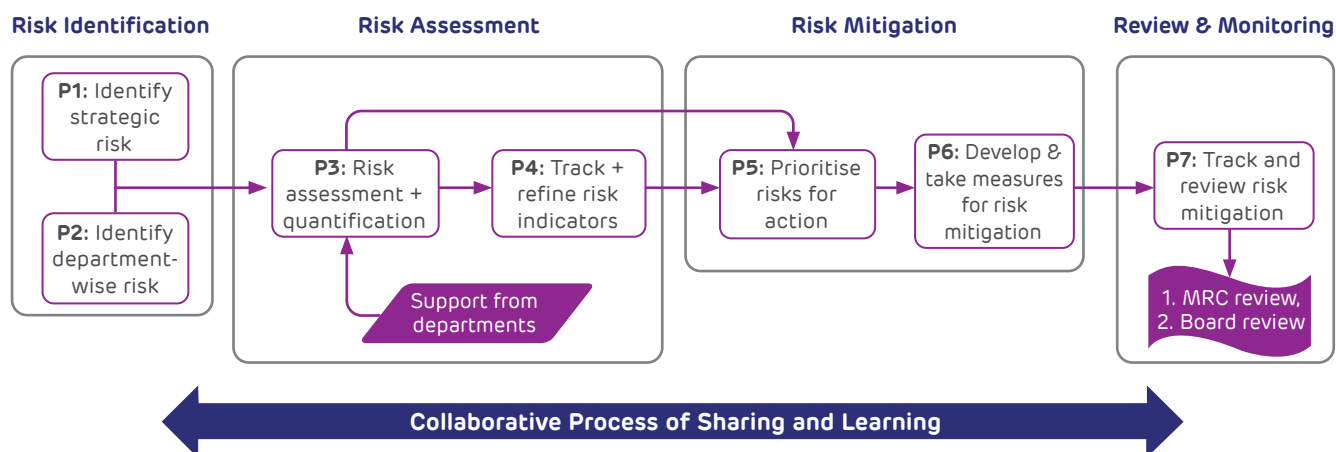
the next level. The Company's Risk Management framework is founded on sound organisation design principles and is enabled by effective review mechanism, to help achieve strategic & operational objectives and continue to meet customer needs.

## Process and Approach to Risk Management

Our Risk Management framework is designed for early identification of risks and effective mitigation using the hierarchy of controls.

## Making Sustainability Everyone's Goal

**We review our risk exposure annually to detect any shifts in the risk and to identify any emerging risks in external ecosystem. Sustainability-related metrics are integrated into our annual executive compensation. Additionally, 15% of the KRAs evaluation is allocated to ESG performance and associated risks.**



### Identification of Strategic & Department-wise Risk

- Participation from Function heads and Senior leaders
- Employee participation through bottom-up approach (FRCs)
- Discussion with Strategy team/Senior Management on business-related risks

### Risk Assessment & Evaluation

- Risk-evaluation basis the severity of impact, probability of occurrence

### Risk Mitigation

- Prioritisation of risks for action (Strategic, Tactical & Functional)
- Decision for appropriate treatment of risk through 'Accept, Treat, Transfer and Terminate'
- Adoption of mitigation plan based on a cost-benefit analysis (case-to-case basis)

### Risk Monitoring & Review

- Monitoring trend of risk (Quarter-on-Quarter)

- Tracking the implementation to ensure achievement of the desired outcome
- Continuous improvement through close monitoring coupled with review by MRC and the Board
- Taking an outside-in view by being situationally aware of the dynamic environment of the business
- Board of Directors Oversight

## Our Risk Universe and Response

### Strategic Risks

# R1

## Macroeconomic Risk

### Capital Linkage



### Strategic Priority Linkage

S3, S5, S6

### Significance and Potential Impact

Shifts in the economic environment can lead to high interest rates, volatile currency and commodity prices potentially impacting Company's ability to access the low-cost funding and competitiveness.

### Adaptation and Mitigation Measures

The Company has adopted a risk management system involving the implementation of the following measures:

- Adopt prudent financial measures
- Implement hedging strategies involving measures to offset potential risks and fluctuations in interest rates
- Making informed decisions to opt for fixed or floating interest debt
- Active engagement with policymakers, government authorities and industry forums to stay informed of policy, and regulatory changes

# R2

## Cybersecurity Risk

### Capital Linkage



### Strategic Priority Linkage

S1, S2, S4, S5

### Significance and Potential Impact

While higher possession of customer data is critical to understand customer needs in a better manner, it also gives rise to the possibility of data breach and non-compliances. Moreover, cybersecurity breaches within the power sector may also lead to operational disruptions and equipment failures, such as turbines, inverters, batteries, SCADA systems, PLCs, and relays.

### Adaptation and Mitigation Measures

- Conduct Vulnerability Assessment and Penetration Testing (VAPT) regularly to identify gaps and develop action plans
- Develop and implement strong cybersecurity policy

- Centralised Cyber Security Operations Center (SOC) for detection of cyber-attacks and incident response. Knowledge base of attacks and response maintained by SOC Team
- Increased IT/cybersecurity training to employees to handle challenges and threats effectively
- Regular Awareness campaigns – emailers, screensavers, e-learning modules, etc., for informing users about cyber risk and preparedness
- Include cybersecurity measures in Business Continuity Plan (BCP) and Disaster Management Plans (DMP)
- Segregate IT (Information Technology) and OT (Operational Technology) environments by isolating critical systems from potential cyber threats

**S1:** Safety Culture; **S2:** ESG Integration; **S3:** Efficient Capital Allocation and Execution Capabilities  
**S4:** Portfolio of Efficient Operating Assets; **S5:** Robust Financial Profile; **S6:** Business Excellence



R3

## Reputation Risk

### Capital Linkage



### Strategic Priority Linkage

S2, S5, S6

### Significance and Potential Impact

Negative social media campaigns can adversely impact the brand reputation, financial standing and the ability to secure funding for both current and future expansion plans. The other adverse consequences of reputational risks include:

- Ratings and downgrades
- Stock market volatility
- Crisis in subsidiary businesses
- Loss of trust from consumers, employees, investors, and EPC partners
- Difficulty in attracting / retaining top talent

### Adaptation and Mitigation Measures

- Institutionalisation of reputational risk management process throughout the Company
- Governance structure for damage control including specific media responses and official spokesperson
- Brand Perception Survey to test the critical stakeholder sentiment
- Governance to ensure adherence to legal and regulatory compliances to maintain financial and long-term investment value
- Undertake media campaigns to counter the negative narrative
- Adoption of proactive initiatives & actions to foster social responsibility and goodwill within the communities

R4

## RoW Clearance Risk

### Capital Linkage



### Strategic Priority Linkage

S1, S3, S5, S6

### Significance and Potential Impact

Securing clearance for Right of Way is increasingly proving challenging for the transmission business. For enhanced compensation and tower base land value, the land owners may not agree with the given compensation and approach the Courts. Such litigation process hampers the progress of transmission line construction.

### Adaptation and Mitigation Measures

- Engage in policy advocacy to establish predefined transmission corridors

- Proactively create a land pipeline in operating states and securing land rights and permissions in advance to mitigate delays
- Focus on developing innovative designs and methodologies for transmission line installations, to minimise the impact on the surrounding environment and facilitate smoother clearance processes
- Support from locals to mitigate the RoW & educate the villagers regarding the usefulness of the transmission system and its safety

R5

## Climate Risk

### Capital Linkage



### Strategic Priority Linkage

S1, S2, S3, S4, S5, S6

### Significance and Potential Impact

Climate change is the biggest threat to humanity's collective and continued well-being. Disruptions caused by climate change can impact our transmission and distribution infrastructure. New and emerging climate regulations can impact our access to strategically important capital markets.

### Adaptation and Mitigation Measures

- Develop and implement robust Business Continuity Plan (BCP) and Disaster Management Plan (DMP)
- Actively engaging with stakeholders to proactively address potential community activism issues
- Conduct third-party assessments to evaluate asset vulnerability owing to climate risk
- Develop minimum design adequacies to handle adverse weather conditions
- Ensure strict adherence to standard procedures during execution of projects and address any gaps that arise

## Emerging Risks

Emerging risks are the new risks arising due to the ever-evolving market and external triggers such as rapid technological changes, geo-political instability, evolving stakeholder expectations, etc. It is extremely critical for enterprises to closely watch out for the emerging risks and manage them effectively to ensure longevity of their operations and value creation for the stakeholders.

We have identified the following emerging risks pertaining to our operations:

R6

## Operational Technology Risk

### Capital Linkage



### Strategic Priority Linkage

S1, S2, S4, S5, S6

### Significance and Potential Impact

Our power transmission and distribution operations are increasingly susceptible to technology risks through our operational technology (OT) systems. These risks can disrupt operations, cause downtime, and lead to financial losses.

### Adaptation and Mitigation Measures

- Establish strong OT security system along with IT
- Devise intentionally engineered design and control systems to protect against existing risk landscape
- Conduct regular risk assessment and mitigate and control the identified risk based on impacts

R7

## Operations & Maintenance Risks

### Capital Linkage



### Strategic Priority Linkage

S1, S2, S4, S5, S6

### Significance and Potential Impact

Operations and Maintenance (O&M) entails several identified risks. For instance, securing the Right of Way (RoW) necessitates thorough investigations of eco-sensitive zones and biodiversity in the area to avoid harm to any species.

### Adaptation and Mitigation Measures

- Pledge for 'No biodiversity loss' while carrying out our operations
- Risk management framework based on COSO (The Committee of sponsoring organising of

the Treadway Commission) to manage risk while achieving the strategic and operational objectives

- "No deforestation" commitment to ensure conducting operations in a sustainable manner, without disturbing the ecosystem
- Identification of strategic (including climate), tactical and operational risks while determining their severity and the cost implications

R8

## Failure of Climate Change Adaptation

### Capital Linkage



### Strategic Priority Linkage

S1, S2, S3, S4, S5, S6

### Significance and Potential Impact

Given that our infrastructure assets are located across the country, extreme weather events stemming from climate change could potentially result in the collapse of our physical assets. Such an outcome would not only disrupt our business continuity but also lead to outages, customer dissatisfaction, and a subsequent impact on our profitability.

### Adaptation and Mitigation Measures

- Conduct scenario analysis to identify various plausible scenarios and related risks and opportunities

- Emergency Restoration System (ERS) to build operational resilience that rests on its ability to rapidly recover following an extreme weather event
- Invest in resilient infrastructure, suitable innovations and technologies to mitigate climate change impacts on our business operations
- Enhance operational excellence by modernising transmission and distribution networks

**S1:** Safety Culture; **S2:** ESG Integration; **S3:** Efficient Capital Allocation and Execution Capabilities  
**S4:** Portfolio of Efficient Operating Assets; **S5:** Robust Financial Profile; **S6:** Business Excellence

## Climate-related Risks and Opportunities

Climate risk and opportunity identification has been embedded into our overall Enterprise Risk Management System based on the COSO framework and Health, Safety, and Environment Management System. We apply the Task Force on Climate-Related Financial Disclosures (TCFD) framework to systematically evaluate and address climate-related risks and seize associated opportunities.

### Scenario Analysis and Stress Testing

We conducted organisation-wide Scenario Analysis and Stress Testing to assess long-term (Year 2020 – 2039) climate risks and their implications on our operational efficiency and continuity. We have identified IPCC Representative Concentration Pathway (RCP) scenarios and IEA scenarios to establish our climate change strategy and futuristic outlook towards the business plan.

Climate-Related Scenario	Temperature Alignment of Scenario	Adaptation Strategy
<b>RCP 4.5</b> (Medium Emission)	Intermediate emissions scenario with global mean temperature expected to rise by 1.1-2.6°C	<ul style="list-style-type: none"> <li>Strengthen physical assets and infrastructure resilience post climate change risk analysis, including rising temperatures, changes in precipitation patterns, and more frequent extreme weather events</li> </ul>
<b>RCP 6.0</b> (High Emission)	High emissions scenario with global mean temperature expected to rise by 3-4°C	<ul style="list-style-type: none"> <li>Adopt robust water management strategy, invest in water recycling facilities, and/or explore alternative cooling technologies, to enhance water efficiency</li> <li>Engage with policymakers for a regulatory environment, conducive for necessary adaptations</li> <li>Invest in staff's capacity building to tackle climate change effectively</li> <li>Engage stakeholders, including local communities, investors, and customers, to understand their climate-related concerns and expectations and shape informed adaptation strategies</li> <li>Robust disaster management &amp; business continuity framework and on-ground implementation. Regular mock drills to check preparedness.</li> </ul>
<b>IEA 2DS</b>	The 2DS is consistent with a 50% probability of limiting the expected global average temperature increase to 2°C by 2100	<ul style="list-style-type: none"> <li>In addition to above, we are working towards carving out Dahanu Thermal Power Station from Adani Energy Solutions' power generation portfolio and are committed to having <b>no new thermal power assets</b></li> </ul>
<b>IEA B2DS</b>	Global mean temperature expected to rise beyond 2°C Scenario (B2DS)	<ul style="list-style-type: none"> <li>We are increasing the share of renewable energy in our overall power mix</li> </ul>
<b>IEA NZE 2050</b>	The IEA Net Zero Emissions by 2050	



## Climate Change-related Risks

### Physical R1

#### Acute

#### Capital Linkage



#### Likelihood of Occurrence

More likely than not

#### Strategy Linkage

S2, S6

#### Time Span




#### Significance and Potential Impact

- Acute physical risks are driven by extreme weather events arising from climate change such as cyclones, hurricanes, heatwaves, earthquakes, etc.
- Assets in climate-prone zones of Rajasthan, Gujarat, Maharashtra, Bihar, Madhya Pradesh, Haryana, Uttar Pradesh, Chhattisgarh and Jharkhand, face acute physical risks that can impact our operational efficiency and business longevity
- We factor in climate change impacts to safeguard the health of our multi-decadal assets,

ensuring reliable electricity transmission & distribution, and avoiding disruptions

#### Mitigation Measures

- Establishment of resilient infrastructure design to withstand extreme weather events
- Emergency Restoration System (ERS) to build operational resilience and rapid recovery post extreme weather events
- Site-level robust Disaster Management Plan to handle emergencies

 Read about our Disaster Management Plan on Page 126 under 'Environment Chapter'

### Physical R2

#### Chronic

#### Capital Linkage



#### Likelihood of Occurrence

More likely than not

#### Strategy Linkage

S2, S3, S6

#### Time Span



#### Significance and Potential Impact

- Long-term climate disruptions can impact our assets' functioning
- Climate-induced temperature risk can significantly impact transmission and distribution efficiency and reliability due to energy losses
- Projected chronic physical risks could significantly impact Adani Energy Solutions' transmission infrastructure and grid efficiency
- Although no significant climate change impacts were recorded, critical sites were identified and appropriate risk management measures were taken to address worst-case scenario based on findings of Adani Energy Solutions' climate projections

#### Mitigation Measures

- Energy generation from renewable sources
- Developing new High Voltage DC transmission lines
- Integrating climate resilience in the assets during project design phase
- Design improvisation approach such as monopoles, insulated cross arms, utilisation of higher grade of concrete to adapt to climate-related impacts
- Infrastructure design practices to withstand various contingencies and adverse conditions
- Two Emergency Restoration Systems (ERS) deployed in central and western parts of India for rapid recovery post distribution network collapse in extreme weather events

 Medium-Term  Long-Term

**S1:** Safety Culture; **S2:** ESG Integration; **S3:** Efficient Capital Allocation and Execution Capabilities  
**S4:** Portfolio of Efficient Operating Assets; **S5:** Robust Financial Profile; **S6:** Business Excellence

## Transition R1

### Policy and Legal

#### Capital Linkage



#### Likelihood of Occurrence

More likely than not

#### Strategy Linkage

S2, S3, S6

#### Time Span



### Significance and Potential Impact

- Regulatory risks in terms of potential GHG emissions pricing such as a Carbon Tax, stricter reporting obligations and mandates on renewable energy, can impact our access to strategically important capital markets
- Growing litigation and activism against fossil fuels, trade regimes and tariff caps could impact Company's finances, necessitating higher provisions for environmental and legal liabilities

### Mitigation Measures

- Closely monitor the regulatory landscape, seek legal opinions and engage in policy advocacy for emerging risk
- Intensify efforts to reduce GHG emission intensity, maximise renewable energy integration and implement energy efficiency initiatives
- Actively engage with neighbouring units to proactively address potential community activism concerns

## Transition R2

### Market

#### Capital Linkage



#### Likelihood of Occurrence

More likely than not

#### Strategy Linkage

S2, S6

#### Time Span



### Significance and Potential Impact

- Shifting preference of financial institutions and investors towards low carbon economy while limiting their exposure towards specific industries or projects can disrupt our as well as our partner's access to the capital markets
- There's a risk of market disruption which can affect our ability to transition
- Global demand for non-fossil, RE based power transmission & distribution and low-carbon technologies may increase in future over that of fossil-based ones, impacting our services

### Mitigation Measures

- Expand into emerging markets with renewable energy integration into the distribution business
- Supporting and engaging with customers by facilitating rooftop solar installations
- Commissioning EV charging stations
- RE solutions to Commercial and Industrial customers

Medium-Term Long-Term

**S1:** Safety Culture; **S2:** ESG Integration; **S3:** Efficient Capital Allocation and Execution Capabilities  
**S4:** Portfolio of Efficient Operating Assets; **S5:** Robust Financial Profile; **S6:** Business Excellence

## Transition R3

### Technology

#### Capital Linkage



#### Likelihood of Occurrence

More likely than not

#### Strategy Linkage

S2, S6

#### Time Span



### Significance and Potential Impact

- Failure to adapt emerging technologies can impact our profitability and render us obsolete
- Timely adaptation of advanced technologies can enhance efficiencies and performance, providing a competitive edge
- Technology helps monitor climate-related impacts across geographic sites, enabling swift action to mitigation actions
- Renewable energy depends on newer technologies to efficiently integrate electricity supply in the grid

### Mitigation Measures

- Deploy advanced technologies across business functions and modernise transmission & distribution networks for operational excellence such as HTLS conductors to reduce the sagging and reliable power supply
- Assess climate risks, map vulnerabilities, and quantify risks vis-à-vis our assets & geographical areas (GAs) and plan effective adaptation of technology from design stage to commissioning

## Climate Change-related Opportunities

### Opportunity Type

Policy and Legal

### Opportunity Driver

Policy

### Time Span



### Opportunity Description & Realisation Strategy

We are committed to adopting technologies and systems to enhance energy efficiency. The Perform, Achieve and Trade (PAT) scheme, a regulatory mechanism designed to reduce

specific energy consumption in energy-intensive industries, has resulted into generation of Energy Certificates (E-Certs) in Dahanu plant, which can be traded to generate additional income.

### Opportunity Type

Markets

### Opportunity Driver

Access to new markets

### Time Span



### Opportunity Description & Realisation Strategy

We are expanding our footprint into the low carbon markets viz. Renewable Energy and EV mobility.

- Given the increasing global push for decarbonisation, there are new market opportunities for

distribution sector companies by increasing the share of renewables into their energy mix

- India's EV market is poised to grow rapidly, offering us a groundbreaking opportunity to enter new markets by commissioning EV charging stations

Medium-Term Long-Term

**S1:** Safety Culture; **S2:** ESG Integration; **S3:** Efficient Capital Allocation and Execution Capabilities  
**S4:** Portfolio of Efficient Operating Assets; **S5:** Robust Financial Profile; **S6:** Business Excellence

**Opportunity Type**

Markets

**Opportunity Driver**

Green Tariffs

**Time Span****Opportunity Description & Realisation Strategy**

There is a global shift towards lower carbon economy with increasing number of consumers preferring greener energy alternatives. The acceleration is nudging the energy distribution

companies to create new markets with greater proportion of renewables in the energy mix. By providing greener solutions to our customers, we will position ourselves as their preferred partner in their low-carbon journey.

**Opportunity Type**

Resource Efficiency

**Opportunity Driver**

Focussed Optimisation & Efficiency Measures

**Time Span****Opportunity Description & Realisation Strategy**

We acknowledge that optimising our resource consumption through energy efficiency measures, reducing emission intensities, waste and water consumption, and research & development for design

driven efficiency can enhance our operational efficiency leading to direct cost savings in medium to longer term.



Medium-Term



Long-Term



# Chief Executive Officer (CEO) Speaks



**Adani Energy Solutions delivered strong performance and achieved several milestones in FY 2023-24. Despite challenges, our transmission business commissioned four major projects, operationalised 1,244 ckm transmission line and crossed the strategic milestone of 20,000 ckm mark.**



The notable projects included the Warora Kurnool Transmission Line which is India's largest inter-regional line, Karur Transmission Line for green evacuation to Tamil Nadu, Kharghar Vikhroli line for meeting Mumbai's additional demand and the Khavda Bhuj line which establishes the first interconnection with the world's largest RE park at Khavda. Transmission system availability was maintained above 99.6%, resulting in an additional incentive income of ₹ 104 crore. The growth pipeline is strong with 2,114 ckm of ongoing projects worth ₹ 17,000 crore and near-term TBCB opportunity of over ₹ 1,10,883 crore.

In distribution, AEML ensured supply reliability of 99.99% and performed well on various metrics, including a SAIDI of 21.26, SAIFI of 0.69 and low distribution loss of 5.29%. AEML yet again solidified its stature as India's leading power utility, retaining the top spot in the 12<sup>th</sup> edition of the Ministry of Power's Annual Integrated Rating & Ranking. Overall, the distribution business effectively met the energy demand which increased by 9.43% to 9,916 MUs.

Even as the growth trajectory in our traditional businesses is strong,

recent endeavours to unlock growth and strive for customer-centricity pave the path for stronger than ever tomorrow.

The application for parallel distribution licences in three new geographies opens the scope to tap a new customer base by offering them a choice. Smart meter deployment guarantees enhanced demand management and reduced losses, and will empower the customers to optimise electricity usage and enhance renewable energy sourcing. Leveraging this expertise, we have unlocked external opportunities, bagging 2.28 crore smart meter orders so far in FY 2023-24 and previous year. We are ramping up the installation process and full-scale execution is anticipated in the next fiscal. Further, our entry into the cooling solutions, which is more energy- and cost-efficient and sustainable compared to traditional methods, unlocks new opportunities.

Energy serves as the lifeline of India's rapidly expanding economy, yet the industry faces a major gap in addressing the distinctive needs of various customer segments. Amidst surging economic growth and rising demand, it becomes

imperative to stay dynamic to cater to unique requirements. As the energy landscape underwent a dynamic shift, characterised by growing power loads, the emergence of large data centers and growing per capita energy consumption fuelled the need for reliable and sustainable power. This shift in the energy sector enabled Adani Energy Solutions to pivot from a service provider to a comprehensive energy solutions provider. Our rebranding as Adani Energy Solutions Limited underscores our commitment to become an integrated solutions company. Through our ongoing efforts to deliver innovative and customer-centric energy solutions, we are poised to change the game. The intent will be to prioritise customer needs and deliver tailored solutions, supported by a robust team comprising seasoned experts and young talent. We are proactively investing in expanding capacities and in leadership development to equip ourselves with the right skills to provide tailor-made solutions and support the next phase of organisational and national growth.

**Kandarp Patel**  
Chief Executive Officer

## STRATEGIC PRIORITIES

# Pillars of Sustainable Growth and Value Creation

We operate in a dynamic energy landscape, necessitating a holistic approach to capitalise on the opportunities and navigate the challenges. We therefore embed integrated thinking into our strategic planning process, identifying strategic priorities that seamlessly align our vision and mission with tangible performance outcomes. These priorities are designed to leverage our core competencies, manage business risks and address the material concerns of our stakeholders and effectively seize opportunities for long-term value creation.

## Strategic priority 1

## Safety Culture

Commitment to minimising health and safety risks and achieving zero fatalities

### Capitals Deployed



### Risks

- Operational
- Climate
- Failure of climate change adaptation

### Material Topics

- Occupational health and safety
- Learning and development
- Licence to operate
- Labour relations
- Asset utilisation

### Actions Taken in FY 2023-24

- Strengthened safety culture by disseminating incident learning through text messages and tracking its status, conducting quizzes, presentations and group discussions on safety standards and sharing of positive safety cases
- Site O&M monitoring through video calls and categorisation of near-miss incidents
- Sent out guidelines for Biparjoy cyclone and pre-monsoon safety
- Conducted quarterly safety performance evaluations of project and O&M contractors, sharing improvement plans
- Mandated sub-contractors to meet safety requirements and develop technology options to monitor compliance
- 100% coverage on safety module in eVidyalaya of O&M team
- Vulnerability safety risk assessment of 100% assets

### Way Forward

- Impart first aid training to 80% of our employees and implement group safety audit observations
- Conduct cross-site audits through trained internal resources
- Horizontal deployment of corrective and preventive actions (CAPA) for top five near miss categories to prevent reoccurrence
- Recognise and reward employees for exceptional safety behaviour
- Formulate a process to implement and close past two years' category 4 and 5 cases at group level for undertaking focussed improvements

### KPIs Tracked

- Fatalities
- LTI and LTIFR
- Safety training hours
- Safety concerns & Suraksha Samvaad
- Accidents
- Near miss reporting
- Training coverage rate
- First aid cases

## Strategic priority 2

### ESG Integration

Developing a highly skilled and diversified workforce, conducting business with the highest ethical and regulatory standards, ensuring long-term business sustainability, and improving quality of life through capacity building and counselling.

### Capitals Deployed



### Risks

- Climate, water and biodiversity risks
- Failure of climate change adaptation

### Material Topics

- Biodiversity conservation
- Climate change (energy and emissions)
- Water stewardship
- Customer orientation and satisfaction
- Employee engagement
- Corporate governance and compliance
- Business ethics and values
- Anti-corruption
- Licence to operate
- Community relationships
- Human rights
- Waste management

### Actions Taken in FY 2023-24

- Increased renewable energy share in Mumbai's overall electricity distribution mix to 34.35%
- Commissioned transmission lines for green energy evacuation: Karur Transmission Line and Khavda Bhuj Line
- Became a signatory to Workforce Disclosure Initiative (WDI) to enhance corporate transparency and accountability on workforce issues
- Enhanced ESG public disclosures
- Supply chain engagement, stakeholder engagement and community development
- Revisited material issues
- Conducted climate, water and biodiversity risk and opportunities assessment

### Way Forward

- Commitment to achieving net zero emission by 2050, with interim Science Based Targets for Scope 1, 2 and 3 emissions to support UN SDG 7 (affordable and clean energy), 11 (sustainable cities and communities), 12 (responsible consumption and production), 13 (climate action)
- Enhance the share of renewable energy to 60% by FY 2026-27 and 70% by FY 2029-30 to support UN SDG 7 (affordable and clean energy) and 13 (climate action)
- Pledge to grow 45.96 lakhs trees by FY 2029-30 to support UN SDG 15 (life on land)
- Update relevant policies and procedures for integrating ESG aspects into business processes

### KPIs Tracked

- Renewable energy share in power procurement
- GHG emissions intensity reduction
- Zero waste to landfill certification
- Single-use plastic-free certification
- Water intensity
- % of women in new hires and total workforce
- Employees trained in human rights
- Skill development training hours
- % of total procurement from local suppliers
- % of total procurement from MSME's
- Board independence
- Board gender diversity
- Instance of corruption/fines or settlements
- Customer satisfaction
- No. of customers availing Green tariffs
- % forest area avoided for new transmission projects
- % hectare of Mangroves restored and/or compensated in the reporting period

## Strategic priority 3

## Efficient Capital Allocation and Execution Capabilities

Leveraging strong project execution, project management expertise and infrastructure

### Capitals Deployed



### Risks

- Macroeconomic risk
- Right of way clearance risk
- Operational risk

### Material Topics

- Occupational health and safety
- Economic performance
- Right of way
- Access and affordability

### Actions Taken in FY 2023-24

- Completed and operationalised four transmission projects
- Applied for parallel distribution licences in three new regions
- Entered implementation phase in smart metering business
- Developed a plan of action for the cooling solutions business
- Capital expenditure during the year was ₹ 5,861 crore across all business segments

### Way Forward

- Pursue opportunities in transmission, smart metering and secure parallel licences in distribution
- Exploring international opportunities in transmission projects and expand horizons in the energy sector

### KPIs Tracked

- Project budget and IRR
- Time and cost overruns
- Safety incidences and fatalities



## Strategic priority 4

### Portfolio of Efficient Operating Assets

Be among the best-run power T&D assets across the Indian power sector

### Capitals Deployed



### Risks

- Operational risk
- Technology risk
- Failure of climate change adaptation

### Material Topics

- Occupational health and safety
- Digitisation
- Asset utilisation
- Innovation and technology

### Actions Taken in FY 2023-24

- Automated audit management, facilitated field force mobility for transmission line inspection, integrated Root Cause Analysis (RCA) and CAPA inputs, and incorporated asset Condition Monitoring (CdM) data into SAP
- Implemented digital initiatives: MIS automation, security systems and access control automation across sites, in-house dashboards, transitioning techno-commercial function to the SAP ARIBA platform, etc.
- IoT and field sensors for real-time monitoring, in-house hybrid patrolling using UAV drones and live line insulator replacements
- Centre of excellence for inventory management in energy business
- Optimisation in energy-efficiency consumption including natural daylight harvesting at the HVDC substation
- Submitted technical papers on 'Data Analytics in Substations' for the international conference in Paris (CIGRE-2024) and on '25 MVA Transformer Failure' at National conference (CBIP)
- Standardised process for the management of change (MOC)
- Energy Network Operation Center (ENOC): 100 % remote operation of 25 substations centrally from ENOC. With centralised operation there has been 31% reduction in frequent operation of 33kV equipments at Adani Energy Solutions Limited substations in Q4 FY23-24
- Technical audits conducted on regular intervals to improve business performance and formulate appropriate action plans

### Way Forward

- Develop first 3D printed store
- Replace diesel vehicles with EVs to reduce carbon footprints across sites
- Implement Asset Health Indexing to ensure asset longevity
- Integrate new and upcoming assets at Energy Network Operation Centre (ENOC) for remote operation and monitoring
- Digitalise business processes
- Implement APM tool for predictive analysis, residual life assessment and reliability centered maintenance

### KPIs Tracked

- Transmission system availability
- Electricity distribution supply reliability
- Distribution loss

## Strategic priority 5

## Robust Financial Profile

Maintain healthy margins and return ratios

## Capitals Deployed



## Risks

- Macroeconomic risk

## Material Topics

- Economic performance

## Actions Taken in FY 2023-24

- AEML has completed bond buyback of ₹ 855 crore (USD 120 million), reducing its total outstanding debt to ₹ 9,770 crore (USD 1,180 million)
- Robust cash flow generation supported growing capital expenditure requirement while keeping the leverage in check
- Cash balance stands at a healthy ₹ 4,617 crore as against ₹ 4,175 crore in the previous year

## Way Forward

- Redeploying the surplus fund for future growth
- Mobilise capital to support the growth, based on long-term fixed revenue and quality of our assets

## KPIs Tracked

- Revenue
- EBITDA
- Net debt to EBITDA
- ROCE
- ROE

## Strategic priority 6

## Business Excellence

Create a vision for the future and a sustained continuous improvement model

## Capitals Deployed



## Risks

- Operational risk
- Failure of climate change adaptation

## Material Topics

- Learning and development
- Innovation and technology

## Actions Taken in FY 2023-24

- Undertook efforts to progress on Adani Business Excellence Model Framework (ABEM):
  - Enhanced coverage of employees undertaking AV training e-module to 92%
  - Trained employees in process-centric and structured problem-solving methods like Business Process Management (BPM) and Structured Problem Solving (SPS)
- Developed ePortal – Energy Knowledge Management Repository (EKMR) for knowledge retention
- Conducted innovation and design thinking workshops to foster creative thinking and explore unique solutions for maintaining leadership

## Way Forward

- Plans in place to achieve the desired Business Excellence framework maturity level, including process digitisation and automation for adherence to system-driven organisation
- Pursue the PDCA (Plan-Do-Check-Act) approach in every improvement initiative to achieve process maturity along with assessments at regular intervals to acknowledge the progress and recalibrate

## KPIs Tracked

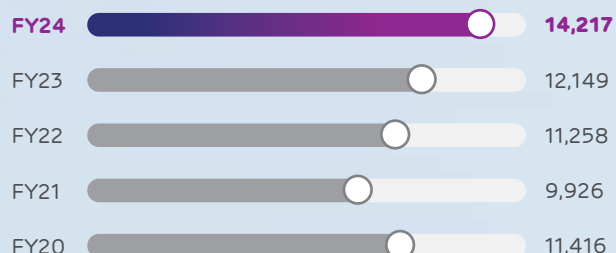
- Employee engagement in structured problem-solving
- Employee maturity in business excellence framework
- Process modelling and integration across all functions
- Process digitisation and automation
- Event-based reward and recognitions

## KEY PERFORMANCE INDICATORS

# Strengthening Reputation as a Performance Powerhouse

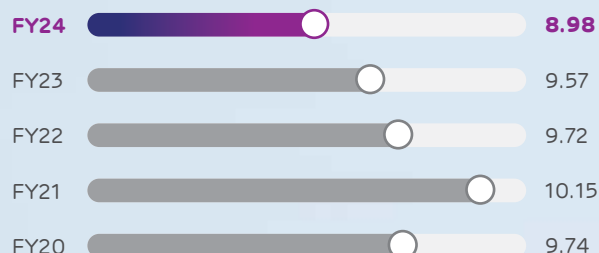
### Operational Revenue

(₹ crore)



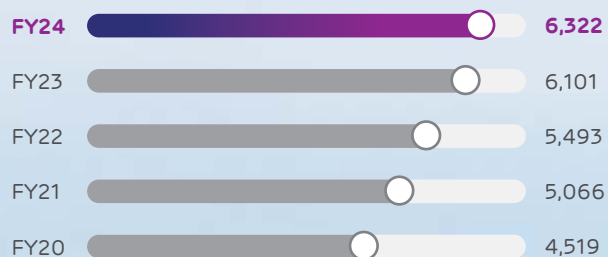
### ROCE

(%)

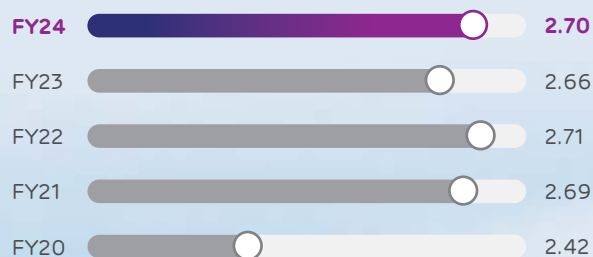


### EBITDA

(₹ crore)



### Gearing



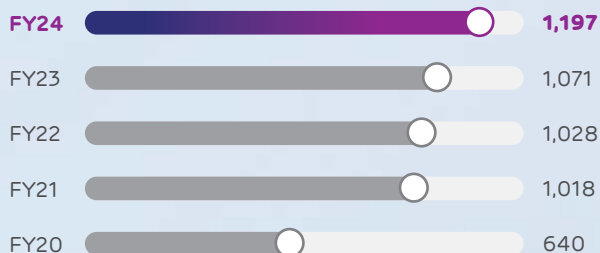
Notes:

Gearing Ratio: Total Debt/Total Equity

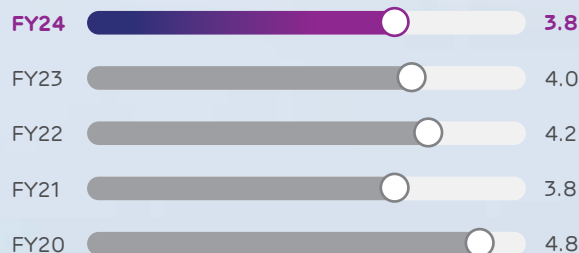
ROCE: Total EBIT/Capital Employed

### Comparable PAT<sup>(1)</sup>

(₹ crore)

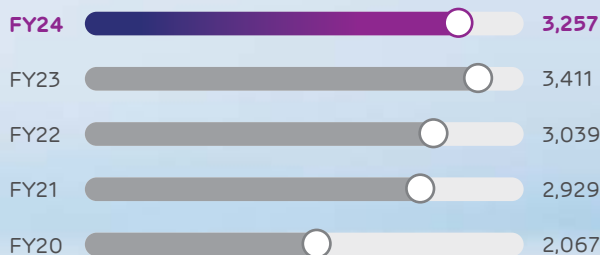


### Net Debt to EBITDA<sup>(3)</sup>



### Cash Profit<sup>(2)</sup>

(₹ crore)



Notes:

<sup>(1)</sup> Comparable PAT excludes one time Income & Expense (Net of tax).

<sup>(2)</sup> Cash profit calculated as PAT + Depreciation + Deferred Tax + MTM option loss.

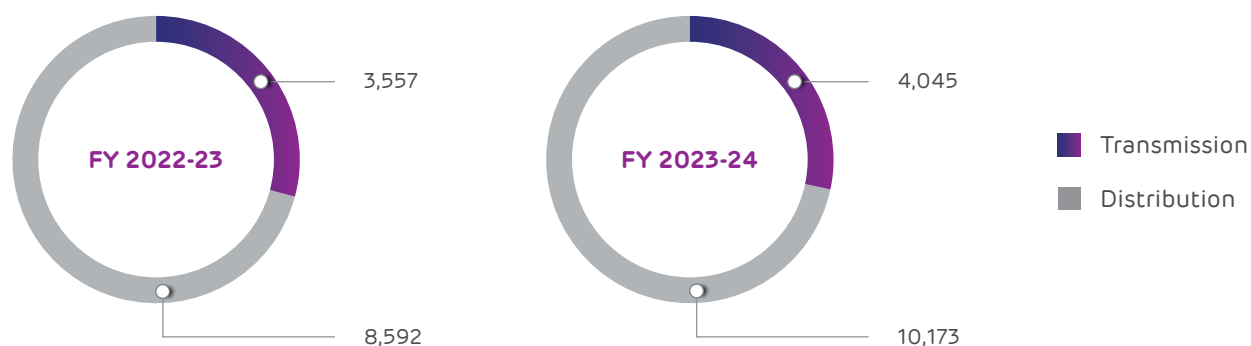
<sup>(3)</sup> For the Net Debt to EBITDA calculation, net debt here refers to total long-term debt at the hedge rate excluding shareholders affiliated debt and adjusted for cash & cash equivalent bank balance, current & non-current investments, balances held as margin money or security against borrowings divided by reported EBITDA.



## Segment-wise Financial Highlights

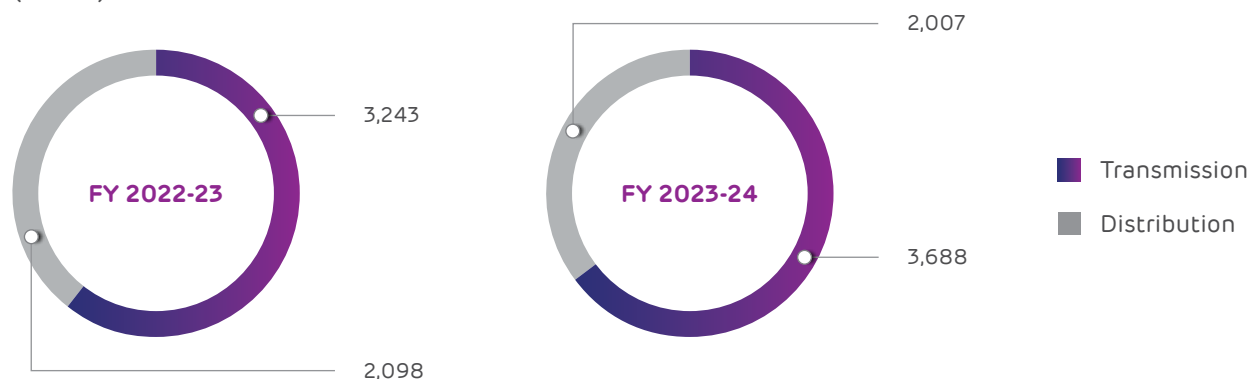
### Operational Revenue

(₹ crore)



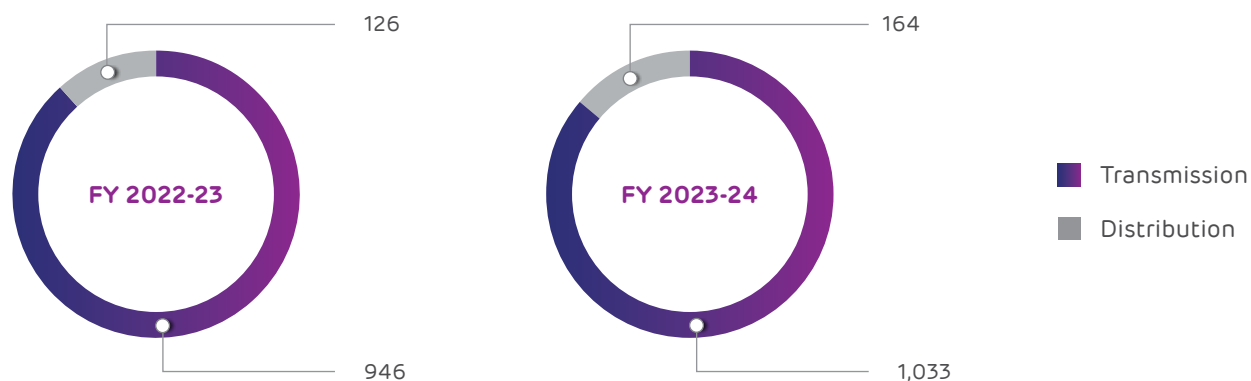
### Operational EBITDA

(₹ crore)



### Comparable PAT

(₹ crore)





Our project development and execution expertise, operating efficiencies, consumer focus and robust capital management plan uniquely puts Adani Energy Solutions at the forefront to reap several opportunities in Transmission and Distribution sector and capture future growth.

We have built a portfolio of long-life assets that guarantee stable and predictable cash flows. For FY 2023-24, our operational revenues increased 17% to ₹ 14,217 crore and operational EBITDA increased 4% to ₹ 5,695 crore. A robust cash profit of ₹ 3,257 crore, gives adequate resources to sustain growth plans. Additionally, a strategic bond buyback of ₹ 855 crore (USD 120 million), reduced debt. With a cash position of ₹ 4,617 crore, our consolidated net debt stood at ₹ 32,722 crore as on March 31, 2024 with a net debt to EBITDA of 3.8x well within the target.

**Kunjal Mehta**  
Chief Financial Officer



BUSINESS SEGMENT REVIEW

# Transmission/Grid-Network Vertical

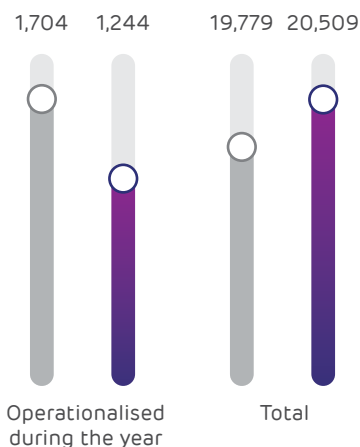
Empowering India with reliable transmission infrastructure

Power transmission is a mega opportunity in India as the country's power demand grows rapidly along with an emphasis on meeting it through renewable energy. With our project management expertise, coupled with technology-led operations and maintenance capabilities, Adani Energy Solutions remains at the forefront of swiftly expanding transmission capacities and efficiently taking power to demand centres.

**72%**  
Reduction in  
transmission line  
transient faults

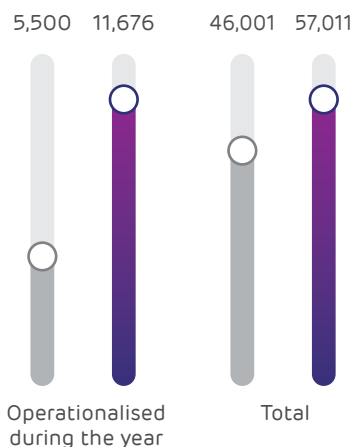
## Key Highlights

### Transmission Network Length (ckm)

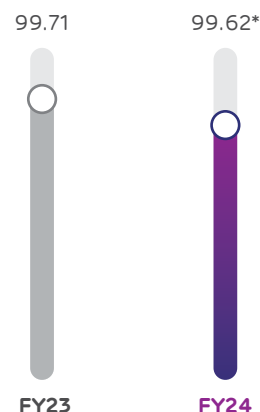


■ FY23 ■ FY24

### Transformation Capacity (MVA)



### System Availability (%)



\*Includes impact of live line upgrade with OPGW.

## Business Overview

We are India's largest transmission player, operating 37 transmission assets (28 operational and 9 under construction) across 14 states. This comprises projects secured through Tariff-Based Competitive Bidding (TBCB) and Regulated Tariff Mechanism (RTM).

## Competitive Edge

- **Highly efficient operations:** Our O&M expertise and stringent safety standards guarantee high system availability, enabling us to meet rising energy demands efficiently and reliably. It further ensures low O&M costs and the attainment of efficiency-linked incentives, resulting in one of the highest EBITDA margins among global utilities
- **Long-term revenue visibility and predictability:** Our assets operate

under availability-based tariffs with a concession life of 35 years, providing revenue visibility and mitigating throughput risks. Over 58% of our transmission business EBITDA comes from the sovereign rated counterparties

- **Technology edge:** We have invested in proprietary data analytics and visualisation capabilities that enhance decision-making, optimise processes and contribute to people skill development

Robust processes for seamless operations and effective disruption management

Advanced diagnostic technologies, data analytics and subject matter experts for rigorous asset monitoring

Regular digital/think tank to foster knowledge sharing, discuss lessons and implement innovative and digital solutions across all assets

Adopting lean Six Sigma principles, Quality Circles and Integrated Management Systems (IMS)

### Our Approach to Highly Efficient Operations

Workforce life cycle management system for optimal contractual workforce utilisation

Collaboration with academia to foster innovation and co-create solutions

Structured review mechanism for operational excellence, identifying improvement areas and adherence to industry standards

Tripping analytics with in-house dashboards to gain in-depth insights into incidents and undertaking root cause analysis



Industry Opportunity

Growing Power Demand and Generation Capacity

Electricity demand in India is driven by a rapidly expanding economy, infrastructure creation, industrialisation and population growth. In FY 2023-24, the power consumption in the country stood at 1,626.13 billion units (BU) with a peak demand of 243.27 gigawatt (GW). It is projected to increase to 1,907.84 BUs in FY 2026-27 and 2,279.64 BUs in FY 2029-30 with peak demand increasing to 277.20 GW and 334.8 GW respectively.

Source: CEA Dashboard, March 2024

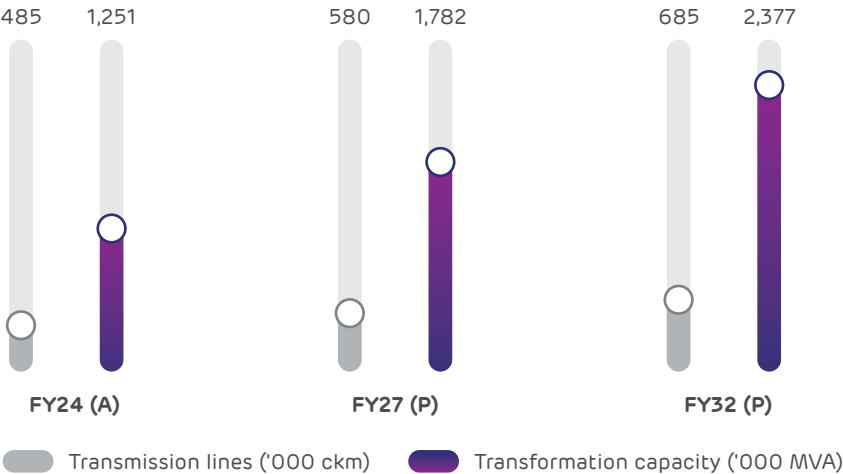
Additional power generation capacities will be required to meet this demand, projected to reach 610 GW in FY 2026-27 and 777 GW in FY 2029-30, with 500 GW coming from renewable energy. This will necessitate the creation of significant transmission capacity expansion, presenting a ₹ 2.44 trillion opportunity by 2030.

(Source: Report on optimal generation capacity mix for 2029-30 version 2.0)

Attractive Private Opportunity

The introduction of mandatory TBCB in 2006 has levelled the playing field for private players. Currently, an identified TBCB opportunity of about ₹ 1,10,883 crore is under bidding/approval stage.

Growth in transmission lines and transformation capacity



(Source: CEA as on March 31, 2024, Projected Figures from Draft NEP Vol II)



## FY 2023-24 Developments

- Added 1,244 ckm to the operational network, commissioning 4 projects:
  - 765 kV Warora Kurnool Transmission Line (WKTL), the largest inter-regional line in India spanning 1,756 ckm, to ensure seamless power flow of 4,500 MW between western region and southern region
  - Karur Transmission Line (KTL) comprising 400/230 kV, 1,000 MVA Karur Pooling Station and associated transmission line, to facilitate a green (wind energy) evacuation of 400 kV system in Karur-Tiruppur, Tamil Nadu
  - Kharghar Vikhroli Transmission Line (KVTL) of 74 ckm with 1,500 MVA capacity, establishing Mumbai's first-ever double-circuit 400 kV grid to enable an additional 1,000 MW power supply for meeting its fast-growing electricity demand reliably

- 765 kV Khavda Bhuj line of 217 ckm with 4,500 MVA transformation capacity, the first interconnection with Khavda RE park

Received orders worth

**₹ ~4,300 crore,**

Bringing the total order book position in transmission to

**₹ 17,000 crore,**

Including Letter of Intent (LOI) for Khavda Phase-III Part-A, KPS - 1 (Khavda Pooling Station) augmentation line and Sangod transmission line

## Taking our transmission excellence to newer heights

### Strengthening O&M capabilities

- Integrated the commissioning team into O&M for seamless operations
- Implemented MIS Automation to remove MUDA in transactional activities
- Implemented drone-based patrolling in severe rights-of-way (ROW) area
- Introduced Automatic Fault Analysis System (AFAS) for real-time fault detection with precise location
- Digitalised business processes and established backup ENOC at Mundra
- Carried out live line insulator replacement in critical assets
- Carried out live line OPGW replacement work in HVDC line (990 kms) with 100% safe man-hours in 10 months

### Driving cost optimisation

- 100% remote monitoring of assets through ENOC and cluster-based maintenance at 16 PPP substations in Rajasthan, optimising contractual resources
- Sensor-based lighting, demand reduction study, Automatic Power Factor Correction (APFC) installation, renewable energy integration, daylight harvesting (HVDC substation), EV usage (Dhanbad station) to optimise energy consumption and operation cost
- Automated security systems and access control for enhanced asset and personnel security
- Trained and enhanced O&M team capability ensuring seamless troubleshooting and operational excellence

- Adopted a centralised store location concept and time-based inventory, optimising 83% on the required inventory cost
- Effective liaisoning for deemed availability due to severe ROW in Alipurduar Transmission Limited assets preventing incentive loss
- Enhanced safety through: i) team collaboration and use of digital tools to monitor and drive safety initiatives, ii) implementation of safety learning through Road, Vehicle, Driver and Traffic Safety (RVDTS) training, SOP discussions and value addition from learnings, iii) VSR booklet launch to identify and eradicate 150+ vulnerable risk



## Addressing Challenges

### System Grid Complexity

Demand fluctuations, renewable energy intermittency and grid disturbances can influence system parameters. This affects grid infrastructure and connected electrical equipment's performance, accelerating equipment ageing and premature failure.

#### Mitigation

- Our Centralised Energy Network Operations Centre supports remote operation and monitoring of 32 substations, facilitating real-time decision-making. Integration of data analytics and weather forecasting platforms has further enhanced abnormality detection. Additionally, the pioneering alarm analytics initiative helps avoid equipment failure
- Ensuring early identification of a rising trend in TAP operation of Inter Connecting Transformer (ICT) due to voltage variations for suitable control measures
- Enhanced operational efficiency by removing 3 lakhs non-value added signals, enabling adoption of edge-based analytics

### Fault Pinpointing

Climate change and increasing instances of lightning cause transmission outages. Early detection and restoration are key for enhanced safety and system availability.

#### Mitigation

- Implemented travelling wave fault locators (TWFL) in critical lines, enabling precise fault pinpointing, time-saving, reduced the need for extensive patrols and improved system availability
- Developed a digital twin model of transmission lines in collaboration with academia, reducing tripping incidents by 45%+





### Tower Failure

Transmission tower failure poses a risk to power system reliability, disrupting power flow and potentially endangering public safety.

#### Mitigation

We follow a comprehensive approach to strengthen transmission infrastructure resilience and ensure reliable grid operation. This includes root cause analysis, deploying internal and external experts for faster restoration, prioritising critical lines and maintaining emergency restoration system (ERS) tower availability. Notably, a 765 kV single circuit line was restored within 14 days, surpassing the national benchmark time of 25 days.

### Ageing of Assets

Ageing of assets necessitates condition monitoring and reconditioning to ensure optimal performance and reliability.

#### Mitigation

We adopt a holistic approach incorporating asset performance management and sensorisation for real-time visibility into asset performance and health. Field sensorisation of critical assets ensures accurate data collection for continuous monitoring and early detection of abnormalities. This proactive, data-driven approach empowers decision-making, optimises maintenance cost and extends asset life. We have further developed a new vendor in India for critical asset repair.

## Sustainability

We proactively integrate climate change, water and biodiversity risk mitigation measures right at the design stage of all projects, ensuring their resilience to environmental challenges. Our capital management strategy supports the judicious allocation of funds, securing the long-term viability of our projects and enabling us to effectively meet national needs. Additionally, our ongoing efforts to enhance efficiency, optimise resource utilisation and conduct comprehensive safety awareness programmes reinforce our sustainability efforts, leaving a positive impact on our people, communities and the nation.

## Outlook

Our strategic focus remains on sustaining our market leadership position, with a best-in-class EBITDA margin. We aim to achieve this by expanding capacity, with a target to set up 30,000 ckm of transmission line by 2030. We will continue to enhance project development efficiency to capitalise on the enormous opportunities offered by the sector.





## Case Study

▲ WKTL Project

### Commissioned India's Largest 765 kV TBCB Transmission Project

#### Project Overview

The Warora Kurnool Transmission Line (WKTL), originally awarded to Essel Infraprojects Ltd in 2016, aimed to establish an additional inter-regional alternate current link for importing power from the western to the southern region of India. The project involved the laying of a 1,756 ckm transmission line spanning Maharashtra, Telangana and Andhra Pradesh, along with the construction of a 765 kV sub-station in Warangal. However, following Essel's debt restructuring, Adani Energy Solutions took over the project in 2021.

#### An Engineering and Execution Marvel

WKTL witnessed unique engineering feats, including erecting 102-meter mid-stream towers with pile foundations on the Krishna river for the first time. This demanded meticulous planning and execution within a narrow three-month window of low water level. We also navigated the challenge of erecting towers and the stringing of lines duly crossing 116 major power lines, electrified rail tracks and national highways.

Notably, the project's execution during two black swan events, COVID-19 and the Russia-Ukraine war, which disrupted the commodity supply chain, is a testament to our resilience and execution capabilities.

#### Execution to Excellence

The project, fully commissioned during September 2023, will strengthen the national grid to ensure seamless power flow of 4,500 MW between western region and southern region. It will strengthen southern region grid and support large-scale integration of generation from renewable energy sources.

#### Project highlights

**1,756 ckm**  
Transmission line length

**140 ckm/month**  
Average rate of stringing

**100 MT**  
Tower erected per day, averaging 15 gangs and a peak mobilisation of 40 gangs

**2,000**  
Worker mobilisation across sites at peak

**1,03,000 MT**  
Steel used for erecting towers (equivalent to erecting 10 Eiffel Towers)

**30,154 km**  
Specialised alloy conductor material used (comparable to making three rounds of the moon)



## Case Study

### Addressing Mumbai's Growing Power Needs

#### Project Overview

Mumbai, India's bustling commercial hub, has experienced rapid economic growth and population expansion, intensifying its power demand. However, the metropolis' existing transmission capacity was inadequate to support carrying additional power, leading to two recent instances of grid failure and prolonged blackouts in localities.

To address this pressing issue, the Kharghar-Vikhroli Transmission Line (KVTL) was conceived to support delivering an additional 1,000 MW of reliable power to Mumbai. It comprised building ~74 ckm of 400 kV and 220 kV transmission lines, along with a 1,500 MVA 400kV Gas Insulated Substation at Vikhroli, the first-of-its-kind in Mumbai.

#### Showcasing Engineering Excellence

Constructing a transmission network in Mumbai posed a formidable challenge, given the space constraints and difficult terrain. We braved and overcame these challenges with the use of technology and innovation. This included constructing six towers in creeks using heavy rigs on floating barges. In urban areas, height restrictions in some locations were overcome by adopting special horizontal configuration towers.

#### Powering Mumbai

We successfully completed the project in December 2023. The project occupying ~9,606 sq m area, has the most compact design for a 400 kV substation. Its unique design vertically stacks 400 kV and 200 kV GIS, minimising space requirements.

With the project's commissioning, Mumbai gets a 400 kV grid within its municipal limits, enhancing import capacity and improving grid reliability and stability. This translates into increased sustainability of transportation systems like bullet trains, metro rail, and city railways as well as for commercial and residential establishments.



▲ KVTL Project



## Case Study

### Empowering India's Green Energy Future

#### Project Overview

We were awarded the project for constructing the 217 ckm long Khavda Bhuj Transmission project with 4,500 MVA transformation capacity for evacuating 3 GW of green energy from Khavda in Gujarat.

#### Showcasing Engineering Excellence

The project was challenging, as besides being located in a remote and inhospitable region, it traversed through saline creek areas prone to gusty wind flows. This made the tower erection and conductor stringing process extremely laborious. Moreover, navigating through marshy and submerged areas posed logistical challenge, making man and material transportation difficult. The project also encountered the impact of cyclone Biparjoy during its construction phase, further complicating matters.

We relied on meticulous planning and innovative measures to deliver the project. For the first time in the Indian transmission sector, stone columns were used in tower foundations to address the unique soil property of the region. Additionally, a unique arrangement of transposition towers was introduced, whereby tested towers were used to transpose the conductors with the help of two additional masts. This streamlined the process and also optimised time and resources, contributing to the project's successful execution.

#### Transforming a Barren Land

Through strategic planning, innovative solutions and unwavering determination, we successfully delivered the project within the committed timeframe of 24 months. The project demonstrates our leadership and commitment to advancing India's energy landscape.

▲ KBTL Project



## BUSINESS SEGMENT REVIEW

# Distribution/Retail Power Distribution Vertical

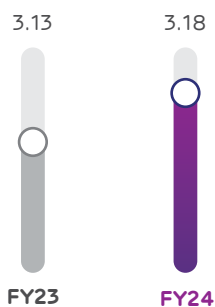
**Delivering reliable and quality power for sustainable growth**

We are revolutionising India's energy landscape, consistently raising the bar for operational efficiency and customer services. With our state-of-the-art infrastructure, advanced technology, digitisation and customer-centric approach, we have become a trusted provider of reliable, dependable and affordable electricity supplies to millions in Mumbai and Mundra SEZ. We are also driving grid decarbonisation by enhancing our renewable energy share, leading the way towards a cleaner and greener future for our communities.

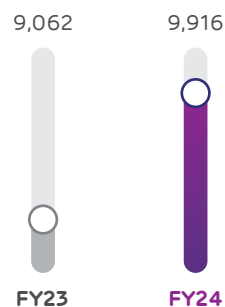


## Key Highlights (AEML)

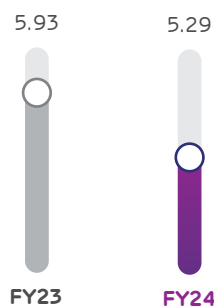
### Customer Base (million)



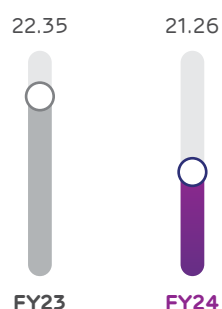
### Units Sold (million units)



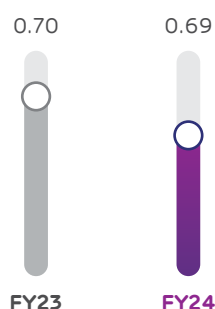
### Distribution Loss (%)



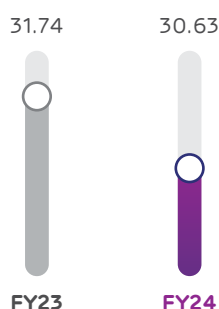
### SAIDI (mins)



### SAIFI (nos.)



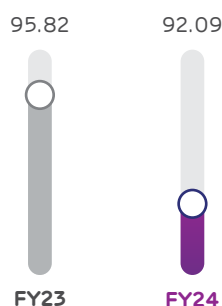
### CAIDI (mins)



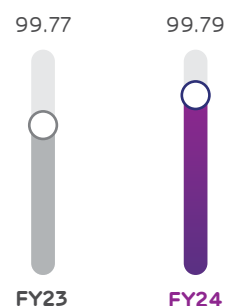
**SAIDI\*** – System Average Interruption Duration Index indicates the average outage duration for each customer served;  
**SAIFI\*** – System Average Interruption Frequency Index indicates an average number of interruptions;  
**CAIDI\*** – Customer Average Interruption Duration Index indicates the average time required to restore service during a predefined period.

\*Lower the better

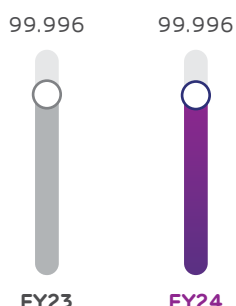
### Plant Availability Factor - ADTPS (%)



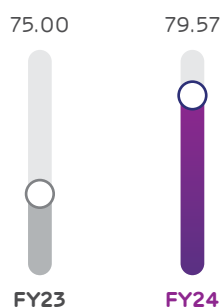
### Transmission Availability (%)



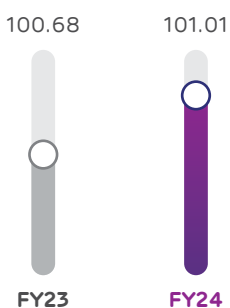
### Supply Reliability (ASAI) (%)



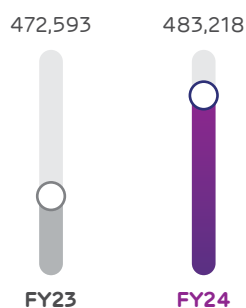
### E-payment (% of total collection)



### Collection Efficiency (%)



### Number of Complaints



## Business Overview

Adani Electricity Mumbai Limited (AEML) is a leading electricity distribution company in India that operates as a subsidiary of Adani Energy Solutions. We are investing significantly to build a robust foundation for evolving into a digital-driven and future-facing DISCOM.

Our portfolio now comprises two assets, operated by our subsidiaries AEML and MPSEZ Utilities Limited (MUL). AEML's total regulatory asset base (RAB) has increased from ₹ 5,532 crore at the time of acquisition in 2018 to ₹ 8,485 crore.

AEML's operations comprise power generation from its 500 MW coal-based thermal power plant at Dahanu, along with sustainable and steady transmission and distribution network to supply power to the financial capital of India - Mumbai. Rated No. 1, in the Integrated Rating & Ranking of power DISCOMs for FY 2022-23 conducted by the Ministry of Power, it maintains high average system availability of over 99.6%. Endowed with a 25-year licence granted by MERC in 2011, it has a right to serve all the customers in its licence area of Mumbai. It presently serves 3.2 million customers in and around Mumbai.

MUL distributes electricity in Mundra SEZ, India's largest Mundra Port & SEZ spread across 85 sq km and an attractive industrial hub for its strategic locations and supporting infrastructure. With a distribution network spanning 237 ckm, MUL primarily caters to commercial and industrial customers.

### AEML Ranks as India's #1 Power Utility

AEML stands out as Mumbai's primary and most preferred power utility, securing the coveted title as India's No. 1 power utility. The ranking is as per the Ministry of Power's 12<sup>th</sup> Annual Integrated Rating and Ranking for Power Distribution Utilities, a report prepared by McKinsey and Company, appointed by PFC India (the nodal agency).

## Competitive Edge

### Reliability and cost-effectiveness:

We are an electricity supplier of choice, offering consumers a cost-competitive solution through strategic bulk power sourcing and rigorous operational expenditure management. Our cutting-edge technology and digitisation efforts optimise operations, ensuring world-class reliability and quality of supply.

### Long-term visibility and security:

We have access to a pool of over 12 million consumers, with a long-term vision and strategy in place to tap into this consumer base with tariff stability and scaling renewable energy supply. Additionally, we are enhancing directional visibility and security necessary for a large public utility.

**Technical expertise:** Our team's expertise in regulatory frameworks, network designing and operations ensures a reliable and robust power supply infrastructure.

**Value-added services:** We offer consumers diversified services like green power, energy audits and electric vehicle charging solutions, strengthening our value proposition in highly competitive market.

**Digital excellence:** We have undertaken multiple initiatives towards digitalising internal processes and field operations to deliver superior customer experiences and enhance efficiency by optimising cost and time.

## Tech-powered Excellence

### Technology for Improving Productivity

#### Advanced Distribution Management System (ADMS)

SCADA supports real-time monitoring of our electrical distribution network and controlling them remotely, driving operational efficiency and also enhancing grid reliability. ADMS enables real-time asset monitoring and control, along with supporting outage management and fault detection functionalities. Together, these help minimise downtime and ensure high system availability.

### Automation

We have implemented robotic process automation bots to streamline processes such as meter reading, billing, customer service and outage management. This enhances operational efficiency, reduces errors and improves customer experiences, ensuring reliable electricity services. Additionally, visualisation tools like Power BI and SAP BO have been deployed to empower data-driven decision-making.

### Work Management System (WMS)

WMS optimises planning and execution of daily jobs, ensuring efficient allocation and utilisation of resources. It further facilitates process management and digitisation of work processes, enhancing efficiency and manpower resource savings.

### **Transportation Management System (TMS)**

TMS enhances commercial operations, aiding in scheduling vehicle bookings for strategic raids, efficient meter transportation, analysing vehicle requirements, tracking vehicles and optimising routes. It further supports network management and optimising resource allocation, minimising fuel consumption and enhancing overall operational efficiency.

It enhances field performance monitoring using mobility services, geotagging and geo-fencing. It aims to optimise routing and achieve end-to-end integration for better control.

### **Technology for Superior Customer Experiences**

#### **Smart Metering**

We have deployed five lakh smart meters which will support real-time energy consumption monitoring, billing accuracy and energy management. This will improve operational efficiency and enable to deliver better services to consumers through usage insight. It will further optimise expenses for disconnection and reconnection on account of remote handling.

### **SAP Ariba and Master Data Governance (MDG)**

SAP Ariba supports centralised procurement and supplier relation management, enhancing transparency and efficiency. MDG ensures data consistency and accuracy across systems and processes. Together, they optimise the procurement process, mitigate risks and provide visibility into spending patterns and supplier performance.

### **Digital Customer Service Solutions**

We offer multiple mobile digital touchpoints for the customers, facilitating them to conveniently undertake daily operations. Our video contact centre (VCC) service enables them to engage with service representatives through mobile video calls, enabling personalised assistance and efficient issue resolution. Digital smart self-service kiosks empower customers to perform various tasks independently. We have also deployed kiosk vehicles equipped with payment kiosks, enabling customers to conveniently settle their bills using cash or cheques. These vehicles travel to different locations, enhancing accessibility to payment facilities, especially in unserved areas.

### **Industry Opportunity**

Power distribution is one of the largest consumer-facing sectors in India, with 96.7% of ~270 million households connected to the grid, primarily owned and operated by state governments. Our distribution platform operating in Mumbai and Mundra SEZ positions us as the electricity supplier of choice, with significant upside potential.

(Source: India Residential Energy Survey - IRES 2020)

Mumbai is the world's 8<sup>th</sup> most populous city and 25<sup>th</sup> richest city (based on GDP). The electricity demand in Mumbai increased 8% in FY 2023-24, with an average electricity bill of ₹ 36,000 accounting for ~6% of per capita income. With a growing economy and domestic consumption, electricity consumption and average bills are set to rise.

Mundra SEZ houses Mundra Port which is India's largest private commercial port and has a huge land bank reserved for large-scale industries in future. Given the large industry cluster opportunity and the accompanying expected growth in power demand, MUL is well-placed to grow business.





## FY 2023-24 Developments

- 9.43% growth in energy demand (units sold) from 9,062 million units (MUs) in FY 2022-23 to 9,916 MUs
- Added 50,000 customers increasing the total base from 3.13 million in FY 2022-23 to 3.18 million
- Applied for a parallel distribution licence to expand the distribution network and provide consumers choice of alternate power distributors:
  - Exploring parallel licensing/ privatization opportunities in Gautam Buddha Nagar and Ghaziabad districts of Uttar Pradesh.
- Adjoining areas of Thane, Mulund, Bhandup, Navi Mumbai and Panvel spread over 700 sq. km in Maharashtra
- Mundra Taluka spread over 1,000 sq. km in Kutchh District of Gujarat
- Committed a capital expenditure ₹ 1,334 crore focus on bulk customer applications, safeguarding assets, loss mitigation, ensuring continuity of electric supply and maintaining reliability, smart metering and ensuring public safety compliance
- Reduced long-term debt by ₹ 855 crore through a bond buyback programme

## Illuminating Mumbai with 100% Renewable Energy

On November 12, 2023, Adani Electricity Mumbai etched a historic moment during the Diwali festival by powering Mumbai city with 100% renewable electricity for four hours.

## Scaling Distribution Efficiency

### Debottlenecking Distribution Network

- Developed an improvement plan to strengthen the network, including augmenting existing or adding new sources to alleviate congestion or limitations
- Regular meetings with vendors to assess their performance and provide handholding to meet desired results
- Streamlined network management outsourcing by centralising activities and focussing on single vendor appointments, enhancing control and oversight for improved performance and reliability

### Driving Cost Optimisation

- Implemented technology solutions such as Transport Management System to optimise vehicles, paperless billing to reduce printing cost, video conferencing, remote disconnection/reconnection and AI chatbot for minimising call volume at customer centres
- Executed high-reinstatement jobs only after thorough due diligence
- Use of twin ferrule and long barrel connector joint in LT network



## Addressing challenges

### Road infrastructure work by Municipal Corporation of Greater Mumbai (MCGM)

Increased road infrastructure work in Mumbai, following the Maharashtra government's road concretisation plan, has been disrupting our underground assets and impacting power supply continuity.

#### Mitigation

We employ a dedicated asset care structure to protect our assets and coordinate with MCGM using our geographic information systems (GIS) technology for continuous asset supervision and relocation.

### Replacing Aged Assets

Older network and distribution assets weakens our network strength and can impact power supply reliability.

#### Mitigation

We undertake capex to replace old equipment like high-tension (HT) and low-tension (LT) cables and transformers, ensuring network strength and reliable power supply.

### Rising Power Demand

Rapidly expanding infrastructure and weather conditions in Mumbai like extended summers and delayed monsoons are driving the city's power demand.

#### Mitigation

We leveraged our state-of-the-art SCADA system to provide real-time, in-depth network performance statistics to optimise distribution assets capacity, preventing load shedding in the vicinity.

### Trenching Policy Revision

MCGM's revised trenching policy raises reinstatement charges by 28% to 97%, impacting finances and new assets deployment.

#### Mitigation

Aligned with MCGM's Road Development Plan and using AEML's GIS technology; we strategically plan cable laying and repair activities to ensure continuous and reliable electric supply and minimize expenses towards reinstatement charges.

### Space Constraints

Limited space for commissioning new assets in loaded network pockets.

#### Mitigation

We are undertaking initiatives like optimising LT network usage to release supply and create room for new assets. Additionally, we are exploring options for additional Customer Service Stations (CSS) to handle customer demands more effectively.

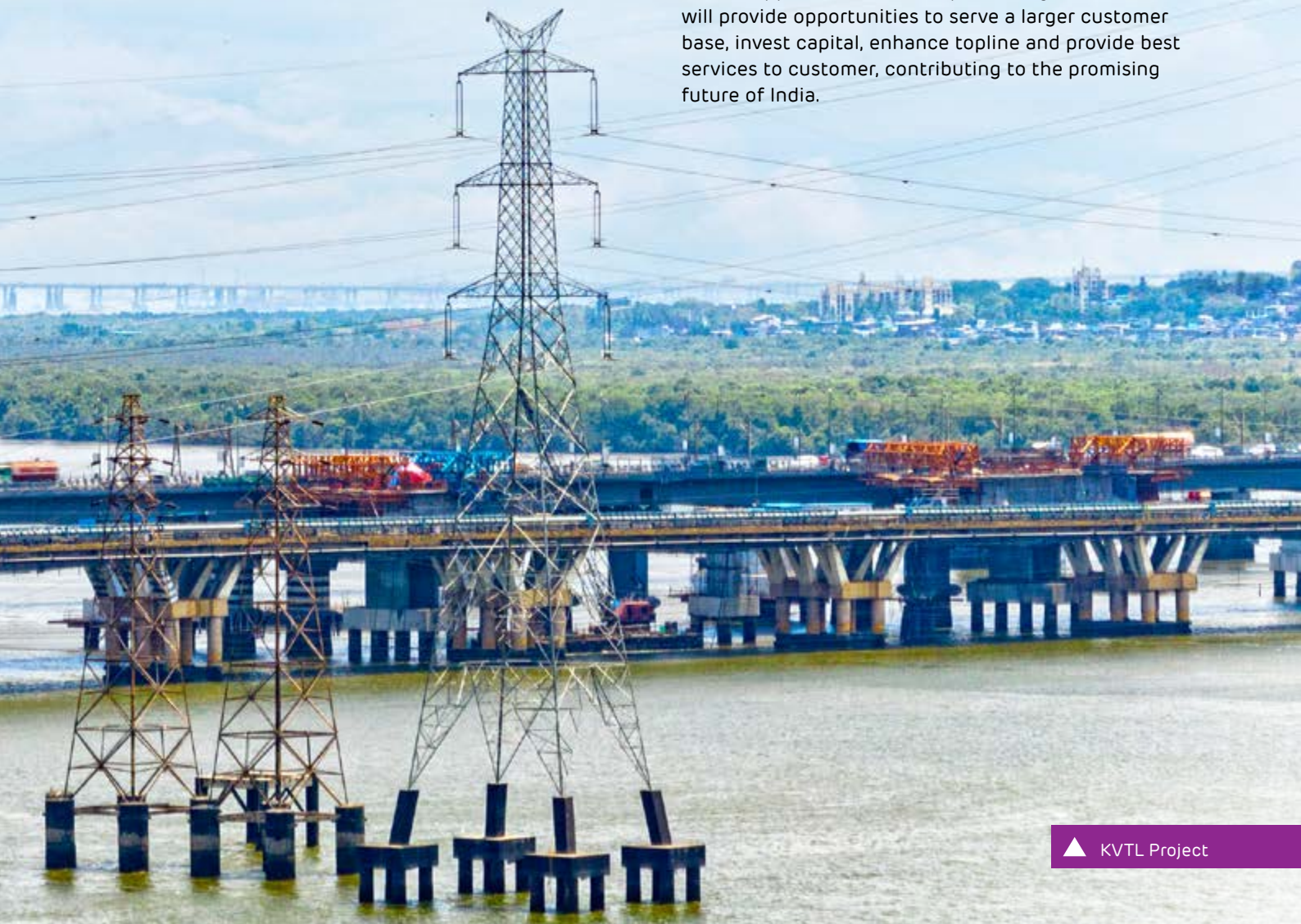
## Sustainability

AEML is one of India's most sustainable utilities with significantly low levels of Sulphur Oxides (SOx), Nitrogen Oxides (NOx), and suspended particulate matter emissions which are well below the specified limit set by the Maharashtra Electricity Regulatory Commission. In a commitment towards grid decarbonisation, it has successfully increased the renewable energy share in the overall electricity to 34.35%, providing Mumbai with the distinction as one of the procurers of renewable power (solar and wind) in the total mix. We aim to increase this to 60% by FY 2026-27, with efforts underway to enhance Mumbai's power infrastructure. Through our KVTL line, we are bringing in 1,000 MW of grid power. Plans for HVDC line is aimed at adding another 1,000 MW capacity. We remain committed to ensuring a sustainable and reliable power supply.

## Outlook

Our primary focus for FY 2024-25 is obtaining licences for the geographies where we have applied for parallel distribution licences and laying a state-of-the-art distribution network. We intend to replicate our track record of exemplary performance in Mumbai across these geographies supported by digitisation, system automation and enhanced operational efficiency. A capital outlay of ₹ 20,000 crore over eight years is planned, targeting over 20% of the total market size or 4.5 million customers. We will launch a massive customer acquisition campaign highlighting our salient service features of providing reliable, quality power and affordable power with a world-class customer service experience.

We also plan to modernise Mumbai's infrastructure with 25 lakh smart meters going forward. Moreover, with many states moving towards privatisation and parallel licensing, we will participate in bidding and explore further opportunities. These pioneering initiatives will provide opportunities to serve a larger customer base, invest capital, enhance topline and provide best services to customer, contributing to the promising future of India.





BUSINESS SEGMENT REVIEW

## Smart Metering

### Energy Monitoring Solutions for Sustainable Consumption

Our steadfast commitment to providing customer-centric solutions, especially in retail last-mile connectivity, has unlocked significant growth potential and positioned us to seize a dominant market share in the smart meters segment. By leveraging our execution excellence, we aim to rapidly deploy advanced metering infrastructure that enables real-time monitoring and management of energy usage, empowering consumers to make informed decisions and optimise their energy consumption.

#### Key Highlights

9

Contracts

2.28 crore

Smart meter pipeline under implementation

₹ 27,195 crore

Contract value of the pipeline under implementation



## Business Overview

Smart meters are of immense significance in India's energy sector, addressing two critical issues — high Aggregate Technical & Commercial (AT&C) losses and delayed bill payments which lead to a prolonged receivable cycle for DISCOMs. To combat these, the government has prioritised installing smart meters to facilitate billing accuracy, transparency and efficient energy management through qualitative insights.

Aligning with the government's objective, we entered the smart metering business in FY 2023-24. The device enabling two-way communication between customers and DISCOMs (utility), will empower DISCOMs to customise their offerings as per customers' needs while ensuring revenue. Having established significant competencies and capabilities, we are currently in the implementation phase. We operate under a DBFOOT (design, build, finance, own, operate, and transfer) model, wherein Adani Energy Solutions, as the Advanced Metering Infrastructure Service Provider (AMISP), handles financing, infrastructure implementation, complete installation and perform O&M of meters. Existing experience and strong synergies from our distribution business position us to become a sizeable player.

## Competitive Edge

- **First mover advantage:** Our existing experience in distribution and smart metering, along with a proven track record in executing complex projects, gives us an edge in the market
- **Market leader:** We have established a leading position with a ~20% share of the market, securing 2.28 crore smart meter contracts out of the 11.28 crore contracts awarded

- **Financial security:** Direct debit facilities ensure payment security, bolstering confidence in our smart metering business

2026, necessitating a capex of ₹ 2.2 lakh crore. Of this, tenders for 12.5 crore meters are completed, leaving an untapped market of 12.5 crore meters.

(Source: Ministry of Power)

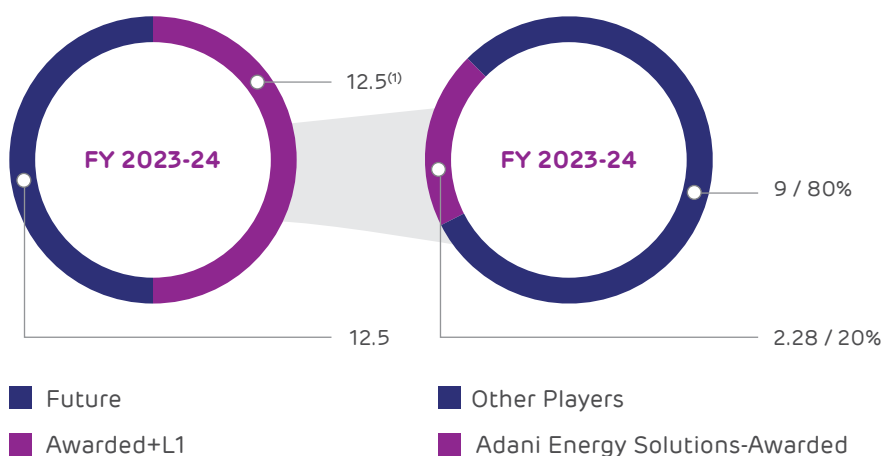
## Industry Opportunity

The Government of India aims to deploy 25 crore smart meters by

## Smart Meter India Opportunity

### India's Target (crore)

### Adani Energy Solutions' Share (crore/%)



<sup>(1)</sup> Includes L1 projects of 1.22 crore meters





## FY 2023-24 Developments

- Received letter of award (LOA) for 7 smart metering projects in Maharashtra, Andhra Pradesh, Bihar and Uttarakhand, aggregating 2.09 crore smart meters with a contract value of ~₹ 25,000 crore
- Formed strategic partnerships with Airtel, Esyasoftware and AdaniConneX for communication,

software and cloud services respectively, enhancing the smart metering platform. It will reduce dependencies on multiple software vendors, and facilitate seamless roll-out of smart and tech-enabled solutions

- Enhanced capabilities through workforce expansion, process standardisation and integrating vendors with long-term tie-ups. We have also developed a digital

Workforce Management System (WFMS) application for O&M, which will streamline tasks and enhance operational efficiency

- Entered back-to-back service level agreements (SLAs) with contractors, including Airtel and meter manufacturers (10-year warranty for meters), securing performance guarantee and accountability

## Addressing Challenges

### Project Implementation

Smart metering is manpower-intensive with significant supply chain and technological challenges.

#### Mitigation

We have undertaken efforts to fortify our supply chain and warehouse management, including developing end-to-end technological capabilities. Processes are being digitised to expedite execution, including meter scanning and installation. We are also building people capabilities through training and hiring contract workers.

### Information Asymmetry Among Consumers

There is a significant disparity in the knowledge or understanding of smart meter utilisation and its implications.

#### Mitigation

We are undertaking various activities and awareness programmes to empower consumers.

## Sustainability

Smart metering systems provide consumers with detailed energy usage data, promoting informed decision-making and energy conservation. They aid in reducing wastage, operational costs, and improving service for power distribution companies, thereby reducing AT&C losses, and supporting sustainability. These systems are in line with Indian government initiatives like RDSS, NSGM and UDAY, which aim for sustainable energy distribution. Smart metering also enhances the financial health of power companies by minimising losses and ensuring accurate billing. The integration of AI and ML technologies further advances these systems, opening new avenues for sustainable practices. Additionally, smart metering is pivotal for the expanding electric vehicle (EV) market,

managing charging demands and incorporating EVs into the grid as distributed energy resources. As technology progresses, a strong emphasis on cybersecurity is crucial to maintain the power grid's stability and reliability.

## Outlook

Executing smart meter installation and generating revenue will be a key focus area in FY 2024-25. We will actively participate in the upcoming major tenders, aiming to maintain our market share.

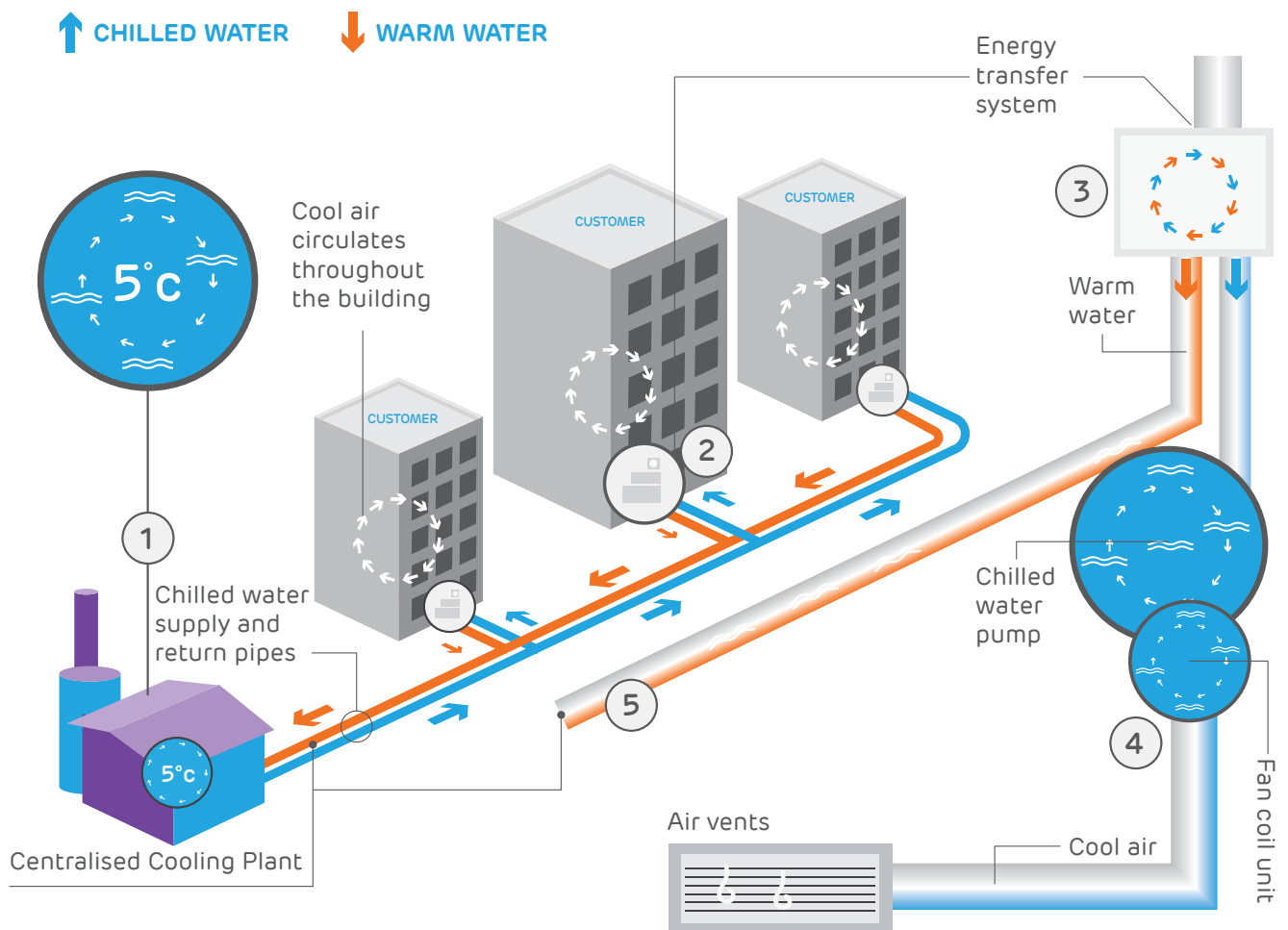
We are further focussing on the digitisation of business processes with data analytics and AI technologies to drive operational efficiencies as well as exploring new opportunities related to metering like gas meters and home automation.

## BUSINESS SEGMENT REVIEW

# Cooling Solutions Vertical

## Pioneering Sustainable Solutions in Comfort and Space Cooling

Amidst the rising climate crisis and India's march towards a new-age economy characterised by large-scale infrastructure creation, industrial development, and emphasis on data centers and cold chains, the cooling solutions sector is gathering pace. The need is to deliver optimised solutions economically, efficiently and sustainably. We are leading the charge in addressing this urgency. With our centralised, energy-efficient and low-carbon cooling solutions, we are poised to redefine standards and drive sustainability in the comfort and space cooling sector.



▲ An Overview of Centralised Cooling System

Business Overview

Energy-efficient and sustainable cooling technologies are imperative in India, as highlighted by the Ministry of Environment, Forest & Climate Change's India Cooling Action Plan (2019), developed in association with the Bureau of Energy Efficiency. Approaches like large centralised cooling and thermal energy storage have thus gained significance.

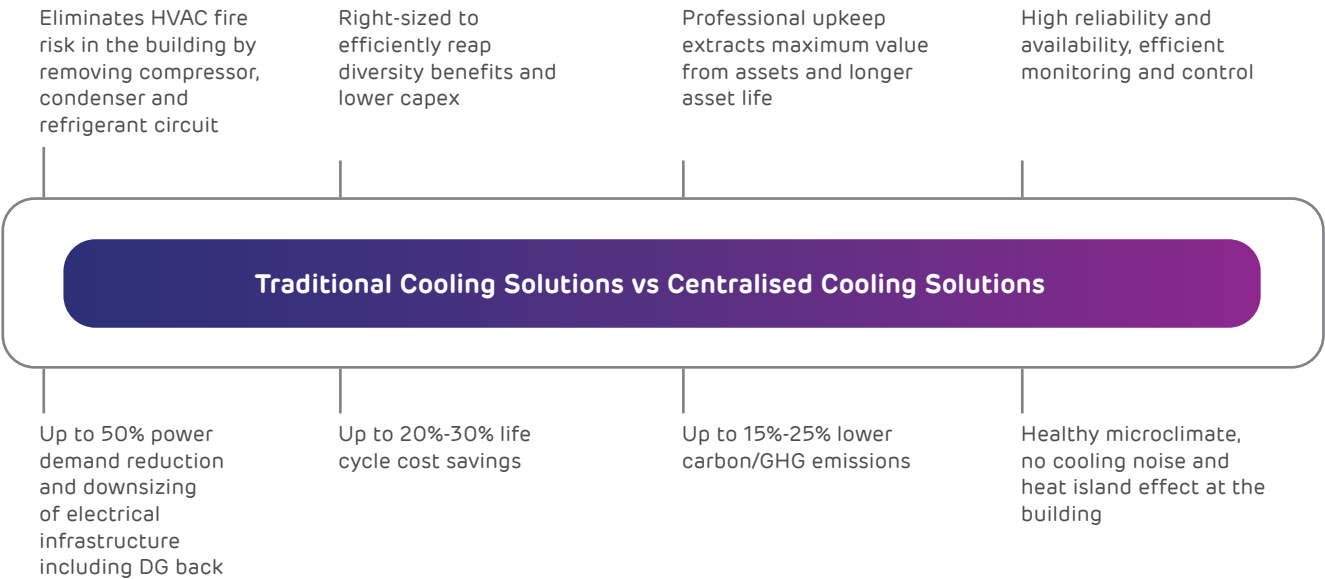
Aligned with this, we have ventured into the cooling solutions business with our dedicated entity Adani Cooling Solutions Limited (ACSL). This innovative approach involves setting up centralised chilled water production units (through chillers) and distributing it to various buildings through a

network of pipes (usually buried) to facilitate the cooling process. It can potentially reduce up to 50% electricity demand and up to 30% water compared to conventional cooling systems.

ACSL intends to serve the cooling demand of the various Adani portfolio of companies engaged in the airports, realty, data centers and other infrastructure development businesses. Given the massive demand, we have also initiated exploring external opportunities in the Tier-1 and Tier-2 cities. We anticipate significant growth in the cooling solutions segment and are currently focussing on commercial real estate and industrial cooling segments, where demand is highest.

Competitive Edge

- **Integration:** Centralised cooling requires electricity and water as inputs to produce chilled water. Our presence in the transmission and distribution business provides significant adjacencies in arranging these inputs
- **Integrated utility offering:** We operate under a cooling-as-a-service model (CaaS) and offer integrated solutions with customised power sourcing options from grid, wholesale or captive sources
- **Indian market knowledge:** The centralised cooling market is at a nascent stage of development, primarily dominated by international competition. Our diverse business expertise and comprehensive understanding of the Indian market uniquely position us to excel



## Industry Opportunity

The cooling solutions segment in India is largely untapped due to lack of providers capable of meeting the latent space and comfort cooling demand through a servitisation model. Currently, limited competition and opportunity to unlock potential in nationwide

infrastructure (airports, data centers, SEZs, reality space) present a large addressable market.

The rapid pace of infrastructure creation in India, coupled with the rising per capita income, urbanisation and growing AC ownership is expected to significantly drive India's cooling

demand by 8x over the next 20 years. During FY 2024-25 to FY 2029-30, commercial real estate, industrial cooling, data centers and airports are expected to be the key growth drivers with cumulative demand of 3.90 million TR, 36.59 million TR, 1.98 million TR and 0.41 million TR respectively.

## Cumulative Centralised Cooling Demand from Key Segments by FY 2029-30 (in million TR)



Source: GTM study conducted by external consultant Cushman & Wakefield for Adani Cooling Solutions Limited (Internal study)

## FY 2023-24 Developments

- Focussed on enhancing in-house capabilities for providing end-to-end developer-oriented customer solutions and forging strategic partnerships
- Commenced implementation of our first marquee project, ~7,000 tonnes of refrigeration (TR) cooling solutions within Shantigram Township, Ahmedabad. It will provide chilled water delivery services (through a Customer Cooling Service Agreement) to the under-construction Energy Centre buildings complex
- Strengthened execution capabilities including

appointing a design consultant and technology partner, and expanding the engineering, execution, marketing and business development team

## Sustainability

Centralised cooling is one of the most efficient and sustainable way of meeting demand in the comfort and space cooling sector. Our sustainable cooling solutions has the potential to lower related carbon/GHG emissions by 15%-25%, promoting a low-carbon future. It can further eliminate HVAC fire risk and ensure a healthy microclimate with no heat island effect in buildings.

## Outlook

Our primary focus for FY 2024-25 is to ensure timely completion of the first marquee project and to further enhance our in-house capabilities. This includes exploring potential with agencies like the National Building Code and the Indian Society of Heating, Refrigerating and Air Conditioning Engineers (ISHRAE) as well as attracting investors to support growth prospects.

We have identified an aggregate centralised cooling demand potential of over ~5.9 million TR during FY 2024-25 to FY 2029-30. Our primary focus will be on seizing opportunities in the industrial and commercial real estate sectors, followed by data centers and airports.





Mount Makalu, the fifth highest mountain in the world





# 4

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE

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Adani Energy Solutions is committed to reduce its environmental footprint and has set ambitious goal to achieve net zero emissions by 2050. The Company is progressing w.r.t. integration of climate considerations into decision making and risk management, collaborates with supply chain partners to promote sustainability. The Company operates in a water positive manner using rainwater harvesting to recharge groundwater and support community resources.

We have achieved Zero waste to landfill and single-use plastic-free certification for the Company and prioritises employee safety, acquisition, and retention through employee centric policies for growth, equal opportunity and has an open business culture. Adani Energy Solutions also focuses on education, health care and livelihood development to maintain a social licence to operate. Adani Energy Solutions practices governance with a resolute Corporate Social Responsibility Board committee overseeing sustainability principles quarterly. We are on track to be within the top ten global electric utilities in ESG benchmarking.

**Santosh Kumar Singh**  
Chief Sustainability Officer



## ESG APPROACH

# ESG At Our Core

Taking into consideration the Environmental, Social & Governance impacts of construction, and Operations & Maintenance of power lines is not just the right thing to do but also beneficial for the business. It can lead to enhanced reputation, risk management, regulatory compliance, market opportunities, and employee engagement. Our approach to ESG hinges around clear-cut goal-based commitments and its fulfilment through robust governance to guide, execute, and oversee ESG-focussed strategic decisions and their implementation.

## Vision

To be a world-class leader in businesses that live, create sustainable value and contribute to nation-building

## ESG Goal







ESG is our way of doing business: to be among the top 20 companies in the global benchmarking of the electric utility sector by FY 2024-25












## ESG Strategic Pillars

### Committed Towards Global Climate Actions

-  Water Stewardship  
-Adaptation, Prevention & Mitigation
-  Affordable & Clean Energy for All
-  Responsible Consumption & Zero Waste to Landfill
-  Climate Stewardship - Adaptation, Prevention & Mitigation
-  Biodiversity - Conservation, Restoration & Mitigation
- 

### Corporate Citizenship and Enabling Social Transformation

-  Employee including Contractors Health, Safety & Wellbeing
-  Human Capital Development in the Business & Value Chain
-  Diversity & Inclusion, Respecting Human Rights
-  Inclusive Growth including Communities
-  Innovation & Technology
- 
- 


### Responsible Business Practices

-  Business Ethics and Values
-  Customer Orientation and Value Creation for Stakeholders
-  Enterprise Risk & Opportunity Management
-  Responsible Business Partnerships (engage with Supplier, Customers, Regulators on ESG topics)
- 

## ESG Framework

### Policy Commitment

We have established comprehensive policy commitments encompassing elaborate aspects of Environmental, Social and Governance, to guide our practices, procedures and actions.

-  Our policy commitment framework can be accessed on Page 224

### Commitment Towards ESG

We are committed towards achieving highest standards in ESG & sustainability and have adopted aspirational targets towards it. We monitor & measure our performance against the targets and ensure achieving the targets through continuous improvement.

### Assurance

Our Board-level Corporate Responsibility Committee (CRC) comprising 100% Independent Directors guides us to obtain assurance for all ESG-related commitments.

## Guiding Principles & Alignment with International Standards and Disclosure Frameworks



## Progress against our ESG Goals in FY 2023-24

### Environmental Performance

Key Performance Indicators (KPIs)	Performance in FY 2023-24	Baseline	Short-term to Medium-term Targets
<b>Climate Change (Energy Mix, Emissions, GHG Emission Intensity)</b>			
Share of Renewable Energy (RE) in Power Procurement	<b>34.35%</b>	<b>3%</b> In FY 2018-19	<b>60%</b> by FY 2026-27; and <b>70%</b> by FY 2029-30
Reduction in GHG Emissions (Scope 1 & Scope 2)	<b>23.87%</b>	<b>0%</b> in FY 2019-20	<b>72.7%</b> by FY 2030-31 w.r.t. FY 2019-20 base line
Reduction in GHG Emissions (Scope 3)	<b>27,78,652</b>	<b>0%</b> in FY 2020-21	<b>27.5%</b> by FY 2030-31
Reduction in GHG Emission Intensity (Scope 1+2) for AEML (Retail division of the Company)	<b>1,309.88</b> tCO <sub>2</sub> e/EBITA <b>41.89%</b> <FY 2018-19	<b>2,254</b> tCO <sub>2</sub> e/EBITA In FY 2018-19	In alignment with SDG13, achieve: <b>40%</b> reduction in GHG emission intensity by FY 2024-25 <b>50%</b> reduction by FY 2026-27, and <b>70%</b> reduction by FY 2029-30
Reduction in Energy Intensity	<b>197.63</b> GJ/million ₹ revenue <b>59%</b> <FY 2019-20	<b>481.30</b> GJ/million ₹ revenue in FY 2019-20	<b>50%</b> reduction by FY 2026-27, and <b>70%</b> reduction by FY 2029-30
<b>Energy Efficiency</b>			
GHG Reduction due to Auxiliary Consumption Through Renewable Power	<b>3.36</b> MWp installed solar capacity across operational sites caters to 8.1% and 91.9% is met from the RE energy purchased and transmitted electricity.	<b>3%</b> in FY 2019-20	<b>100%</b> by FY 2029-30
<b>Water Stewardship</b>			
Water Neutrality	All O&M sites harvest more rainwater than they consume	<b>Zero</b> Water Neutral O&M sites in FY 2019-20	Secured Net Water Positive Re-Certification for all O&M sites
<b>Waste Management</b>			
Zero Waste to Landfill (ZWL)	<b>100%</b> ZWL certified operational sites	<b>Zero</b> ZWL sites in FY 2019-20	Maintain ZWL for 100% sites
Single Use Plastic (SuP) Free Sites	<b>100%</b> SuP free operational sites	<b>Zero</b> SuP sites in FY 2019-20	Maintain SuP certification for 100% operational sites
<b>Biodiversity Conservation</b>			
No Net Loss (NNL) to Biodiversity	<b>441</b> hectares area in FY 2021-22	<b>289</b> hectares area in FY 2020-21	Achieve Zero Net-Loss to Biodiversity Achieve Net Positive Gain (NPG) in accordance with IBBI principles
Tree Plantation	<b>4,57,892</b> trees planted	<b>20,448</b> FY 2021-22	<b>6.24 million</b> tree plantations by FY 2029-30

## Social Performance

Key Performance Indicators (KPIs)	Performance in FY 2023-24	Baseline	Short-term to Medium-term Targets
<b>Health &amp; Safety</b>			
Workplace Fatality Rate (employees and contractual workforce)	<b>Zero</b>	<b>Zero</b> in FY 2020-21	<b>Zero</b>
LTIFR	<b>0.33</b>	<b>Zero</b>	<b>Zero</b>
Average Hours of Health & Safety Training Per Employee	<b>36.31 hours</b>	<b>15.6 hours</b> in FY 2020-21	Improve from the baseline
<b>Human Rights</b>			
Human Rights Due Diligence of Value Chain Partners	<b>100%</b> value chain partners were covered under due diligence	<b>100%</b> value chain partners were covered under due diligence	<b>100%</b>
Percentage of Employees Trained on Human Rights	<b>100%</b> new employees trained on human rights	<b>10%</b> employees trained on human rights	<b>100%</b> employees trained on human rights
<b>Training &amp; Development</b>			
Skill Development Trainings	<b>₹ 4.8 crore</b> spent	<b>₹ 3.81 crore</b> spent in FY 2020-21	<b>₹ 4.69 crore</b> to be spent on skill development of workforce
<b>Diversity &amp; Inclusion</b>			
Percentage of Women in New Hires <sup>#</sup>	<b>20.43%</b>	<b>5%</b> in FY 2020-21	<b>30%</b> by FY 2024-25
Percentage of Women in the Workforce	<b>5.12%</b>	<b>5%</b> in FY 2020-21	<b>6%</b> by FY 2024-25
Mapping & Disclosure of Regional & Ethnic Diversity of Employees	<b>100%</b> regional ethnic diversity mapped	No mapping done	<b>100%</b> mapped
<b>Responsible Sourcing</b>			
Proportion of Spending on Local Suppliers (%)	<b>99.81%</b>	<b>99.4%</b> in FY 2020-21	Maintain the baseline performance
Percentage of Suppliers Screened on ESG Criteria	<b>100%</b> new critical suppliers	<b>100%</b> new critical suppliers in FY 2020-21	<b>100%</b> for critical suppliers

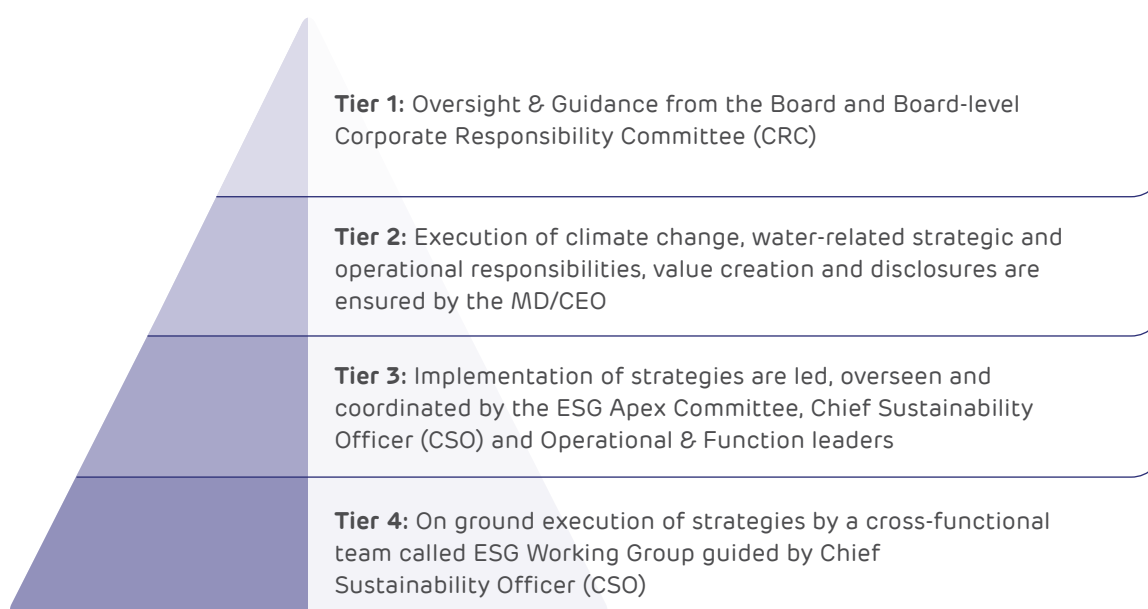
<sup>#</sup>Total % positions in remote location out of total, where women don't opt for or apply

## Governance

Key Performance Indicators (KPIs)	Performance in FY 2023-24	Baseline	Short-term to Medium-term Targets
<b>Board Gender Diversity</b>			
Percentage of Women Directors in the Board	<b>28.5%</b>	<b>16.6%</b> in FY 2020-21	<b>28.5%</b>
<b>Board Independence</b>			
Percentage of Independent Directors in the Board	<b>57.14%</b>	<b>50%</b> in FY 2020-21	<b>57.14%</b>
<b>Code of Conduct &amp; Business Ethics</b>			
Number of Cases Related to Corruption and Bribery	<b>Zero</b>	<b>Zero</b>	<b>Zero</b>
Fines & Settlements for Anti-Competitive Practices	<b>Zero</b>	<b>Zero</b>	<b>Zero</b>
Number of Cases Related to Breach of Code	<b>Zero</b>	<b>Zero</b>	<b>Zero</b>
Percentage of Governance Body Members and Employees Trained on Anti-corruption	<b>100%</b>	<b>100%</b>	<b>100%</b>

## Board Oversight and Governance on ESG Issues

We have established a dedicated Sustainability and ESG Governance Framework to benchmark, implement, and monitor our sustainability aligned decisions and actions. Our Board of Directors assisted by Board-led Corporate Responsibility Committee (CRC) establishes, drives and oversees the overall implementation of ESG commitments and disclosures. The Board's vision is strategically implemented and executed through a top-down and bottom-up approach with coordination from ESG Apex Committee, Senior Leadership, Executive Management and on ground ESG working group.



Detailed ESG & Sustainability Governance Structure and Roles & Responsibilities can be accessed on Page 221 of the report



## Our ESG Scores and Ratings for FY 2023-24



ESG Rating 'BBB'



SUSTAINALYTICS

ESG risk rating improved to medium risk with score of **25.3** February 2024



Score **86%** and ranked above the industry average of Electric and Gas Utilities companies



- Adani Energy Solutions reaffirmed as a constituent of FTSE4Good index series
- ESG score of **4.0/5.0** versus 2.7 World's average FTSE Score for Electric Utilities sector

S&P Global

(Corporate Sustainability Assessment)

Scored **62\*/100** versus global Electric Utility sector's average score of 34. (\* post Media Stakeholder Assessment impact of -6.48/100)



- **CDP Climate Change: Management band score improved to 'B'** in 2023 which is higher than the average score of 'C' for Asia region and at par with score 'B' for the Energy Utility Networks sector
- **CDP Water Stewardship: Maiden score of 'B' in the Management band** in 2023, higher than the average score 'C' for Asia region and 'B-' for the Energy Utility Networks sector

## Our ESG Awards and Recognitions

**Won Golden Peacock Award in Environment Management (GPEMA) for sustainable practices**

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**Awarded Excellence in Road Safety and Excellence in Innovation in Safety Technology by OSH India Awards for Road & Workplace Safety**

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**Won Global Sustainability Leadership Award 2023 by the World Sustainability Congress for best sustainable performance**

**Won 4<sup>th</sup> CII's Climate Action Program (CAP 2.0<sup>o</sup>) award 2023 under Resilient (highest) category**

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**Excellence in Procurement Innovation & Outstanding Leader in Procurement award at 8<sup>th</sup> ISM-India Conference & CPO Awards 2023**

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**Platinum Award for Occupational Health and Safety at the 8<sup>th</sup> Apex India Occupational Health and Safety Award 2023**

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**Confederation of Indian Industry 2023 DX Award in the Best Practices category as the Most Innovative Company**





ENVIRONMENTAL

# Aspiring towards a Cleaner and Greener Future

We are striving to address climate change and nurture the ecosystems in the most effective way. We are committed to becoming Net Zero by 2050 and our strategies and actions are fully aligned with the Net Zero Goals. We are making strides towards harnessing opportunities to create low carbon operations and services as our response to climate change

## Linkage with UNSDGs



## Material Topics Linked

- Compliance
- Water Stewardship
- Climate Change
- Biodiversity Conservation
- Right of Way
- Waste Management
- Energy Management

## Capitals Impacted



## Alignment with Strategic Priorities

- ESG Integration
- Efficient Capital Allocation and Execution Capabilities
- Business Excellence

## Commitments and Targets

### Commitment

We are committed towards decarbonising our grid operations and achieving Net Zero emissions by 2050, thereby contributing towards India's goals of becoming carbon neutral. We are also focussed on achieving Net Positive Gain in biodiversity and demonstrating environmental stewardship, through strategic progress towards timebound goals.

### Targets

Decarbonisation Levers	Target
Grow the share of Renewable Energy (RE) procurement in the overall power mix	<b>Short-term</b> 60% RE by FY 2026-27  <b>Long-term</b> 70% RE by FY 2029-30
Carve out 500 MW Dahanu Thermal Power Plant	By FY 2024-25 (subject to Regulator's approval)
Reduction in GHG Intensity	48.5% reduction by FY 2029-30 w.r.t. FY 2018-19 baseline (tCO <sub>2</sub> e/EBITDA) (Targets have been aligned with National goal (tCO <sub>2</sub> e/GDP))

### Key Performance Highlights in FY 2023-24

On the path towards achieving grid decarbonisation with **34.35%**

Share of renewable power procurement

**78%**

Year-on-Year reduction in hazardous waste

**₹ 155 crore**

Invested in environment-friendly technologies to tackle climate change

**₹ 1,343.34 crore**

Incurred in capitalising the opportunity to increase renewable energy mix in our portfolio



## Focus Areas

- Compliance
- Water Stewardship
- Climate Change Stewardship
- Biodiversity Management
- Waste Management
- Energy and Emissions Management

## Key Risks and Opportunities

### Climate-related Physical Risks

- Acute
- Chronic

### Climate-related Opportunities

- Policy and Legal
- Markets
- Resource Efficiency

### Climate-related Transition Risks

- Policy & Legal
- Markets
- Technology

## Addressing Climate Change and Risks

Climate change has emerged as one of the biggest threats to the planet & its inhabitants in the history of the mankind, prompting global efforts from the governments and enterprises towards mitigating its impacts. As a responsible corporate citizen, we have aligned our climate change commitments, goals, strategies and actions to contribute towards India's commitment of achieving Net Zero by 2070. This includes carving out a 500 MW Thermal power asset

from the portfolio and committing to purchase 70% of power from non-fossil fuel-based energy resources by 2030.

As signatories to the Declaration of Private Sector on Climate Change, we are committed to taking immediate actions to support India's goals under the Paris Agreement. Our target for GHG emissions reduction is in alignment with India's Nationally Determined Contributions.

## Zero

Environmental violations in the past four fiscal years

## Zero

Significant fines/penalties (> USD 10,000) related to environmental or ecological concerns



## Climate Change Governance and Environment Management

All our subsidiaries and operations are covered by the Integrated Management System (IMS) for quality, environment, safety, and energy and asset management.

### Key Components of Our ESG Governance & Management

#### Environmental Policy Commitment

- **Biodiversity Policy** focussing on No Net Loss (NNL) of biodiversity in all the operations with ultimate objective to achieve Net Positive Gain (NPG)
- **Health Safety and Environment (HSE) Policy** focussing on conducting business operations in a way that has positive impact on employee health & safety and environment

#### Robust ESG Governance

- Board-led Corporate Responsibility Committee (CRC) to provide ESG oversight, review and guidance to ESG implementation
- Strategic guidance and execution by ESG Apex committee, Senior Leadership, Management team and on-ground ESG working group for implementation of action plans
- ESG-practices aligned with globally accepted ESG standards and disclosure frameworks
- Audits and Assurances of Environment Management systems and processes

#### Integrated Environment Management System (IMS) & Adherence

- Alignment of our Environment Management System with international standards –  
ISO 9001:2015  
ISO 14001:2015  
ISO 45001:2018  
ISO 50001:2018  
ISO 55001:2014
- Ensuring environmental performance & adherence through a hierarchy of controls, continuous monitoring, regular audits and transparent performance disclosures

## Climate-related Risks and Opportunities



Read about our climate change-related risks and opportunities under 'Risks and Opportunities' section on Page 75

### Net Zero Commitment 2050

Our Net Zero 2050 goals have been adopted in alignment with SBTi targets using SBTi tools, and have been submitted to SBTi for validation and is awaiting response from SBTi team and hence Company has been temporarily listed as "commitment removed".

### Making Sustainability Everyone's Goal

Climate performance is linked to the overall remuneration of all Key Management Personnel. Climate change related transition plans and targets for its accomplishment are a part of our CEO's Key Result Areas (KRAs). Climate change and sustainability-related performance-based incentives are integrated into the overall compensation of the senior management including Chief Sustainability Officer and Chief Operating Officer of Dahanu Thermal Power Plant. Senior executives, including Plant Heads, Energy Managers and Station Heads have their remuneration linked to the climate change and sustainability-related performance-based incentives. Non-monetary rewards are also provided to contributing employees and workmen.

Building Resilience for  
Climate Change Adaptation

**Robust Tower Design:** Our transmission networks have evolved from singular and local to regional and interregional, significantly enhancing national network reliability. We have adopted both traditional and innovative tower designs, reducing the need for patches and braces during construction, thus minimising structural stress. This has led to a smart and cost-effective arrangement of secondary members, flange connections, and notching, which has increased both tower strength and network reliability. Furthermore, our technology-driven tower designs have taken into account environmental factors such as wind and seismic zones, soil resistivity, water properties, hydrological assessments and other factors, ensuring resilience in extreme conditions.

**Minimising Losses:** Aware of the potential negative impacts of the rising temperatures on our transmission and distribution network efficiency, margins,

competitiveness and reputation, we have invested in design, technology and periodic upgrades to modernise our transmission and distribution network and minimise energy losses.

**Emergency Restoration System (ERS):** Swift revival and recovery of transmission or distribution networks post its collapse, warrants continuous vigilance and a skilled workforce. ERS helps in swift restoration of the transmission system within tower erection tenure of 3 to 15 days for lightweight structures, thereby minimising delays in restoration. We regularly conduct mock drills to assess the readiness of the ERS.

Disaster Management Plan

Adani Energy Solutions has implemented comprehensive disaster management plan for each site, involving inspections of structures, machinery, and replacement parts for potential hazards as outlined in the plan. Teams have been formed to ensure smooth flow of information during emergencies, with clear allocation of tasks and duties to the members. Control rooms

have been set up to make the educated judgements required to adjust the load as needed by the circumstances. Supplies are stored in canteens and storerooms to serve as refuge homes, in an event of an unfortunate occurrence. Relevant parties were notified and prepared for swift action.

For instance, severe thunderstorms and wind lashed the Vidarbha region of Maharashtra in June 2019. Our 765 kV S/C Tiroda to Koradi Line-2 serves as a crucial link for the evacuation from Maharashtra's eastern region and meets the load requirement of western Maharashtra. The line witnessed the fall of one tower and partial damage to two successive towers near the Saoner region due to the thunderstorm. The fallen towers were swiftly reinstated within 15-days historical window, restoring the line using ERS. Guy wires were used to elevate the towers due to their lightweight and modular design, simplifying carrying and assembling it. Within a month, the line was successfully charged at permanent coordinates achieving full restoration.

Decarbonising Our  
Operations and Value Chain

Acknowledging our role towards promoting sustainability in our business practices and nurturing the ecosystems, we are striving towards decarbonising our operations and moving towards low carbon operations by increasing the share of Renewable Energy (RE) power in our overall power mix and reducing Greenhouse Gas emissions.

Percentage share of RE in overall power mix



## On the Path to Decarbonisation

As a leading energy solutions company, we acknowledge our responsibility towards being at the forefront of industry's decarbonisation efforts and provide greener energy solutions to our customers. Decarbonisation is a long-term process that demands strategic planning and investment. We are committed to making continuous improvement to deliver substantial benefits to the Company, the environment, and society as a whole.

### Decarbonisation Drivers

#### Improve Energy Efficiency

#### Fuel Switching

#### Explore Carbon Capture and Storage (CCS)

#### Invest in Renewable Energy

#### Invest in R&D of low-carbon technologies

#### Invest in capacity building of staff

#### Stakeholder Engagement

#### Policy Advocacy

### Significance

- Emission reduction
- Enhanced compliance with regulatory norms
- Sustainable growth
- Energy & cost savings
- Access to new markets opportunities
- Strengthen Company's reputation
- Operational resilience against fuel price volatility and supply disruptions
- Support decarbonisation of other sectors such as transportation & manufacturing
- Future proofing through adaptation to future changes in technology and policy

### Decarbonisation Strategy

- Retrofit thermal power plants with advanced technologies
- Improve operational practices, and regular maintenance
- Switch from fossil fuel to less carbon-intensive fuels
- Phase out thermal assets gradually
- Significant emerging technology to arrest CO<sub>2</sub> emissions from thermal power plants and store/use them
- Gradually replace thermal power with renewable energy sources such as solar and wind
- Address intermittent issues associated with RE sources; smart metering and smart grid technologies, distributed generation technologies
- Conduct training programmes, hire experts, partner with academia to upskill staff in climate change
- Deployment of developed carbon calculator to inculcate behavioural changes
- Involve internal & external stakeholders in adoption of Company's decarbonisation plans at a broader level
- Engage with policymakers to advocate for conducive policies & regulations supporting decarbonisation, incentivising renewable energy, or putting a price on carbon



## Reducing our Greenhouse Gas Emissions

Emissions reduction forms an intricate part of our net zero strategy. We have set stringent KPIs to monitor our performance and ensure alignment with the emission reduction targets.

### Highlights

**26,56,987 tCO<sub>2</sub>e**  
Avoided in FY 2023-24

**1,72,468 tCO<sub>2</sub>e**  
Reduction Scope 1 & 2 GHG emissions in FY 2023-24

**23,69,011 tCO<sub>2</sub>e**  
Increase in Scope 3 GHG emissions compared to previous year

## Approach Towards Emission Management

In pursuit to achieving Net Zero 2050, we have established medium-term to long-term targets for reduction of GHG Emission. The GHG emission reduction baseline for Scope 1 & 2 emissions & Scope 3 emissions were established in FY 2019-20 and FY 2020-21 respectively. We aim to achieve our aspirational targets for reduction in GHG emission intensity, by expanding the share of renewables in the energy mix and investing in energy-efficient initiatives. We follow GHG Protocol for GHG inventorisation of Scope 1, Scope 2 and Scope 3 emissions. Emissions have been arrived at using emission factors prescribed by Intergovernmental Panel on Climate Change (IPCC) Sixth Assessment Report (AR6) and Department for Environment, Food and Rural Affairs (DEFRA).

## Reducing Supply Chain Emissions Through Supplier-Engagement

We acknowledge that meaningful decarbonisation can only be achieved when it is driven across the value chain. To foster a sustainable supply chain, we participated in the Carbon Disclosure Project (CDP) Climate Change and CDP Supply Chain Engagement Programme, collaboratively with our identified suppliers. This is an initiative aimed at promoting supply chain sustainability by reducing supply chain emissions. As a part of this initiative, we have identified suppliers and paid on their behalf to facilitate their free access to the CDP portal. During the reporting year, we have engaged with the highest number of suppliers compared to any other Indian company participating in the engagement programme. The engagement has offered us valuable opportunities to collaborate with the suppliers in reducing supply chain emissions and fostering sustainable supply practices.

## 15 Suppliers

Reported emissions reduction through CDP supplier engagement

## ₹ 18 lakhs

Paid as CDP subscription fees on behalf of the suppliers during the reporting period



# 89

Suppliers engaged through the programme

**64**

Suppliers actively participated

**11%**

Suppliers reported increase in GHG emissions

**23%**

Suppliers reported reduction in GHG emissions

**41%**

Of suppliers have GHG emission reduction targets

**30%**

Of suppliers reported 3<sup>rd</sup> party verified emissions & have GHG reduction initiatives

**39%**

Suppliers engage with their supply chains

**8**

Suppliers have set SBTi targets

**20**

Suppliers use RE in their operations

## Initiatives Under Emission Management

Initiative	Outcome
Replacement of BFA-2A hydraulic coupling was carried out in Unit 2	Reduction in modified gear ratio and slip losses by 425 KW
Replacement of APH Seals and R&M of Flue gas duct leakages was carried out in Unit 2	Reduction in fan loading by 950 KW
High and Low Pressure turbine servicing was conducted in unit 2 to maintain interstage clearance and seal leakages were attended	Improvement in unit heat by 20 Kcal/KWh

## Performance

### GHG Emission Sources

#### GHG Emission Category

Scope 1 Emissions

#### Source of Emissions

- All Direct emissions from owned or controlled sources. E.g.: fire extinguishers, SF6 gas, fuels like diesel, petrol etc.

#### GHG Emission Category

Scope 2 Emissions

#### Source of Emissions

- Indirect emissions from the generation of purchased electricity from the grid and transmission & distribution (T&D) losses in our network.

#### GHG Emission Category

Scope 3 Emissions

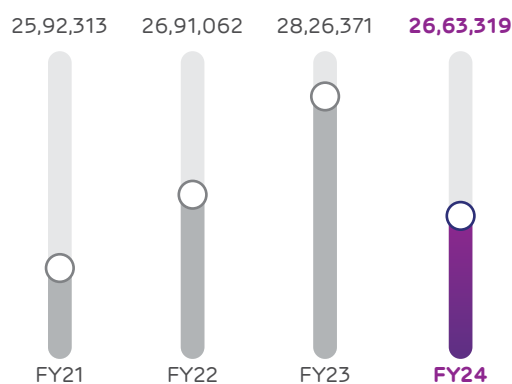
#### Source of Emissions

- All indirect upstream and downstream emissions (not included in Scope 2) that occur in the value chain of the Company.

### GHG Emissions (Scope 1, 2 and 3) in FY 2023-24

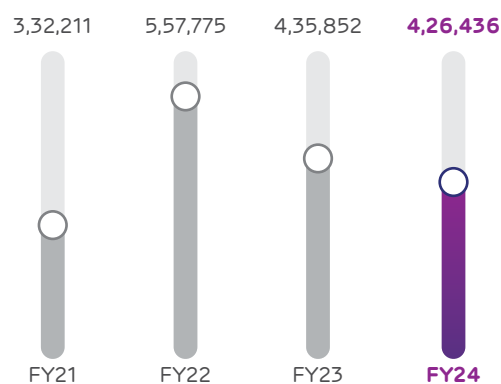
#### Total Direct GHG Emissions (Scope 1)

(units in tCO<sub>2</sub>e)



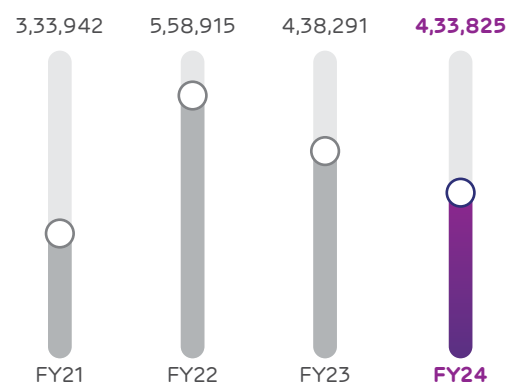
#### Total Indirect GHG Emissions (Scope 2 - market-based)

(units in tCO<sub>2</sub>e)



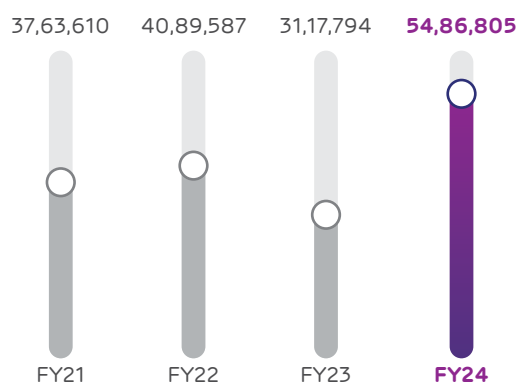
#### Total Indirect GHG Emissions (Scope 2 - location-based)

(units in tCO<sub>2</sub>e)



#### Total Indirect GHG Emissions (Scope 3)

(units in tCO<sub>2</sub>e)



Gases included in calculation of Scope 1 emissions are: CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, SF<sub>6</sub>, CFCs

Gases included in calculation of Scope 2 emissions are: CO<sub>2</sub>

Gases included in calculation of Scope 3 emissions are: CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O\*

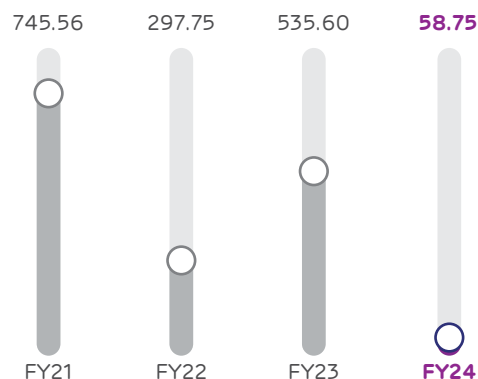
\*For Scope 3 categories where DEFRA is used as EFDB - Emission Factor Database the GHGs include CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O.

## Managing SF6 Emissions

Considering the high Green Warming Potential (GWP) of SF6, we intend to replace the use of SF6 in electrical insulation with sustainable solutions. We followed a strict protocol for the use of SF6 in circuit breakers and refrigerants such as R-22/R-32/R-410 in air-conditioners. For all installed electrical equipment, we have conducted a preliminary screening for capturing SF6 emissions and the use of SF6 leakage detection kit for detecting leakages. Refrigerant usage was monitored using a simplified material balance method. Scheduled maintenance ensured minimum refills. Operational parameters were monitored for deviations and promptly addressed when needed.

## SF6 Emissions

(units in tCO<sub>2</sub>e)



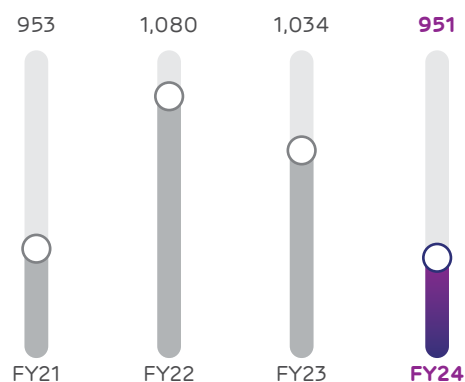
## GHG Emission Intensity

The reduction in GHG emission intensity can be attributed to the host of organisation-wide energy saving initiatives taken along with increase in our overall revenue.

### Emission Intensity (tCO<sub>2</sub>e/ million ₹ revenue)



### Emission Intensity (tCO<sub>2</sub>e/ GWh generated)



Emission intensity data for FY 2021-22 was recalculated and restated last year which resulted in a decrease from 27.67 tCO<sub>2</sub>e/ million ₹ revenue to 27.39 tCO<sub>2</sub>e/ million ₹ revenue.

## Scope 3 Emissions Category

Category	Emission (tCO <sub>2</sub> e)	Emission Calculation Methodology
<b>Purchased goods and services</b>	11,87,106	Spend based method was used, where the spend data for different commodities purchased is taken as an input for the activity data. Emission factors for this category were referred from climatiq.io dataset for India.
<b>Capital goods</b>	7,41,941	Spend based method was used, where the spend data for different commodities purchased & capitalised is taken as an input for the activity data. Emission factors for this category were referred from climatiq.io dataset for India.



## Scope 3 Emissions Category

Category	Emission (tCO <sub>2</sub> e)	Emission Calculation Methodology
<b>Fuel-and-energy-related activities</b>	35,53,651	T&D losses occurring in the grid for the consumed electricity and emissions due to extraction, production, and transportation of fuels consumed by the organisation. Plus emissions accounted from the generation of purchased energy. Central Electricity Authority of India published emissions factors and declared T&D Losses.
<b>Upstream transportation and distribution</b>	3,585	Hybrid method was used to consolidate emissions in this category. Supplier-specific method was adopted for road transport, in which the fuel consumed was taken as input data point. For transportation through other modes such as train, sea and air, distance travelled has been taken as the activity data. Emission Factors for this category were referred from DEFRA and IPCC.
<b>Waste generated in operations</b>	50.78	We have diverted 99.99% of waste from landfill and are certified as Zero waste to landfill by M/s Intertek Private Limited for O&M sites, & grid division, and by M/s BVCI for electricity retail division.
<b>Business travel</b>	399	Distance-based data for air, rail and road mode was selected as data input. We refer secondary references to identify the context-specific emission factor.
<b>Employee commute</b>	72	Average data method based on survey responses received from employees. Data inputs include mode of travel, fuel and distance. Referred DEFRA and GHG Protocol mobile combustion guidance for determining the emission factors.
<b>Upstream leased assets</b>	0	No upstream leased assets other than logistics vehicles which are already covered under Scope 1 as fuel used is paid by Adani Energy Solutions, thus emissions under this category are 0 for the reporting period.
<b>Downstream transportation and distribution</b>	0	No downstream leased assets other than customer care offices and logistics vehicles used for the distribution & transmission line inspection, O&M teams, <u>which are already covered under Scope 1 as fuel used is paid by Adani Energy Solutions</u> , thus emissions under this category are 0 for the reporting period.
<b>Processing of sold products</b>	0	No processing required for use of our services and thus, emissions under this category is reported 0.
<b>Use of sold products</b>	0	No additional energy required for use of our services, thus reported 0.
<b>End-of-life treatment of sold products</b>	0	No end-of-life treatment for our services, hence reported 0.
<b>Downstream leased Assets</b>	0	Downstream leased assets for customer care are included in Scope 2, hence this category of emissions is reported 0.
<b>Franchises</b>	0	No franchises for our services, therefore disclosed as 0.
<b>Investments</b>	0	Investments made in other entity is yet to start operations, hence emissions under this category are not relevant for tracking and monitoring, thus disclosed as 0.
<b>Other (upstream &amp; downstream)</b>	0	We do not track activity data under this category as we believe the relevant Scope 3 emissions are already covered in the specific categories, thus reported 0.

## Other Air Emissions

The air emission sources are monitored as per defined frequency by an MoEF&CC approved or National Accreditation Board for Testing and Calibration Laboratories (NABL) accredited third party laboratory as mandated by the Central and respective State Pollution Control Boards.

Type of Air Emissions	Units	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Direct NOx Emissions	MT	2,989.9	3,571.6	4,035.1	3,742.7
Direct SOx Emissions	MT	1,407.2	2,106.4	2,909.2	3,088.7
Dust Emissions	MT	379.3	454.0	540.0	539.7
Mercury Emissions	Kg	23.9	26.5	29.3	27.2
SF6 Emissions	Kg	12.7	31.7	125.2	58.7
ODS Emissions*	Kg of CFC11 Eq	0	22.2	0	1,147.9

\*ODS emissions includes R22 R410A and SF6 are not considered as their ODP is zero, although they are emitted. SF6 Emissions (tCO<sub>2</sub>e) is included in our overall Scope 1 emissions.

### Equipping Dahanu Plant with Air Emission Prevention Measures

- Flue Gas De-sulfurisation (FGD) in the plant since 2007 to keep SOx emissions significantly below the prescribed limits defined by regulatory authorities
- Over Fire Dampers since inception to keep Nitrogen Oxide (NOx) within prescribed limits; a stack of 275.38 metres height ensured thin dispersion of flue gas over a large area
- Installation of four ambient air quality monitoring stations for continuous monitoring of stack emissions dispersion in the ambient air





## Energy Management

Increasing energy demand globally due to the climate crisis is a huge opportunity for us which we are eyeing through strategic decarbonisation of our grid. We have acquired ISO 50001: 2018 for our plants showcasing our commitment towards our decarbonisation objectives. Our effective energy management systems ensure minimal energy wastage in our operations.

### Highlights

**1,335.73 MWh**

Annualised energy savings realised through energy-efficient initiatives and energy conservation in FY 2023-24

**59%**

Reduction in energy consumption w.r.t the baseline FY 2019-20, as of March 31, 2024, due to energy-efficient initiatives

**1,099.31 tCO<sub>2</sub>e**

GHG emission savings due to energy-efficient measures



## Approach Towards Energy Management

We have established a target-based approach towards managing energy efficiently and are making constant progress by increasing the percentage of RE procurement in our energy mix year-on-year. Since the baseline year in FY 2018-19, we have reduced our dependence on the fossil fuel-based energy in the power portfolio by 34.35% of our power mix versus the target of 70% by the year 2030. We take various energy reduction initiatives to conserve energy and make our operations green including incorporating structural changes in the equipment, parts replacement to plug leakages and inefficiencies reduction.

### Building Operational Excellence

**RE Integration in the Energy Mix:** Clean energy integration into conventional networks is our strategy for decarbonisation. Additionally, it is our significant move to capitalise on the opportunity to generate 175 GW of renewable energy by 2030, which is the RE target viewed by the Government of India. The initial high cost of RE integration has been compensated by high returns year-on-year.

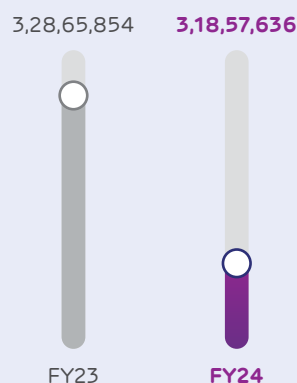
**Moderate Resource Use:** The only negative environmental impact of the transmission business could be during construction and operation. Our integrated Environmental Management Systems (EMS) and processes aid us in monitoring and moderating our environmental footprints.

**Energy Reduction through Energy Efficiency:** Our energy-efficient initiatives and work done under the decarbonisation plan such as optimisation of the energy mix, rooftop solar installations and EV charging services have resulted into reduction of our energy consumption.

## Type of Energy Consumption

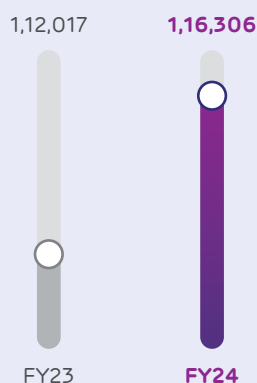
### Total Direct Energy Consumed

(in Giga Joules (GJ))



### Total Indirect Energy Consumption

(in Giga Joules (GJ))





## Becoming Energy-Efficient

- We have installed 3.36 MWp solar capacity for auxiliary consumption at Mahendragarh, Akola, Koradi, Sami, Morena and Rajnandgaon substations
- Unit 01 (U1) replacement of HP (High Pressure) & IP (Intermittent Pressure) Turbine – OH (Over Hauling) of LP ((Low Pressure) Turbine
- Reduction in slip loss of BFP 1B (Boiler Feed Pump Unit 1B) hydraulic coupling in Unit-01
- Monitoring SF6 (Sulphur Hexafluoride) gas leak through latest technology cameras
- Monitoring and optimised utilisation of Diesel in Diesel Generating (DG) Set
- HP heater performance improvement by attending parting plate leakage (improvement in heat rate by 7.8 kcal/kWh)
- Replacement of BFP cartridge in Boiler Feed Pump Unit 1A (reduction in auxiliary power consumption by 582 kW per hour)
- Installation of energy-efficient lighting (reduction in auxiliary power consumption of 448 MWh per annum)
- Nano molecular thermos conductive additive treatment for air conditioning system

Energy reductions achieved through these energy-efficient initiatives also includes reductions in emissions from CH<sub>4</sub>, CO<sub>2</sub>, SF<sub>6</sub> and N<sub>2</sub>O, which were estimated based on activity data and emission factor from CEA. Additionally, 26,56,987 tCO<sub>2</sub> emissions were reduced due to renewable energy procured and sold during the current financial year. This was estimated factoring in the T&D losses and emission factor from CEA. The base year for calculation of reduction in energy consumption was FY 2021-22.

## Performance

### Energy Consumption (in GJ)

Energy Consumption from Source	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
<b>Direct Energy Consumption</b>					
A Coal	5,61,42,342	3,03,52,233	3,15,55,809	3,28,11,389	3,18,01,563
B Diesel	58,972	77,681	28,443	38,984	31,745
C LDO	17,910	11,160	13,455	10,208	20,518
D LPG	0	0	625	653	643
E Petrol	3,298	8,730	4,675	4,620	3,166
<b>F Total Fuel Consumption F=(A+B+C+D+E)</b>	<b>5,62,22,521</b>	<b>3,04,49,804</b>	<b>3,16,03,007</b>	<b>3,28,65,854</b>	<b>3,18,57,636</b>
<b>Indirect Energy Consumption</b>					
G Electricity consumed from non-RE sources	85,453	39,580	80,422	99,649	1,07,546
H Electricity consumed from RE sources	7,420	7,886	5,065	12,368	8,760
<b>I Total Energy Consumed I=(F+G+H)</b>	<b>5,63,15,394</b>	<b>3,04,97,270</b>	<b>3,16,88,494</b>	<b>3,29,77,871</b>	<b>3,19,73,942</b>

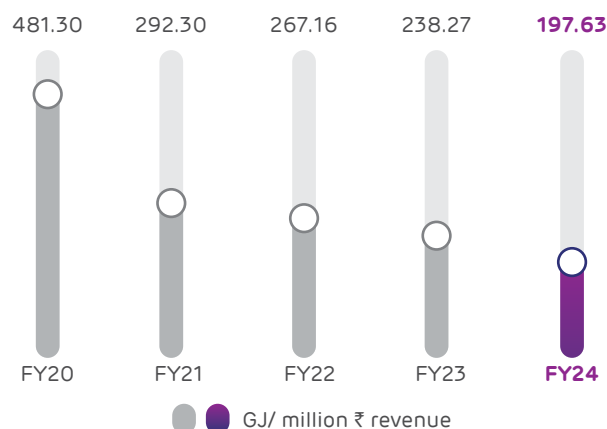
We do not consume energy from any renewable fuel source and hence not accounted.

During the year under review, energy consumption outside the organisation was 2,72,02,371 GJ.

## Energy Intensity

The total energy consumed within our organisation is monitored in ratio with the revenue generated for the financial year. Energy intensity is a measure to track the progress of our energy efficiency. A decrease in energy intensity signifies positive performance of our energy efficiency measures. During the year under review, our energy intensity decreased by almost 17.06% as compared to the preceding year. The reduction was achieved due to the implementation of energy saving initiatives throughout the year as well as increase in our revenue for this financial year.

## Energy Intensity



## Installed Capacity Mix Based on Non-Renewable Energy Generation Sources

We aim to phase out coal from our power mix by 2030.

### Generation Source – Coal

# 500 MW

Capacity for the year 2023

# 41.6%

Share of capacity for the year 2023

# 0

Target capacity for the year 2030

# 0

Share of capacity for the year 2030

# 3.36 MW

Solar installation within plant premises

# 700 MW

Capacity of Wind-Solar hybrid Power Purchase Agreement operationalised in FY 2022-23

## Grid Losses and Reliability

Grid Losses	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Transmission losses (%)	1.58	1.49	1.35	1.41	1.56
Distribution – losses (%)	7.37	7.82	6.55	5.93	5.29
Transmission losses and Distribution losses (%)	8.95	9.31	7.90	7.34	6.85

Grid Reliability	Units	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
System Average Interruption Duration Index (SAIDI)	Minutes per consumer per year	39.15	34.58	23.63	22.35	21.26
System Average Interruption Frequency Index (SAIFI)	Events per consumer per year	1.24	1.11	0.82	0.70	0.69
Customer Average Interruption Duration Index (CAIDI)	Minutes per event	31.57	31.11	28.95	31.74	30.63

#### Average Carbon Intensity

**951.14** tCO<sub>2</sub>e/GWh

For electricity generated

**311.59** tCO<sub>2</sub>e/GWh

For electricity sold

#### Electricity Sold (in Million Units)

	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
<b>Non-Renewable Energy (non-RE)</b>					
Generated & Sold	3,027	3,070	3,009	3,184	2,811
Purchased & Sold	4,680	5,594	4,246	3,648	3,395
<b>Renewable Energy (RE)</b>					
Generated & Sold	0.67	0.96	1.41	1.72	0.075
Purchased & Sold	145	224	716	2,228	3,711
<b>Total Energy Sold; (non-RE+RE)</b>	<b>7,853</b>	<b>8,889</b>	<b>7,972</b>	<b>9,062</b>	<b>9,916</b>



## Waste Management

We continuously apply 5R (reduce, reuse, recycle, repurpose, and recover) philosophy to optimise our material and waste management. We focus on enhancing the resource efficiency through responsible resource consumption and implementation of circular economy guidelines. Though we had targeted to achieve Zero Waste to Landfill (ZWL) across all sites by FY 2024-25, it was achieved in FY 2022-23 itself and sustained in FY 2023-24 as well.

### Highlights

**4.74%**

Reduction in waste generation intensity (tonne per ₹ Revenue) in FY 2023-24 Vs FY 2022-23

**100%**

Fly ash utilisation from the thermal generation unit

**99.99%**

Waste-diverted from landfill in FY 2023-24

**100%**

Single-Use-Plastic Free certified operational sites

**100%**

Of waste is disposed responsibly in accordance with the applicable regulations ensuring legal and regulatory compliance





## Approach Towards Material and Waste Management

We strive to practice responsible consumption of resources and promote circular economy in waste management to convert responsibility into an opportunity for sustainable value creation. We have implemented 5S discipline across all substations. Our comprehensive Integrated Management System combines various interconnected processes and strategies to optimise waste reduction and promote overall environmental sustainability through process improvisation, product design improvements and implementation of efficient practices. It incorporates monitoring and performance measurement mechanisms to track generation, segregation, and recycling rates.

## Performance

### Key Material Consumption

Materials Consumed	Units	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Coal	MT	19,15,624	17,85,029	19,88,929	22,22,916	21,54,502
Concrete (M20) and Reinforced Cement Concrete (RCC) + PCC	Cum	78,053	1,31,593	1,34,853	70,612	1,38,637
Steel (tower part)	MT	75,840	1,04,503	29,303	29,266	1,01,523
Aluminium Alloy (conductor)	MT	22,395	33,994	18,616	52,395	37,032
Steel Wires (conductor and earth wire)	MT	6,052	3,728	2,559	2,072	646
Diesel Consumption	kL	1,551	2,043	1,557	1,362	1,447

The data reported in the table above includes only non-renewable materials.

39% of total steel input is recycled/reused steel for FY 2023-24 as per CEEW report, October 2023. CRISIL research report 2022 reports India's steel average scrap content at 37%.

## Waste Generation Across Categories

Our Integrated Management System (IMS) help us in minimising the waste generation and segregating it at source to ensure its disposal in accordance with statutory guidelines in a sustainable manner. At a broad level, waste is segregated as – Hazardous waste, Non-Hazardous waste (including metals and plastic waste), electronic waste and electric waste.

## Highlights

**96.2%**

Of the total waste generated is non-hazardous

**3.8%**

Of the total waste generated is hazardous

**99.2%**

Of the total waste generated is recycled

## Types of Waste Generated

### Hazardous Waste

- Oil drums
- Used transformer oil
- Used/spent oil
- Waste/residue containing oil MS barrel
- Waste resin
- Used cotton waste
- Empty contaminated drums

### Non-Hazardous Waste

- Insulator scrap
- Wood scrap
- Steel scrap (tower materials)
- Aluminium scrap (conductors)
- GI scrap
- Aluminium scrap (others)
- Scrap rubber
- Scrap copper
- Scrap corroded APH basket
- Saw dust
- MS scrap
- Reinforcement steel

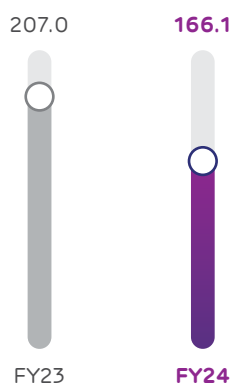
### E-waste

- Transformers
- MV VFD panel
- Used batteries
- Switchgears
- Meters
- Capacitors
- Relays
- Ignitors
- Fuses

## Waste Generated in FY 2023-24 (units in MT)

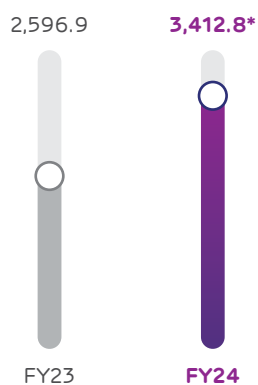
### Hazardous Waste

(units in MT)



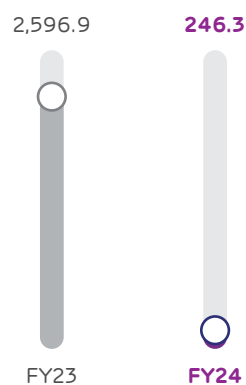
### Non-Hazardous Waste

(units in MT)



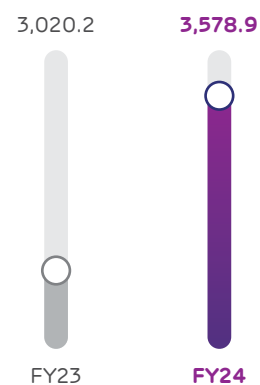
### E-Waste

(units in MT)



### Total Waste generated

(units in MT)

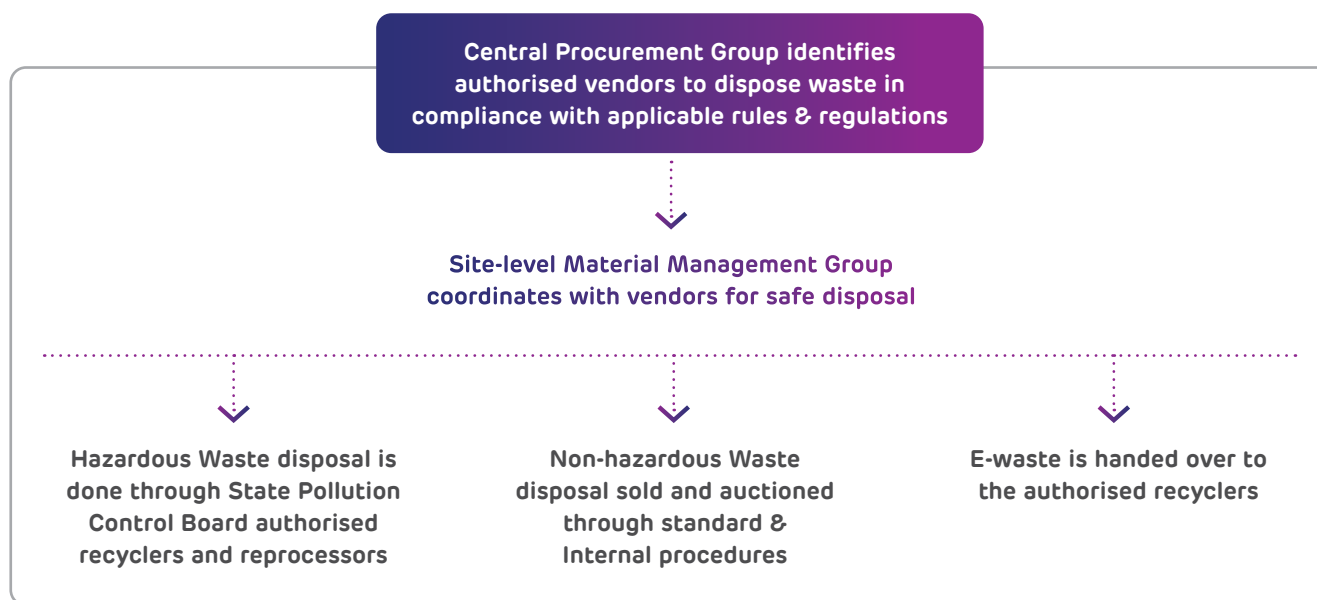


Hazardous waste includes 0.115 MT of biomedical waste and 30.03 MT of battery waste. Non-hazardous waste includes 36.97 MT of plastic waste and 0.72 MT of construction & demolition waste.

\*Due to infra upgrade at substation.

## Responsible Waste Handling & Disposal

All our assets under O&M phase are certified as Zero Waste to Landfill (ZWL).



### Waste Diverted from Disposal (unit in MT)

Type of Waste	End-of-Life Method	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Hazardous Waste	Recycled	90.8	186.9	319.8	171.6	81.676
	Reused	0	0	0	0	0
	Other Recovery Options	0	0	0	0	0
Non-Hazardous Waste	Recycled	4,509	2,566	3,295	2,645	2,509.13
	Reused	0	0.3	0.3	18.8	0
	Other Recovery Options	0	0	0	11.9	0

### Waste Diverted to Disposal (unit in MT)

Type of Waste	End-of-Life Method	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Hazardous Waste	Landfilled	0	0	0	0	14.925
	Incinerated (with energy recovery)	2.3	7.6	7.0	20.0	4.148
	Incinerated (without energy recovery)	0	0	0	0	0
	Other disposal options	0	0	0	0	0
	Unknown disposal options	0	0	0	0	0
Non-Hazardous Waste	Landfilled	115.6	16.2	23.3	22.0	6.617
	Incinerated (with energy recovery)	0	0	0	0	0
	Incinerated (without energy recovery)	0	0	0	0	0
	Other disposal options	0	0	0	0	0
	Unknown disposal options	0	0	0	0	0

## Promoting Circular Economy Through Responsible Utilisation of Ash Generated

The efficient combustion of coal in a thermal power plant results in the generation of ash, which is mainly composed of silica, alumina, and iron oxide. The ash generated through the processes is rich in mineral content and is therefore utilised in multiple ways. The utilisation of ash is important as it allows to reduce the impact of power generation on the environment.

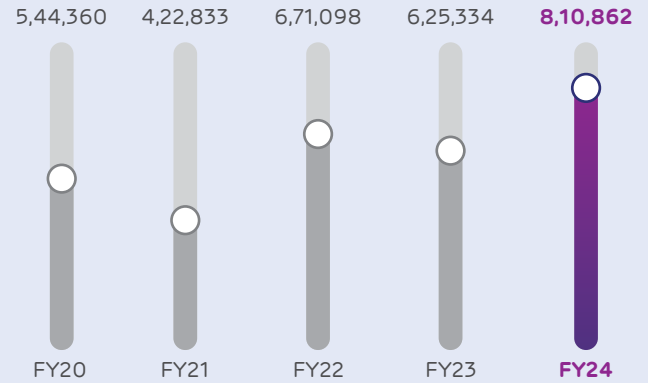
There are two types of ash that are generated from the thermal power plant:

- The dry ash generated is sold to the authorised vendors for use in cement
- The wet ash is usually sold to the local vendors at a nominal cost for the manufacturing of bricks, ceramic tiles, and other materials or used in land filling for subsequent development of green belts.

## Total Ash Waste

### Recycled/Reused

(Unit in MT)



## Zero

Awaiting CEA consent certificate





# Water Stewardship

Acknowledging the criticality of water – the Blue Gold, we take a systematic approach towards assessing the water-related risks to ensure responsible consumption and sustainable water management practices. We undertake water conservation initiatives to promote sustainable water usage across our operational sites and business operations.

## Highlights

24

Locations with rainwater harvesting structures



106%

Water conserved in FY 2023-24



ISO 46001

Certified Adani Dahanu Thermal Power Station (ADTPS)



## Approach Towards Responsible Water Management

Water is utilised in our business operations in cooling towers, fly ash management and also for consumptive purposes like

gardening or general utilisation etc. Our HSE policy guides our efforts towards optimising the water consumption and utilisation for conserving the resource. Since, water is strategically important for our operational

continuity, water risk assessment is integrated into our enterprise risk identification, assessment and management processes, that enables us in proactive identification, prioritisation and management of water-related risks.



Our water optimisation approach focusses on finding opportunities to replenish natural water sources by extracting lesser than what we utilise. In order to track and monitor our water consumption, we have installed water metering – flow meters and flow transmitters, across all our sites. We are emphasising on conserving freshwater by creating rainwater harvesting structures at our O&M sites to meet our daily needs. In order to achieve this, rainwater harvesting feasibility studies have been conducted for our operational sites. We train our employees in Water Management practices.

Our comprehensive database monitoring system across our facilities enables collection of monitoring data such as water withdrawal from various sources, discharge data, which is compiled at the corporate office and disclosed through the Sustainability/ Integrated Reports.

## Water Risk Assessment & Management

Using globally recognised WRI Aqueduct tool and India Water Tool, we conducted periodic and thorough water risk assessments across all our sites in FY 2022-23. We employed the IPCC's RCP 4.5 scenario (equivalent to 1.7-3.2°C) analysis to study various impacts such as a projected change in the monthly maximum temperature, monthly precipitation, severe drought likelihood and land projected to be below the annual flood level for 'Period: Impacts Projection' during 2020 to 2039. The scenario analysis allowed the identification of operations in water-stressed areas and anticipated potential water-related conflict as well as group of stakeholders that could be involved. Water stress level and drought risk level analysis were conducted to comprehend the drivers of water stress and to re-define the present approach towards water management. Drought risk analysis was conducted to estimate probable changes in water availability to

formulate a proactive approach towards future needs. This helped us identify effective strategies for water resource planning and management.

The assessment brought to light the following key risks:

- **Physical risks** – These are location-specific risks such as water quantity and water quality of the specific location
- **Regulatory risks** – These risks arise due to change in water policy requirements, non-compliances to the applicable regulations
- **Reputational risks** – These risks arise due to mismanagement of water resources

The risk assessment activities were conducted in collaboration with the local water management authorities, State Ground Water Board and Industrial Board to adopt a shared water resources management strategy that also considered the needs of local communities.





### Water Stress Inclusions and Findings

**Baseline Water Stress** – Measures the ratio of total water demand to available renewable surface and groundwater supplies.

**Water Demand** – Includes domestic, industrial, irrigation, and livestock uses.

**Available Renewable Water Supplies** – Includes the impact of upstream consumptive water users and large dams on downstream water availability.

**Higher Values** – Indicate more competition among users.

**Findings from the Water Stress Test** – The assessment helped us identify the following substations that are located in water stress areas:

1. Mahendragarh HVDC, Haryana
2. Badaun Substation, Uttar Pradesh
3. Alwar Substation, Rajasthan
4. Bar Substation, Rajasthan
5. Deedwana Substation, Rajasthan
6. Ghamurwali Substation, Rajasthan
7. Ghumati Substation, Rajasthan
8. Khatoti Substation, Rajasthan
9. Riyabari Substation, Rajasthan
10. Shekhsar Substation, Rajasthan
11. Ahore Substation, Rajasthan

Note: Less than 0.5% water is consumed at above sites of Adani Energy Solutions, yet stress studies were conducted as part of holistic water stewardship journey.

## Performance

### Water Withdrawal (unit in kL)

Water Withdrawal by Source	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Surface Water	18,16,542	17,40,440	15,76,876	17,76,885	21,12,006
Groundwater	0	25,200	57,693	57,693	76,072
Third-party Water	0	1,11,030	32,518	661	2,364
Other (Rainwater)	0	0	1,47,898	7,731	7,169
Seawater	37,70,04,000	37,75,34,000	46,54,95,317	48,81,05,573	47,40,26,459
<b>Total Water Withdrawal</b>	<b>37,88,20,542</b>	<b>37,94,10,670</b>	<b>46,73,10,302</b>	<b>48,99,48,543</b>	<b>47,62,27,229</b>
<b>Water Consumption</b>	<b>18,16,542</b>	<b>18,76,670</b>	<b>18,14,985</b>	<b>18,42,970</b>	<b>21,97,611</b>
Seawater discharged back to sea	37,70,04,000	37,75,34,000	46,54,95,317	48,81,05,573	47,40,26,459

Effective Water consumption = withdrawal other than seawater.

We do not have water storage systems; seawater withdrawn is utilised in the process and then discharged back. Thus, our water withdrawal is equal to our water consumption.

## Water Withdrawal and Consumed in Water Stressed Areas (in kL)

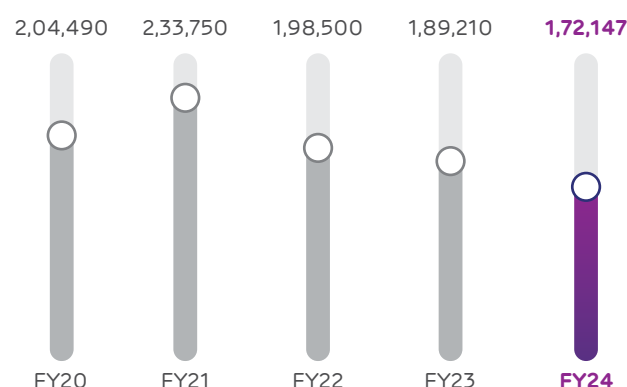
Water Withdrawal by Source	FY 2021-22	FY 2022-23	FY 2023-24
Surface Water	30	0	0
Groundwater	16,620	26,032	32,887
Third-party Water	550	96	0
Seawater	0	0	0
Other (Rainwater)	1,928	726	0
<b>Total Water Withdrawal and Consumption</b>	<b>19,127</b>	<b>26,854</b>	<b>32,887</b>

## Effluents Treatment and Discharge

We ensure treating all sewage before their discharge. Sewage generated in thermal power plant is treated and disposed of as per Maharashtra Pollution Control Board (MPCB) consent to operate guidelines. Our domestic effluent is treated in our in-house sewage treatment plants; the treated water is further utilised in the horticultural activities at our sites.

## Water Recycled and Reused

(in kL)



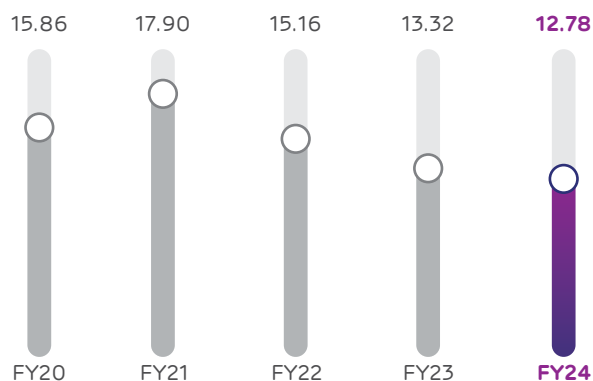
## Water Discharge (in kL)

Water Discharge by Destination	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Surface Water	0	0	0	0	0
Groundwater	0	0	0	0	0
Seawater	37,70,04,000	37,75,34,000	46,54,95,317	48,81,05,573	47,40,26,459
Third-party Water	0	0	0	0	0
<b>Total Water Discharge</b>	<b>37,70,04,000</b>	<b>37,75,34,000</b>	<b>46,54,95,317</b>	<b>48,81,05,573</b>	<b>47,40,26,459</b>
<b>Water Discharge by Freshwater and Other Water</b>					
Freshwater (≤1,000 mg/L Total Dissolved Solids)	0	0	0	0	0
Other Water (>1,000 mg/L Total Dissolved Solids)	37,70,04,000	37,75,34,000	46,54,95,317	48,81,05,573	47,40,26,459

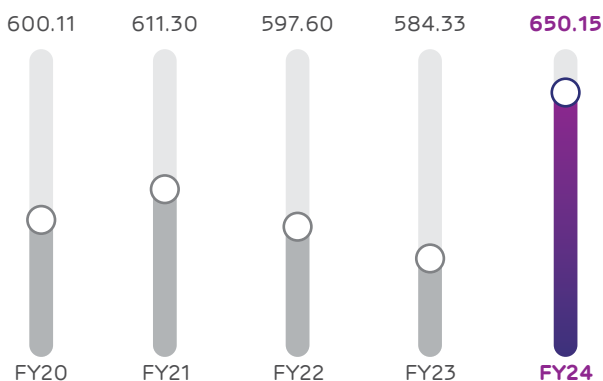


## Water Intensity

### Fresh Water Intensity (kL/ million ₹ revenue)



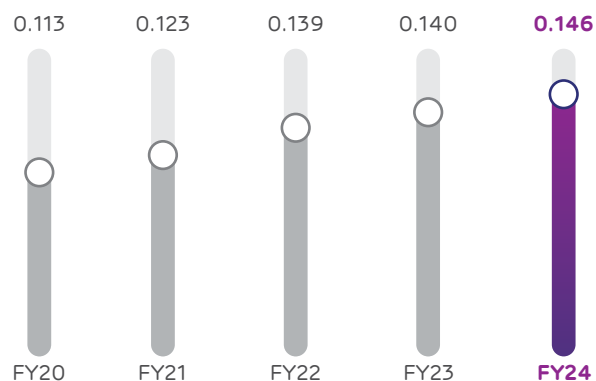
### Fresh Water Intensity (kL/million units)



Freshwater intensity data for FY 2021-22 was recalculated and restated last year and continued which resulted in a decrease from 15.19 kL/ million ₹ revenue to 15.16 kL/ million ₹ revenue.

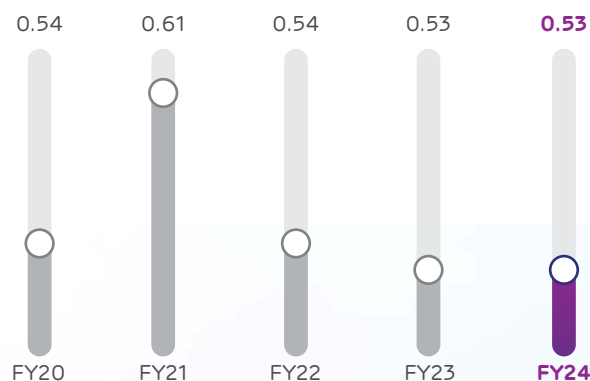
### Seawater Intensity

(kL/KWh generated)



### Water Intensity

(kL/MWh electricity generated)



## Biodiversity Conservation & Land Use Management

Biodiversity is integral to our business operations and critical for our business continuity. Biodiversity Management forms an integral part of our corporate strategy. Our dedicated biodiversity policy is based on “No Net Loss” approach and guides the conduct of our operations in consideration to biodiversity related parameters. We have set a target to achieve biodiversity “Net Positive” by FY 2024-25.

### Highlights

Signatory to India  
Business and  
Biodiversity  
Initiative (IBBI)

IBBI biennial  
report is being  
published

Biodiversity impacts and  
dependency assessment  
carried out for all  
operational sites

Biodiversity  
policy was  
amended



## Approach Towards Biodiversity Management and Land Use

Our approach towards biodiversity management ensures adherence to the principles of avoidance, minimisation, and mitigation. Biodiversity risks are integrated in the multidisciplinary company-wide risk assessment processes. This provides us with the opportunities to focus on avoiding ecologically sensitive zones for transmission line route, minimising biodiversity impact by reducing energy use, and restoring habitats.

We are committed to '**No Net-Loss to Biodiversity**' and aspire towards achieving **Net Positive Gain (NPG)** by integrating the considerations related to the biodiversity impacts of our operations into our decision-making processes across all the levels of the organisation. We are signatory to IBBI, a multistakeholder initiative that focusses on critical issue of biodiversity loss.

### Avoidance

- Avoid ecologically sensitive zones for planning the transmission lines, to the extent possible
- We avoid cutting of trees and evaluate alternate pathways to plan for commissioning of new transmission lines to the farthest extent possible. However, we ensure adhering to statutory compliances and pay for compensatory afforestation fees, in case no other alternate is available
- We account for the potential impacts of forest stretched transmission line towers & supporting structures; a protected forest area falling under the transmission line geography was removed from providing ecological services

**39%**

Forest area avoided for new transmission projects approved in FY 2023-24

**10x**

Hectare of Mangroves restored and/or compensated

### Minimisation & Mitigation

- We identify nature preservation opportunities at the planning stage of the line construction to minimise potential impacts
- We conduct third-party biodiversity risk assessment to assess ecological impact of our operation
- We adopt a collaborative approach with communities, academia, and environmental specialists to plan effective conservation and restoration initiatives
- 100% of our new transmission sites have been assessed for biodiversity impact assessment in FY 2023-24
- We ensure strict adherence to clearance regulations and obtain necessary permissions & clearances before drawing transmission and distribution lines, as a vital measure for protection of forests and mitigation of potential adverse impacts





## Approach Towards Land Use

The Land Acquisition, Rehabilitation and Resettlement Act (LARR), 2013 and its subsequent amendments do not mandate Social Impact Assessment for the transmission business (including substations). Transmission lines (TL) do not lead to any physical displacement and hence rehabilitation and resettlement is not applicable to the projects.

- Our policy on Right of Way (RoW) guides our actions related to the land acquisition while planning for the transmission line routes
- We apply Right of Way (RoW) approach in our transmission and distribution lines to minimise societal impacts by avoiding the need for extensive land acquisition and minimising the displacement of communities
- We have set up substations, through 'willing buyer, willing seller' approach by compensating owners, for land purchases
- We have invested in installation of gas insulated substation which occupies lesser space and offers more reliability as compared to air insulated substation

## Impact on Biodiversity

There is no negative impact on any IUCN Red List species and national conservation list species in any operating location.

There has been some key near-threatened and threatened species and Schedule 1 species identified at our site of operations:

- Black-necked Stork (*Ephippiorhynchus asiaticus*)
- Snakebird/Darter (*Anhinga rufa*)
- Black-Tailed Godwit (*Limosa limosa*)
- Great Stone Plover (*Esacus recurvirostris*)
- Eurasian Curlew (*Numenius arquata*)
- Black-Headed Ibis (*Threskiornis melanocephalus*)
- Painted Stork (*Mycteria leucocephala*)

## Biodiversity Initiatives

### Enhancement of flora and fauna at our Mundra location

Our biodiversity initiatives across our sites are planned and guided by the outcome of the assessments carried out. At our Mundra location, an Eco-park has been developed covering an area of 02 hectares inside the plant itself, to provide shelter and a breeding ground for local and resident birds. The area is covered with the live fencing of *Casuarina* and *Prosopis juliflora* plant species.

Frugivorous plants such as *Sapota (Manilkara zapota)*, *Pomegranates (Punica granatum)*, *Neem tree (Azadirachta indica)*, *Banyan tree (Ficus benghalensis)* and *Pilu (Salvadora persica)* have been planted to attract birds.



## Enhancing Green Cover Through Carbon Sequestration

**Intervention:** Acknowledging the nature of our operations and its potential impact on the ecosystems, we undertake major reforestation and afforestation activities around our operational sites to increase the green cover through carbon sequestration. Our carbon sequestration initiatives are based on the belief that restoring ecosystems, reversing loss of biodiversity, and reducing soil erosion are all essential to build a greener world.

**Outcome and Impact:** In line with the Adani portfolio 1t.org pledge to grow 100 million trees by 2030, we have committed to plant 15 million trees by 2030, at Company level.

# 4,57,892

Trees have been planted under the initiative covering 4.58 hectares of land as of FY 2023-24

Green Coverage Methods	Area Covered (Unit in hectare)	Total Carbon Sequestration (Unit in Tonnes/Hectare/Year)	Total CO <sub>2</sub> Uptake (Unit in Tonnes/Year)
Full-grown forest (10 to 20 years) or Plantation with 1,000 full-grown trees per hectare	118.21	177	650.75
Grass including 0.5 metre subsurface root-system	35.65	36	130.84
Carbon sequestration by Mangroves (around 10 to 20 years)	227.09	568	2,084

## Biodiversity Management at Adani Dahanu Thermal Power Station (ADTPS)

### Overview of Biodiversity Assessment

ADTPS, our coal-based thermal power plant spanning 1,266.65 hectares, lies in an eco-sensitive zone in Dahanu town, Palghar district of Maharashtra. In FY 2021-22, Confederation of Indian Industry (CII) conducted a biodiversity and ecosystem services assessment, to identify any site-specific biodiversity risks, covering:

- Core Zone-Township
- Plant Area
- Buffer Zone of 10 km radial distance from the project boundary

### Methodology

An Ecosystem Service Matrix (ESM) was developed to assess the ecosystems in and around the project region, as well as the ecosystem services utilised by the project. Adopting the risk-based approach, the ecosystem services, materials were mapped along the relevance as per the cost of business. The study highlighted impacts in terms of variables such as land use, transport, water requirement, noise and dust from truck, vehicular movement. The tool not only identified the level of impacts but also assessed the dependency of ADTPS on each ecosystem vis-à-vis the ecosystem services provided by them.

### Outcome

Post-assessment, a site-specific Natural Capital Action Plan (NCAP) was developed to improve the biodiversity quotient and mitigate the risks. NCAP focusses on

identifying, evaluating, conserving, and enhancing the biodiversity and ecosystem services for each of the sites. The Biodiversity Index of the site was calculated using modified City Biodiversity Index (CBI) methodology of the Convention of Biological Diversity (CBD) for the following:

1. Native Biodiversity in the Project
2. Ecosystem Services provided by Biodiversity in the Project
3. Governance and Management of Biodiversity in the Project
4. Value Chain

### Key Findings of the Assessment

- 225 floral species and 144 faunal species were identified
- 5 bird species out of 95 categorised as Near Threatened were identified at these sites
- A score of 66/100 was assigned to ADTPS in FY 2021-22

## Tools for Upholding Critical Ecosystems at the Site

### Greenbelt

- Identified as a critical ecosystem at our site
- Provides various ecosystem services such as pollution control, carbon sequestration and soil enrichment

### Ash Pond

- Prevents the release of ash into the atmosphere
- Aids in water recharge, habitat and nursery and pollution control
- Promotes species diversity in nearby ecosystem

### Creeks

- Provides habitat to marine ecosystem and aids in erosion control

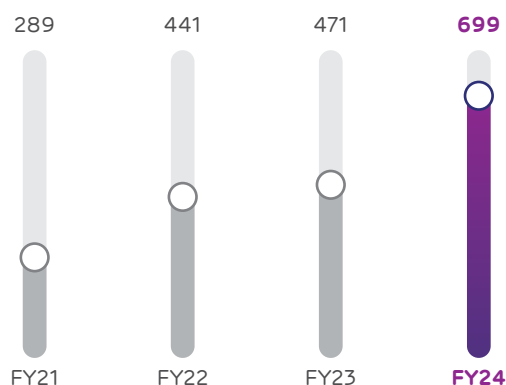
### Mangroves

- Protects shorelines and filters pollutants and sediments from water
- Provides vital services such as pollution control, erosion control, flood control and carbon sequestration

## Performance

### Green Cover Plantation

(Unit in hectares)



We have a cumulative green cover covering an area of

**698.83 hectares**

### Green Financing a Sustainable Ecosystem

We are deepening our overall liquidity pool by involving the private debt capital market issuances and leading international banks as well as domestic banks to accomplish our sustainability objectives of ensuring grid stability, providing sustainable and affordable energy solutions, which is in alignment with nation's commitment on climate change.

### Sustainability Linked Bonds (SLBs)

In coherence with our commitment to the Environmental, Social

and Governance principles, AEML has raised capital through Sustainability Linked Bonds. Through this initiative, our objective is to highlight the pivotal role debt markets can play in offering funding and encouraging companies to advance their sustainability goals. Our decarbonisation strategy aims at enhancing the distribution sector's energy mix and assisting consumers by providing rooftop solar and EV charging facilities.

SLB principles delineate the methodology for issuing sustainability linked bonds and ensures that any SLB issued

aligns with the fundamental five components:

1. Identification of Key Performance Indicators (KPIs)
2. Calibration of KPIs - selection of KPIs reflective of issuer's sustainability objectives
3. Characteristics and structure of the bond
4. Reporting and verification
5. Disclosure

In this direction and conforming to SLB principles, AEML has issued Sustainability Linked Bonds to fulfil its green mobility goals.

### SLB KPIs Identified to Reflect our Sustainability Objectives

#### KPI 1

Increase the share of renewable power mix in the overall power purchase mix

**Target 1:** Attain at least 60% of the renewable power procurement mix by the end of FY 2026-27 and 70% by the end of FY 2029-30



#### KPI 2

Reduction in GHG Emission Intensity (Scope 1, 2)

**Target 1:** Achieve reduction in GHG emissions (Scope 1 & 2) by 60% by the end of FY 2030-31 compared with the baseline FY 2018-19







Despite the challenging nature of the KPIs, we remain confident of attaining our targets. We reaffirm our commitment to supply sustainable and affordable power to the citizens of Mumbai, while enabling the transition to a low-carbon economy and moving towards our goal of becoming a leader in the transmission and distribution of reliable and clean power.

### Green Loans

The facility is a step towards overall energy transition to honour India's commitment on climate change.

We have obtained the independent Second Party Opinion (SPO) from Sustainalytics on alignment of our adherence to our sustainability strategy, risk management and application of funds in relation to the underlying eligible projects.

The projects associated with the revolving facility are currently being implemented in the states of Gujarat and Maharashtra. In Gujarat, these projects are part of the Government of India's Green Energy Corridor Projects (GEC), dedicated to the evacuation and transmission of renewable energy. In Maharashtra, the projects are

conceptualised to strengthen Mumbai's transmission system by enhancing grid stability and providing a stable transmission network. This shall promote a higher share of renewable energy in the overall grid mix ensuring more penetration of green energy to the end consumers.

## USD 700 million

Revolving facility has been tagged as green loan by Sustainalytics. This provides assurance on the green loan framework for the revolving facility.



SOCIAL – EMPLOYEES

## Creating a Nurturing Workplace

We believe that our human capital is the key force behind our exponential growth. We acknowledge the invaluable contribution and dedication of our employees that form the cornerstone of our operations. In pursuit of becoming the Employer of Choice, we are consistently striving towards creating a nurturing workplace that our employees can thrive and take pride in.

### Linkage with UNSDGs



### Material Topics Linked

Employee Engagement  
& Development

### Capitals Impacted



### Alignment with Strategic Priorities

ESG Integration



## Commitments and Targets

### Commitment

Adani Energy Solutions is committed to be recognised as an employer of choice and is striving to attract & retain the best talent by fostering a diverse talent pool through providing unparalleled growth opportunities to fulfil their career aspirations.

#### Targets

**6%**

Women representation in the workforce by the year 2025

**7%**

Women representation in the Management Roles by the year 2025

#### Key Risks and Opportunities

##### Risks

Reputation Risk

##### Opportunities

Building digital skills in employees, especially senior management to expand into new geographies & businesses

#### Key Performance Highlights in FY 2023-24

Women hiring increased from **15%** in FY 2022-23 to

**21%**

In the reporting year

**₹ 16.25 crore**

Spent on employee well-being initiatives

**3,00,855**

Hours of employees learning & development

**₹ 7,380**

Average amount spent on training and development per full-time employee (FTE)

**₹ 1.28 crore**

Employee productivity\* (EBITDA/employee)

**100%**

Workforce is paid more than minimum wages

#### Focus Areas

- Career Growth
- Talent Management, Acquisition and Retention
- Succession Management
- Building PRIDE & Comrade Through Employee Engagement
- Employee Well-being
- Diversity, Equity, and Inclusion (DEI)
- Technology Inclusion & Digital Dexterity
- Benchmarking HR Practices
- Learning & Development Opportunity
- Human Rights and Labour Relations

(\*Only for permanent employees)

## Total Workforce

Employee Category	Male			Female			Grand Total
	>50 years	30-50 years	<30 years	>50 years	30-50 years	<30 years	
Top Management	6	0	0	0	0	0	6
Senior Management	143	103	0	4	9	0	259
Middle Management	219	554	4	6	70	0	853
Junior Management	105	356	503	15	22	146	1,147
Supervisor	4	21	2	0	0	0	27
<b>Non-Executives</b>	<b>1,767</b>	<b>763</b>	<b>0</b>	<b>93</b>	<b>44</b>	<b>0</b>	<b>2,667</b>
<b>Total Permanent Employees</b>	<b>2,244</b>	<b>1,797</b>	<b>509</b>	<b>118</b>	<b>145</b>	<b>146</b>	<b>4,959</b>
<b>Workers (Contractual Workforce)</b>							
<b>Total Contractual Workforce</b>	<b>1,238</b>	<b>3,896</b>	<b>893</b>	<b>37</b>	<b>94</b>	<b>31</b>	<b>6,192</b>
<b>Total Workforce</b>	<b>3,482</b>	<b>5,693</b>	<b>1,402</b>	<b>155</b>	<b>239</b>	<b>177</b>	<b>11,148</b>

## 46 years

Average age of Adani Energy Solutions workforce

## HR Strategy

Our Group's HR vision is to create necessary capacities in our people to align with and stay ahead of current and future aspirations of the Adani Group. We aim to nurture the right environment where each member of the Adani Parivar can thrive and achieve their full potential.

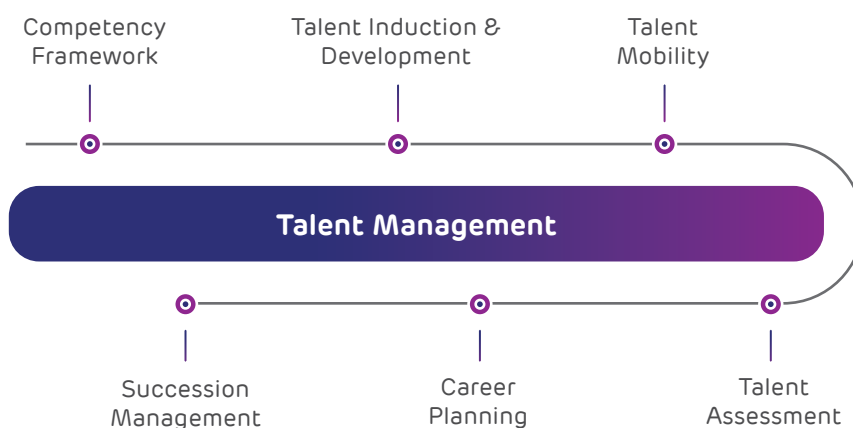
### Strategic Pillars

- Strong Business Partnering
- Infuse HR Technology
- Capability Building
- Total Rewards Strategy
- People Perspective Framework

## Talent Acquisition, Management and Retention

Along with sourcing talent from educational institutes and externally, we also fill open positions internally through lateral entry fostering career progression of our employees. We follow comprehensive induction procedures, facilitate trainings, and conduct engagement initiatives to ensure their overall growth and success. We continuously strive to identify the employee needs & talent gaps and curate planned interventions to bridge those gaps.

### Our Talent Management & Retention Strategy



- Talent management is at the core of HR Strategy in our organisation
- Our philosophy is to build a merit-based culture that promotes the best talent to take challenging roles and assignments
- The talent strategy clearly defines the methodology to assess and identify the Top Talent
- It helps developing them to create pipeline of future leaders
- Provides opportunity to take new challenging roles



## New Hires in FY 2023-24

Employees Hired	>50 years	30-50 years	<30 years	Total
Male	9	99	332	440
Female	1	4	108	113
<b>Total</b>	<b>10</b>	<b>103</b>	<b>440</b>	<b>553</b>

	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Total new hires	219	179	149	266	553
% of open positions filled by internal candidates	12	59	82	42	27
Average hiring cost/ FTE (₹)	1,05,280	1,17,541	1,26,654	2,58,850	2,82,952

Women Representation	Percentage
In management roles, including junior, middle and top management	12%
In top management roles, i.e., maximum two levels away from the CEO or comparable positions	4.75%
In junior management roles, i.e., first level of management	8%
In revenue generating management roles	0.57%
In STEM* related roles	12%

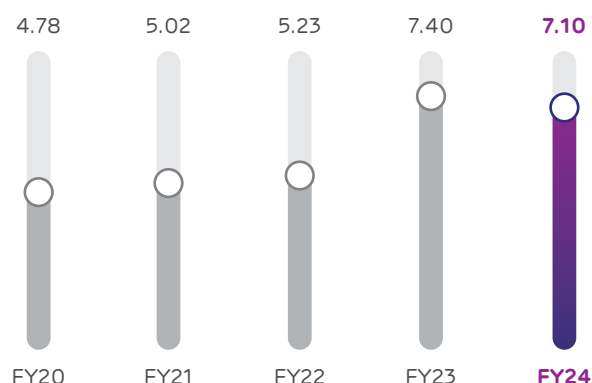
\*Science, technology, engineering, and management.

## Turnover rate for Permanent Employees and Workers

	Turnover rate in FY 2023-24		
	Male	Female	Total
Permanent Employees	7.3%	6.3%	7.1%
Permanent Workers	8.3%	7.8%	8.2%

## Total Employee Turnover Rate (Year-on-Year)

(%)



## Focus on Diversity, Equity & Inclusion (DEI)

The Adani Portfolio's Diversity and Inclusion policy lays a strong foundation to propagate our belief of including diverse talent and viewpoints to create an inclusive workplace for all. We offer equal performance & recognition opportunities to all our employees. All employees are required to undergo mandatory annual diversity awareness training.

## Regional Diversity in Hiring

Regions in India	Number of Employees	% of Employees
Central	63	0.6%
North	88	0.8%
South	48	0.4%
East	33	0.3%
West	10,912	97.9%
Foreign	4	0.0%
<b>Total</b>	<b>11,148</b>	<b>100%</b>

### Diverse Hiring

- Our commitment to equal opportunity starts right from the recruitment phase
- We attract candidates from diverse backgrounds & our percentage of diversity hiring is increasing year-on-year basis
- Our recruitment process is transparent, merit-based, and unbiased
- We conduct POSH & gender sensitisation training for all employees & managers
- All people managers are certified for competency-based interviewing skills before becoming a part of interview panel to avoid unconscious bias towards candidates

### Zero Discrimination

- We have zero tolerance towards any form of discrimination
- We respect equal remuneration practices and embrace uniqueness of our employees

### Caring for the Specially-abled Ones

- All our offices are equipped with ramps, dedicated toilets and braille-signs near the elevators
- We incorporate positions suited for specially-abled people in our resource planning

### Gender Pay Indicators

We offer gender neutral remuneration to all our employees based on their roles & responsibilities. The compensation is benchmarked as per the industry standards to ensure industry parity.



Information about median remuneration for male & female employees is covered under BRSR principle 5 on Page 346

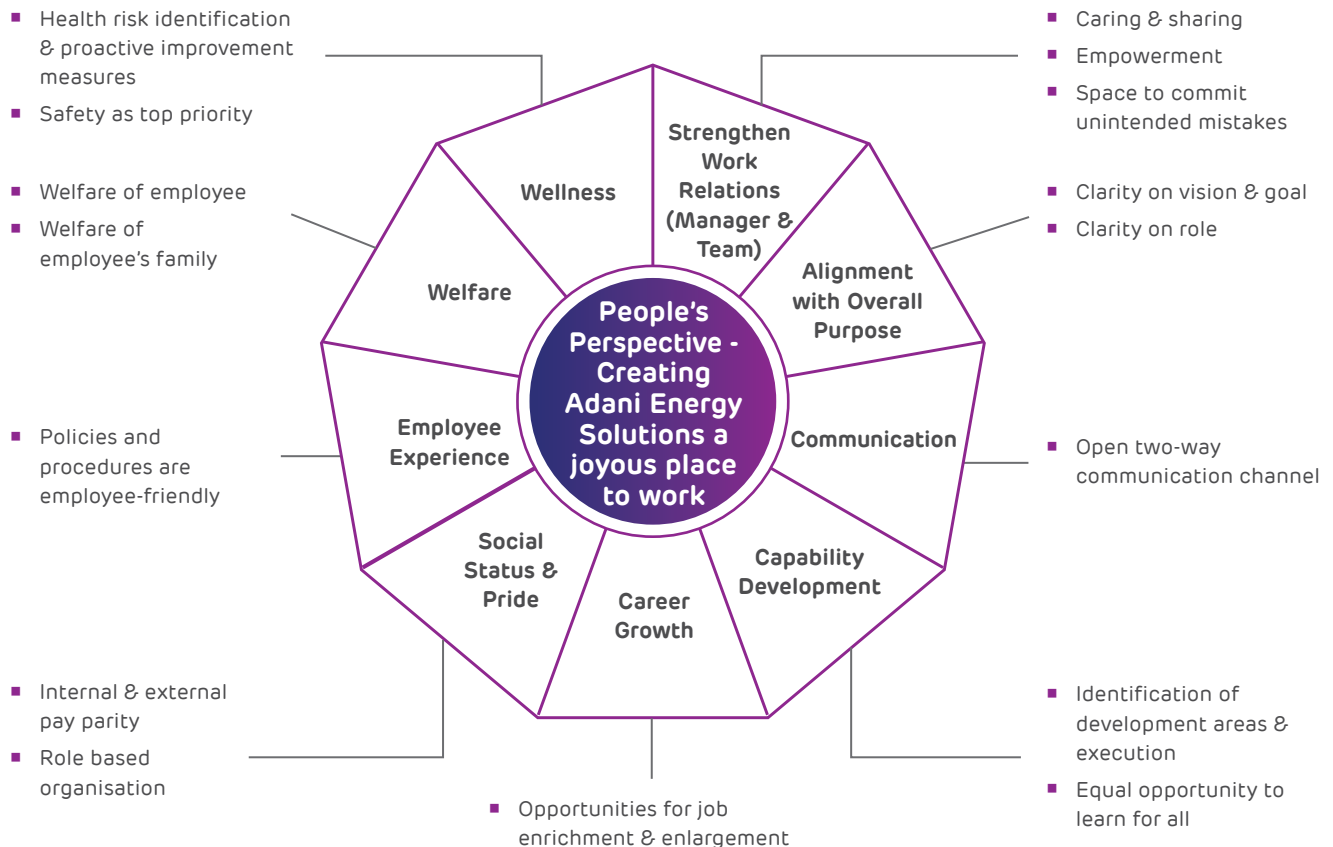
### DEI Initiative - Be Connected Programme for Women

**Our special Women Connect initiative across the Group, fosters interactions, comrade pride and sense of belonging among the female employees through a host of activities including financial wellness, POSH training, panel discussions, talent showcases, etc.**



## Driving Employee Engagement

### Nine Pillars of Employee Engagement Model



An internal survey "Your Voice Matters" was conducted to get insights on employee well-being & engagement.

### Employee Engagement Initiatives

#### Employee Spot Recognition Scheme – Acknowledging Employee Contribution

We recognise and celebrate employee achievements and contributions that may extend beyond their regular duties including an act/behaviour deemed fit for recognition by the management.

#### Long Service Award

We express our gratitude and felicitate employees who have remained diligently committed to the organisation over a long period of time such as for 10, 15, 20, 25 and 30 years.

#### Saraswati Samman

We recognise and felicitate the remarkable performance of the children of our employees in the field of academics and sports.

#### Festival Celebration

At Adani Energy Solutions, we celebrate festivals with all employees. Fun contests are planned, and gifts are given to employees.

#### Sports Activities

We conducted Chess Championship, Badminton Tournament and Cricket Tournaments during the year to encourage comradery, teamwork, and well-being of the employees.

#### UNNATI Career Guidance & Counselling Programme

We initiated the programme for the children of AEML Executives who are studying in class 7<sup>th</sup> to 12<sup>th</sup>, to guide them in making better career decisions for their future.



### Thank You Card

The initiative aims at thanking the fellow employees to create a culture of appreciation and recognition.

### Employee Interactions with Leadership and Senior Management

**Open Door Policy** to enable direct access to senior management, resulting in open communication of ideas or concerns.

**Coffee With CEO** to establish an open channel of communication with the CEO.

**Induction Programme** to provide orientation about the Company & its policies to the new joiners.

### Reward and Recognition

**Ceremonies** to acknowledge the achievements of employees.

**Cadre Participant Interaction with Management** where representatives from different employee groups or cadres interact with the management.

**HR Connect** to discuss the concerns or challenges faced by an employee.

### Exclusive Reward & Recognition for Site Employees

We have introduced new Reward & Recognition categories such as **Employee of the Month** to recognise their exceptional contribution at work.

## Ensuring Employee Well-Being

While our employees put in their dedication and expertise in driving the growth for the organisation, we want to ensure prioritising their personal well-being focussing on their physical, emotional, occupational, and financial security.

### Employee Benefits and Support Programmes

#### Parental Leave

26 weeks of paid maternity leaves entitlement to female employees and 5 days of paid paternity leaves entitlement to male employees.

#### Emotional & Mental Well-Being

Adani Care, a group-level approach where employees can dial in for managing stress.

#### Work-Life Management

Flexi-work and work from home arrangements to manage work life.

#### Physical Well-Being

Sports and physical recreation activities for employees.

#### Transition Assistance Programmes

Outplacement assistance through an external agency for continued employability for eligible employees post-retirement.

#### Special Insurance Benefits for Permanent Employees

- Health and accident insurance provided with retirement benefits including Provident Fund and Gratuity
- Employee Group Mediciam (GMC) Policy
- Employee Critical Illness Policy
- Employee Additional Top-up Cover
- Parents Critical Illness Policy
- Parents Optional Mediciam Policy

#### Disability & Invalidity Coverage

Employee Group Personal Accident Policy.

#### Welfare of Employee & Their Families

Policies on marriage loan, child education loan, interest subsidy, death relief, financial assistance in case of untimely demise of an employee, etc.

### Employee Well-being Initiatives in FY 2023-24

- **Mandatory Annual Health Check-ups** for all employees
- **Adani Emcare App** - A Wellness Tracker to track and manage employees' health efficiently
- **Manan – Yoga & Meditation** initiative for all non-executives & contract labour
- **Blood Donation Drives**
- **Mindfulness and Ergonomics** sessions to promote overall well-being

### Parental Leaves in FY 2023-24

- Information about our workforce return to work and retention rates after parental leave is covered under BRSR Principle 3 on Page 338

### Supporting Employees Through Learning & Development

Our structured SOP-based learning & development programme ensures that every employee undergoes 5 man-days of behavioural, technical & functional training annually. We assess training needs and curate programmes addressing the needs and gaps. Apart from internal training programmes, we offer financial assistance for external learning courses and sabbatical periods. Employees are assured of returning to their employment on pre-agreed terms and conditions.

### Talent Development Roadmap

Our talent development roadmap focusses on building and leveraging employee capabilities to meet future goals of the organisation.

### Objectives of Our Talent Development Roadmap



## Key People Development Practices

### Individual Development Plan

**(IDP):** Facilitates professional and personal development to enhance skills, performance, and career growth within the organisation

### Enabling Employees at Different Career Stages:

Grooms employees at different career stages through behavioural development and functional exposure

### Leadership Development:

Nurturing future leaders through exclusive leadership development

programmes in collaboration with premiere institutes

**Career Maps:** Enables employees to set long-term career goals for self-development and career progression

**Internal Job Postings (IJP):** Ensures career-progression opportunities for in-house talent to move across roles and locations

**Job Rotation Policy:** Provides employees the opportunity for career enhancement through job rotation after completing a

fixed tenure in a particular role/ geography/assignment

**Cadre Building:** Providing aspiration growth paths to cadres through structured orientation programmes

### E-learning – Integral to Our Learning Methods

**AE-Varsity Knowledge Management Portal** providing 'learn-on-the-go' opportunity through online training videos

**Self-learning Through eVidyalaya Percipio Platform** making learning possible, anytime, and anywhere

## Training and Development Programmes

### Northstar Programme

It is a 11-month-long project-based programme designed in partnership with Emeritus Institute of Management, Singapore. The programme aims to enable our high potential & high performing executives gain insights related to leadership skills from the industry experts and advance to the future leadership roles in the organisation

### Adani Marvels Certification Course

This leadership development programme has been designed in collaboration with IIT Bombay. As part of the programme, five live projects have completed the planning phase and have now advanced into the implementation phase in April 2024

### Takshashila

Takshashila is a rigorous and experiential leadership development programme designed in collaboration with ISB, Hyderabad to build Functional Manager competence. It includes working on action-based projects to embed learnings into the Adani business ecosystem

### Adani Functional Leadership Programme

The programme grooms high potential talent with five to ten years of experience into future leaders. Through extensive real-time learning with on-the-ground exposure and leadership interface opportunities

### Adani Accelerated Leadership Programme

The programme aims to attract best talent and position our Company as an employer of choice by improving the visibility and representation in the premier campuses across the country

### Fulcrum: The Adani Leadership Programme

Fulcrum equips participants with competencies crucial to inculcate an owner-manager mindset through experiential interventions, interactions with industry experts and self-understanding to strengthen emotional resilience



### Unique Apprenticeship Programme

It is a training course offered by the organisation and implemented in collaboration with the Power Sector Skill Council (PSSC) under the NAPS Scheme (National Apprenticeship Promotion Scheme) in India. The course is recognised by the Chief Electrical Inspector, Government of Maharashtra. It enables apprentices to obtain a PWD Supervisory Licence that authorises them to work on electrical systems with greater efficiency

### Induction Training for GETs/MTs

The organisation conducts a comprehensive two-month-long instructor-led and on-the-job training programmes for the GETs (Graduate Engineering Trainees) and MTs (Management Trainees) to build industry-readiness in them

### Certificate Programme on Predictive Index

The programme is conducted for all incumbents in AVP & above roles and is based on positive psychology principle

### Driving Agility Through an Organisation Design & Effectiveness Workshop

Workshop was conducted for Senior Leadership Team to build capability & expertise of the internal leaders regarding different business scenarios

### Naya Daur, Nayi Umang

The programme was conducted for personal and financial wellness of the employees and their families

### Kindle-Learning Through Projects For GETs

As part of this programme, GETs created an e-learning content in the form of videos/podcast focussed on long-term retention of knowledge

### Building Digital Dexterity Chairman's Focus Area

The Chairman announced Digital Dexterity, our new digital transformation curriculum, to equip all employees keep pace with the critical digital advances in the business landscape

### Digital Awareness Journey

The curriculum will focus on six key areas – customer-centric innovation, operational excellence, data-driven decision-making, ecosystem engagement, cybersecurity & data privacy, and talent development

### One Incremental Project

To facilitate technology inclusion, one Incremental Project @ Every Employee initiative was launched in FY 2023-24, for employees to learn and work on any incremental project of their choice

## Learning & Development Initiatives in FY 2023-24

### Impact 2.0 – Moulding Young Talent Through Real World Concepts

#### Background

IMPACT internship programme was introduced to develop young talent from premier academic institutions and engage with them on business projects across diverse fields such as engineering, operations and

maintenance, business strategy, etc. The programme provides an opportunity for them to gain industry knowledge and apply theoretical concepts to real world situations.

30+ premium academic institutions such as IITs, IIMs, IMTs, etc., were approached to invite students across B.Tech, M.Tech and MBA cadre, to work on the projects.

#### Methodology

- Selection of candidates through group discussions and personal interviews
- Weekly interactions with project leaders & mentors, and regular reviews with department heads to monitor project progress
- Presentation and felicitation of top three projects in the presence of senior management, post successful completion

### IGNITE 3.0 – A Capability Building Programme Journey

#### Background

The programme aims at building operational and managerial acumen in our key talent to prepare them to handle complex business situations in future job roles across different business functions

#### Methodology & Programme Architecture

6-month-long programme journey that includes facilitator-led classroom training in collaboration with IIM Mumbai, prework & precursor to learning on eVidyalaya, action learning project, SAARTHI mentoring programme, learning circles followed by a felicitation ceremony

#### Outcome

- Enhanced business acumen through cross-functional business exposure
- Future-readiness in our high performers from middle management fostering a growth-oriented mindset





## Management & Gender-wise Average Training Hours in FY 2023-24

	Male	Female	Total
Senior Management	49.11	23.89	73
Middle Management	32.16	45.23	77.39
Junior Management	42.22	37.16	79.38
Executive Level Employees	68.85	99.59	168.44

## Human Capital Return of Investment

₹ in crore

Particulars	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
(a) Total Revenue*	10,458.93	11,861.47	13,840.46	17,218.31
(b) Total Operating Expenses (including employee benefit exp)#	5,975.98	7,051.35	8,775.10	10,436.15
(c) Total Employee-Related Expenses (salaries + benefits)	930.76	885.07	986.65	951.70
<b>Human Capital Return of Investment (a-(b-c))/c</b>	<b>5.82</b>	<b>6.43</b>	<b>6.13</b>	<b>8.13</b>

\*Total Revenue includes revenue from operations & other income but excludes income/expenses on account of movement in regulatory deferral account balance.

#Operating Expenses include the following expenses: Cost of Fuel, Cost of Power, Purchase of Stock-in-Trade, Employee Benefit Expense, Other Expenses





## Performance Management

Our Performance Management System captures all aspects of employee performance to provide basis for a fair and transparent process of personal development and team management. We set predefined performance goals through collaborative conversations and continuous feedback with our employees throughout the year. The process measures and captures employees' year-end reviews & ratings, promotion recommendation, moderation, and individual feedback.

**100%**

Employees received regular performance and career development reviews during the year

## Human Rights and Labour Relations

We are committed towards protection and promotion of fundamental human rights of our stakeholders. Our Group-wide Human Rights policy guides our efforts in conducting our business with the highest regards to the dignity and respect for all. We respect the internationally accepted standards including principles of United Nation's Global Compact (UNGC). We ensure adherence to all applicable regulations including but not limited to International Bill of Human Rights and the International Labour Organisations' (ILO) Declaration on Fundamental Principles and Rights at Work.

**100%**

New hires are trained on human rights, and POSH policies & procedures

**100%**

Security personnel are trained on Human Rights policies and procedures



Information related to human rights training to our workforce is covered under BRSR Principle 5 on Page 345 of this report



▲ Women's Day Celebration

## Code of Conduct

Our comprehensive code of conduct for employees, and suppliers ensures conformity with human rights and align their conduct with our commitment to foster human rights and labour relations.

## Training Human Rights and POSH

As a part of induction process, our new hires undergo mandatory training on human rights, gender sensitisation and prevention of Sexual Harassment at Workplace. The trainings empower them to identify & report any actual/suspected violations. All POSH related complaints are handled by the Internal Complaints Committees (ICCs).

## Human Rights Assessment & Due Diligence

Human rights form a part of our organisation's risk matrix. We conduct periodic Social Accountability Risk Assessments to identify and address potential risks. We are in the process of developing a human rights due diligence to identify and mitigate actual and potential risks in our operations in the near future. Currently, we conduct human rights violation assessments only for our operations.

## Zero Tolerance

We have a zero-tolerance policy towards human rights violation. Our vigil mechanism and POSH

## Social Accountability SA 8000

**We have prioritised aligning our human rights systems and processes in accordance with the principles of Social Accountability Standard SA 8000 across all our entities. We are working towards obtaining SA 8000 certification.**

**SA 8000 internal audit was conducted across 7 divisions & 25 departments during the reporting year. Additionally, Bureau Veritas Certification India conducted stage 1 & stage 2 audit of SA 8000.**

policy shields complainants from any retaliations and protects their identity until the final investigation is completed. If found guilty, corrective or disciplinary actions are taken depending on the severity of the incident.

## Employee Grievance Redressal

Employees and workers are empowered to report any actual or potential human rights violation through online Adani Grievance Management System. It is designed to resolve a grievance within a defined timeline of 14 days, including the day on which the grievance is raised. Grievance Redressal Committee ensures to protect and safeguard the confidentiality of the aggrieved.

## Freedom of Association and Right to Collective Bargaining

All our workers (constituting 57% of total workforce) are members of recognised associations and trade unions, and we respect their right to exercise collective bargaining. Our employees are not covered under collective bargaining agreements and the working conditions and terms of employment are not influenced or determined based on any collective bargaining agreements.

## Minimum Notice Period

Based on role & seniority, we have a notice period ranging between 30 - 90 days. In special circumstances, where an employee needs support from management to meet any critical need, the Company offers waiver/shortening of notice period.

# 100%

Of our operations were assessed for human rights violations and potential human rights issues including child and forced labour, wages, sexual harassment and discrimination at workplace

# Zero

Cases of human rights violations and risks were identified



SOCIAL – HEALTH & SAFETY

## Ensuring Workplace Safety and Aiming for Zero Harm

At Adani Energy Solutions, our goal is to ensure “No Fatality, No Injuries and No Excuses” to all employees and contractors. We strive to establish a health & safety culture at the workplace guided by Occupational Health and Safety Policy and a comprehensive safety governance structure. We have established an Integrated Management System (IMS) aligned with ISO 45001:2018 to ensure zero negotiations on workplace health & safety.

### Linkage with UNSDGs



### Material Topics Linked

Occupational Health and Safety

### Alignment with Strategic Priorities

Safety Culture

### Capitals Impacted



### Commitments and Targets

Our commitment is to establish exemplary health & safety culture to ensure Zero Harm to All our employees, workers and business associates.

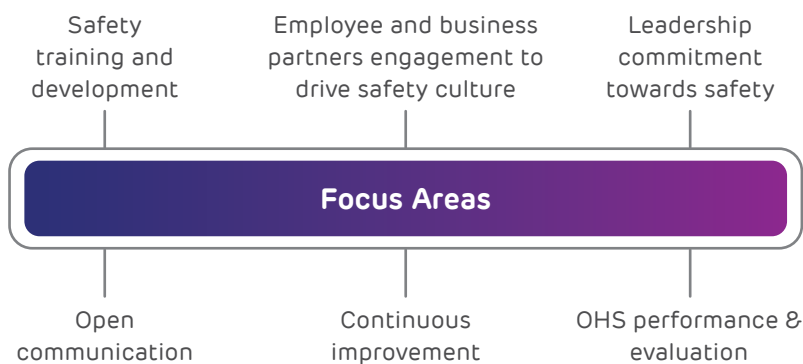


▲ Safety drill at JKTL site



## Key Performance Highlights

OHS Parameter/Indicator	FY 2023-24	Target by FY 2024-25
Workplace Fatality	0	Zero
Lost Time Injury Frequency Rate (LTIFR)	0.33	Zero
Total Recordable Incident Frequency Rate - TRIFR	00	Zero
Average Hours of Training Provided per Employee and Contractual Worker on Health and Safety	30.13	To improve continuously as compared to the baseline i.e., 15.6 hours in FY 2020-21 (Total training hours/number of employees)
Locations (Sites and Offices) Assessed by Third-party on Health & Safety Practices	20	25



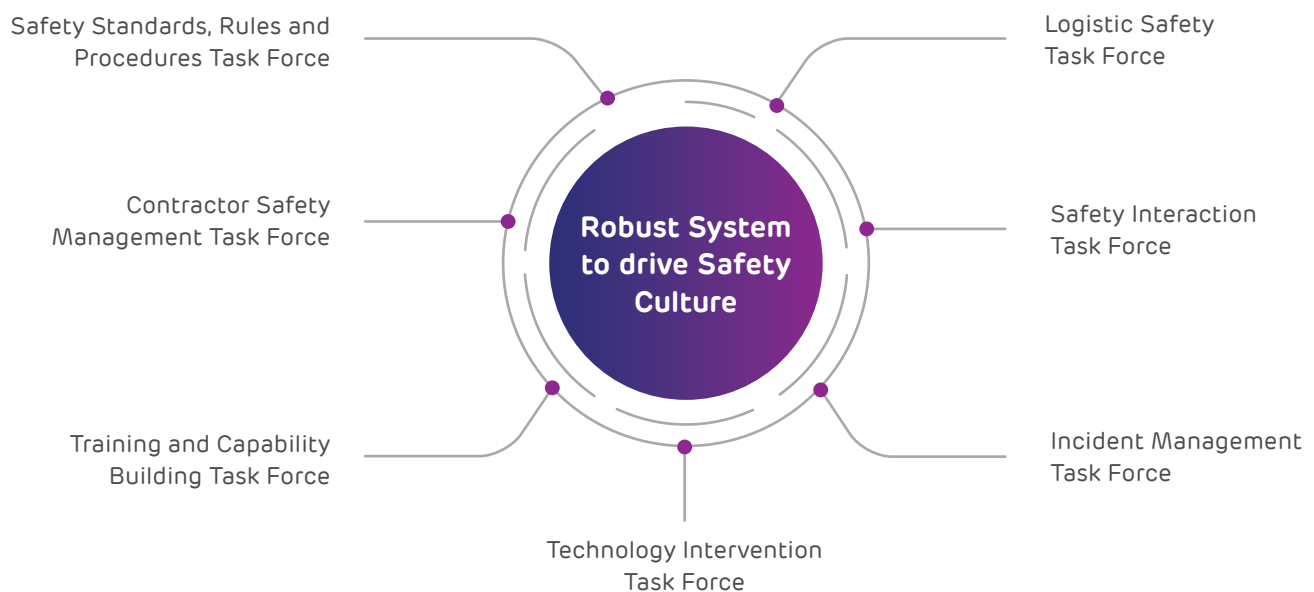
### Safety Achievements in FY 2023-24

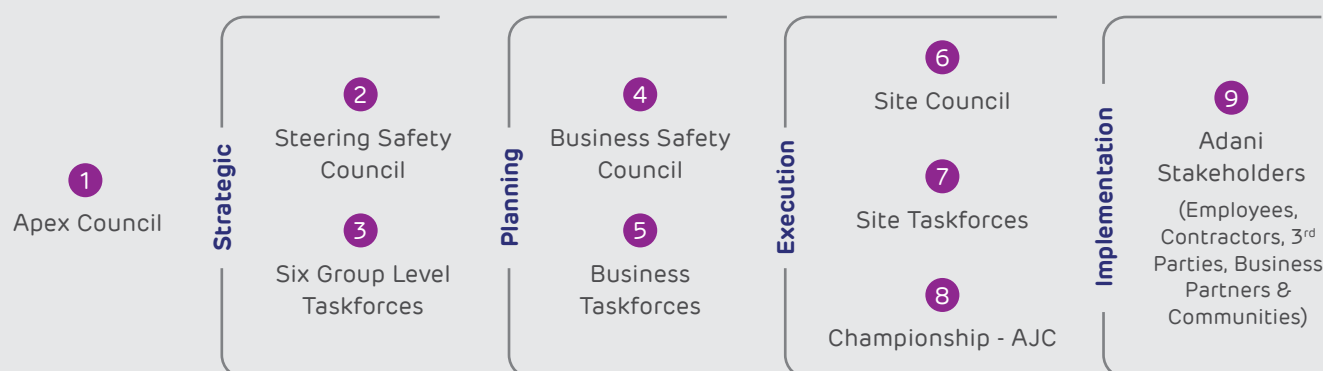
- Zero road related accidents due to monitoring of driving safety through a mobile-app based digital application
- "Saksham", a mandatory contractor workmen incubation & induction programme was conducted at various sites for better learner experience and to enhance training effectiveness

## Key Risks and Opportunities

- Reputation Risk
- Operations & Maintenance Risks

## Approach Towards Safety Governance





Our safety governance follows a collaborative approach with participation from the top-most level as well as senior management to the employees at the mid to junior level. This arrangement ensures a synchronised top down and bottom-up approach to drive accountabilities across all levels towards upholding the zero harm culture at the workplace.

Safety practices and procedures are directly overseen by the Board-led Corporate Responsibility

Committee (CRC) which is apprised regularly by the Group-level Business Safety Council. We have also established Taskforces headed by line function heads, which coordinate with the Business Safety Council. The Taskforces meet at specified intervals periodically to review and update safety performance against predefined KPIs. Further, safety coordinators are appointed at each site to ensure round the clock safety monitoring.

## Safety Taskforces & Their Roles

### Safety Standards, Rules and Procedures Taskforce

- To review existing and development of new Standard Operating Procedures (SOPs)
- To revise SOPs, as and when required
- To conduct gap analysis to ensure the effective implementation of safety standards across sites

**221**

Cumulative safety SOPs reviewed and implemented

**20**

Meetings organised to review and monitor KPIs and plan for way ahead

### Contractor Safety Management (O&M and Project) Taskforce

- To develop Contractor Safety Management (CSM) process and standard
- To review and monitor monthly performance of CSM process across the sites based on KPI's and identify improvement opportunities
- To create awareness about the CSM process through various communication modes

**6,784**

Safety Risk Field Audits (SRFA) conducted across O&M and Project sites in FY 2023-24

**708**

Vulnerable Safety Risks identified

### Logistics Safety Taskforce

- To capture driving and transport-related incidents on Adani Gensuite
- To conduct quality investigation to incorporate learnings to prevent reoccurrences
- To ensure completion of adequate defensive driving safety training

# 1,249

Trainings conducted on defensive driving

### Technology Intervention Taskforce

- To discuss and implement technology-based solutions in eliminating workplace hazards
- To organise/conduct demonstrations across sites to understand the suitability of solutions
- To explore new technology-based solutions in the power transmission sector

# 25

Unique ideas shared

# 08

Proof of Concept (POC) conducted at site

# 06

Solutions implemented

### Incident Management Taskforce

- To review existing practices on incident reporting, investigation and the way learnings are incorporated in the system to prevent reoccurrences
- To review quality, and facilitate deployment of benchmark practices

# Zero

Fatality

# 10

Lost Time Injuries (LTI)

### Safety Interaction Taskforce

- To continually review the effectiveness of safety interaction process
- To monitor the monthly performance at all sites for achieving world-class safety performance

# 16,387

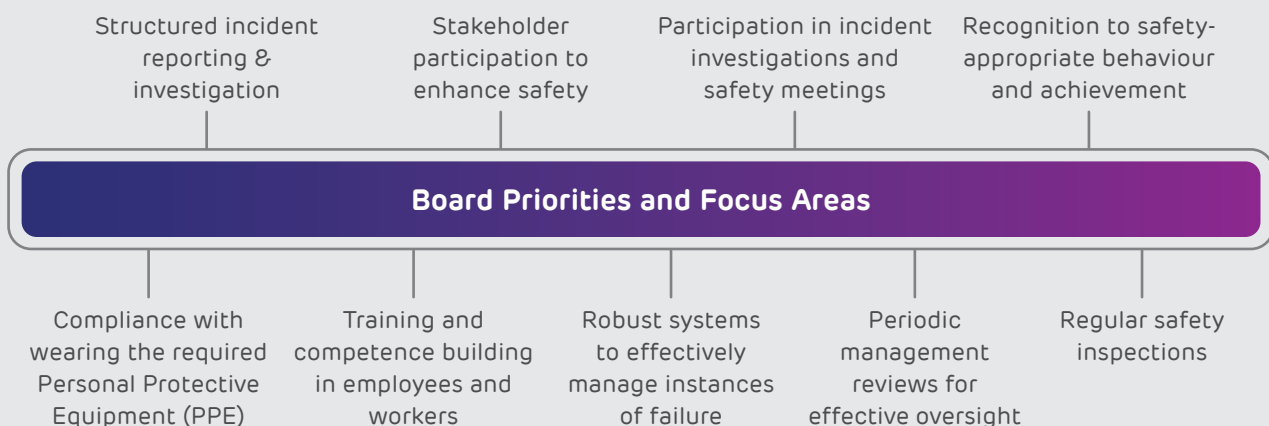
Rounds of Safety Interactions conducted

### Training & Capacity Building Taskforce

- To conduct safety training need assessment at all sites
- To ensure delivery of safety-related trainings to the employees and business associates

# 1,413

Employees trained on various safety aspects





## Safety Meetings and Communications

### Business Safety Council Meeting

Conducted once in two months to discuss defined business level safety KPI's

### Strategic Review Meeting

Conducted once a month with senior leadership to discuss Occupational Health & Safety (OHS) performance, audits action plan, and new initiatives

### Functional Review Meeting

Conducted with CEO once a month to discuss OHS performance, processes, new initiatives, trainings, and leadership development

### Online Safe Library

Provide 24 Hours access to Health, Safety & Environment (HSE) alerts, safety videos, HSE training modules and other safety-related material for learning purpose

### Safe Alert

Preparation and circulation of HSE alerts on the observation analysis, incidents happened outside and across our organisation

### Safety Stand Down Meeting

Meeting/sessions are organised at different site locations to communicate about the learnings from incidents received from sites of Adani Portfolio of Companies as well as outside critical incidents



## Occupational Health and Management System

We have integrated comprehensive safety-related Standard Operating Procedures into our operations. We conduct regular internal, cross-functional and external audits of our safety performance across all our project locations and O&M sites. As part of our efforts to cultivate a culture of safety & sustainability organisation-wide level, the related metrics are integrated into our annual

executive compensation structure. Site safety audits are conducted periodically by the internal safety teams as per the audit schedule. Virtual cross-functional audits are conducted on pre-defined audit standards (Machine Guarding, Material Handling, Work at Height, Scaffolding, Electrical Safety, Lock Out Tag Out (LOTO) and Confined Space) to assess their site level implementation.

Additionally, external safety audits are conducted by competent external agency in phase-wise manner to identify areas of improvements and implement necessary action plans. In addition to these, Safety Risk Field Audits (SRFA) are conducted every week across all sites to evaluate overall safety performance and identify potential risks as well as areas of improvement.

### 100%

Project locations, O&M sites, and employees & contractual workers covered under the OHS Management System certified with ISO 45001:2018.

### 100%

Sites covered under internal safety audits

### 100%

Closure of audit action points

### 15%

Weightage of safety and sustainability-related KPIs in annual executive compensation

### 100%

Medical examinations (initial and periodical) conducted

(Note: All the results related to health check-ups are kept confidential and the reports are only shared with the concerned employee(s) and the HR team).

### Safety Performance Indicator Scorecard (SPIS)

Average SPIS Score:

## 73.45

Out of 100

## Zero

Identified work-related hazards that posed a risk of ill-health to our workforce

Safety Performance Indicator Scorecard is used to compare health and safety targets against previously set objectives and industry benchmarks through lagging indicators, assurance & leadership.

To achieve group-wide annual safety goal of zero mishaps, safety performance is closely monitored through Management Information System (MIS), prepared on monthly basis comprising various leading and lagging indicators.

## Assessing and Managing Safety Risks

Acknowledging the criticality of effective risk management, we adopt a proactive approach to manage our health & safety-related risks that also enables us to devise appropriate mitigation strategies to protect our people and business. Our safety risk management approach is based on:



We conduct regular assessment of our sites & operations for proactive identification of health & safety risks. Risks are prioritised on the basis of their severity and magnitude and appropriate mitigation action plans are developed with quantified targets, to prevent/eliminate the risk occurrence. We also take a safety-checklist approach to evaluate the operational safety parameters on a daily basis. HIRA-based risk assessment is

conducted to identify OHS-related risks as a part of due diligence during acquisition of assets.

**708**

Vulnerable Safety Risks (VSRs) identified across our O&M and Projects Sites

**100%**

Completion of risk mitigation of the identified VSRs

Our high-risk activities include:

- Working at height
- Electrical safety
- Road safety
- Material handling

We ensure providing trainings to all the employees and workers on these high-risk work activities to avoid any potential health & safety hazards to them.

### Safety Audits to Improve Safety Practices

Weekly Safety Risk Field Audits (SRFAs) across all sites

Regular internal & external safety audits including the audit for ISO 45001

Monthly site safety audits by the Head Office safety team covering all sites (including O&M and projects)

Yearly virtual cross-site audit to assess implementation and revalidation of safety standards & practices

Yearly safety assurance audits across projects and O&M by a competent external agency



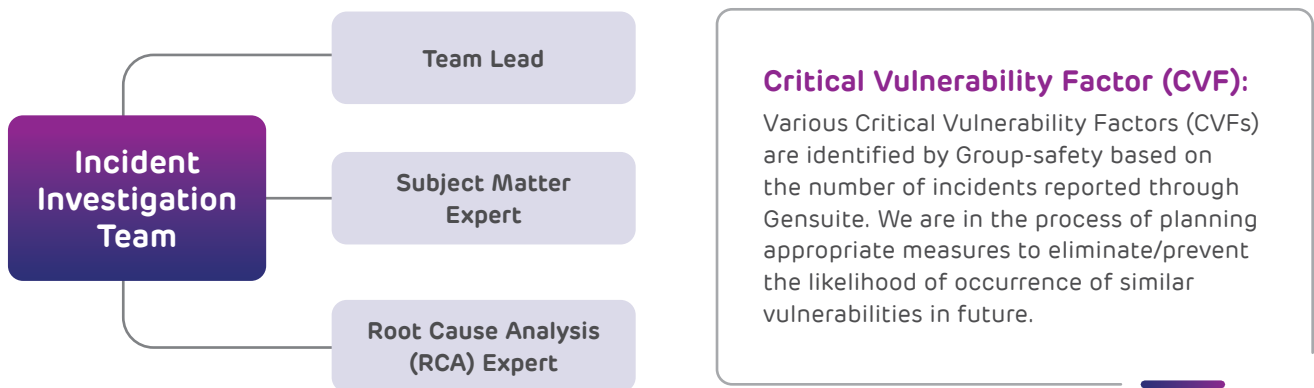
## Effective Incident Reporting & Investigation

We have adopted a group-wide safety standard for incident reporting and investigation for assessing safety incidents as well as to prevent its recurrence in the future. The Safety Incident Reporting, Classification, and Investigation Standard sets the organisation's safety requirements and has been upheld as Life Saving Safety Rules. The employees and workers are trained to report health & safety related incidents and safety hazards within eight hours of occurrence on our incident

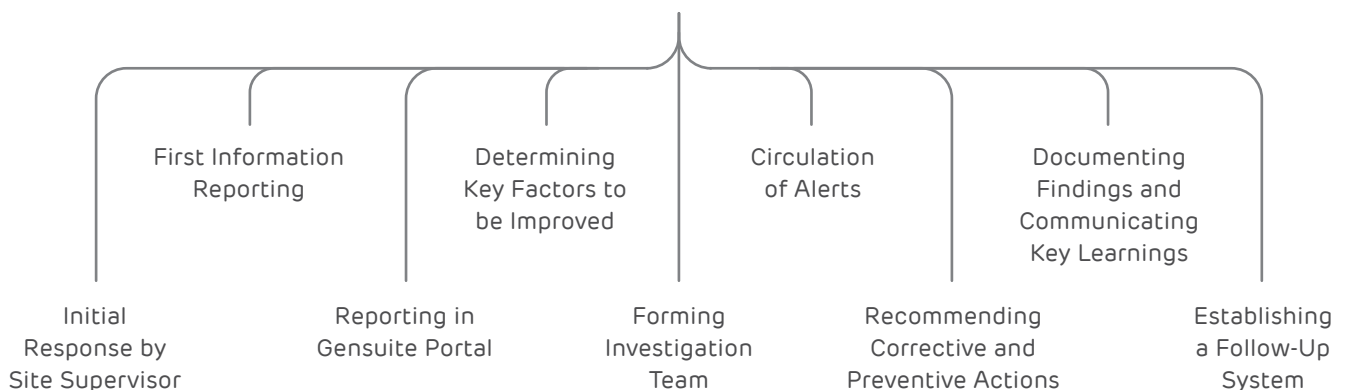
reporting portal – Gensuite, and remove themselves from work situations that they perceive as cause of potential health & safety risk for themselves and others.

Aligning with our group-wide safety standards, incidents are categorised into five groups based on the degree of severity/potential for injury/damage. Each category has defined incident reporting and investigation procedure. An incident investigation team is formed immediately to conduct

the investigation, scientifically analyse the root cause and prepare RCA report that forms the basis of devising appropriate Mitigation/Preventive actions. The incident learning tracker is maintained & shared with the site teams to update status of each learning pertaining to safety alerts released by the Group Safety Team. Learnings of Lost Time Injuries (LTI) are shared and integrated into the processes to ensure enhanced compliance with our safety protocols.



### Structured Incident Reporting and Investigation



## Fostering the Safety Culture through Employee and Worker Participation

We strive to strengthen our safety practices by empowering our employees and workers to voice their concerns, point out safety gaps and suggest new ideas to improve workplace safety performance. We conduct regular safety interactions and communications to ensure active participation of all

our employees and workers through site-level committees, following a bottom-up approach. Site-level Safety Committees are a perfect amalgamation of equal participation from all concerned parties to attract diverse perspectives for enhancing workplace health & safety.

In FY 2023-24

**2.16**

Near-misses reported per employee

**20**

Improvement ideas submitted by employees

## Ensuring Supply Chain Safety

We acknowledge the fact that risks to personal safety can impact the operations, products/services, and suppliers adversely. We strive to drive zero harm within the overall value chain by actively monitoring safety indicators throughout the value chain.

- We have laid down a stringent safety evaluation process in place starting from pre-qualification to post-contract evaluation of

partners, using the Contract Safety Management (CSM) portal

- We conduct periodic Safety Risk Field Audits (SRFAs) to evaluate safety adherence levels of contractors/sub-contractors
- We undertake partner training & awareness initiatives to promote safety behaviour throughout the year

In FY 2023-24

**100%**

Safety induction training provided to the newly appointed contract workers

**100%**

Value chain partners were assessed by our internal team on health & safety practices and working conditions in the reporting year



## Training & Competency Building of our Employees & Partners

Safety trainings are identified based on need assessments conducted by Training and Capability Base Building Taskforce. Training calendars are devised to impart training on various HSE topics. We engage internal and external trainers, as required, to impart safety trainings to our workforce. Our 'Train the Trainer' programme develops safety training expertise from within the organisation. We also carry out quarterly

mock drills, which simulate different scenarios, to make sure that we are well-prepared and ready to respond effectively in the event of an emergency. The drills encompass a range of scenarios, such as emergency evacuations, fire accidents, electric shocks, tower rescues (Work at Height), heat strokes, and more, to equip workforce for handling emergencies appropriately.

In FY 2023-24

**60,289**

Employees and workers were trained to identify and report near misses & unsafe work conditions as well as incidents

**1,82,278**

Cumulative safety training hours for employees and workers

**1,944**

Safety-related trainings conducted for employees

**4,848**

Safety-related trainings conducted for workers

No. of Trainings/Awareness Programmes Held in FY 2023-24	Training Topics	Value Chain Partners Coverage
46	Permit to Work	100%
46	Scaffold & Ladder Safety	100%
46	JSA & HIRA	100%
47	Ergonomics (Material Handling)	100%
47	Hot Work Safety	100%
47	Height Work (Including Erection & Stringing)	100%
56	LOTO & Hotline Work	100%
57	Gensuite Reporting	100%
57	Incident Reporting & Investigation	100%
57	Suraksha Samvaad	100%
58	Electrical Safety	100%
58	Defensive Driving	100%



## Safety Awareness Drives in FY 2023-24

### May Safe – Season 4

Launched in May 2023, the drive facilitates 08-days long online trainings covering 08 safety-related topics for employees and business associates

### Work at Height and Rescue Training

02-days long training conducted at various sites to demonstrate multiple fall-arrest equipment and procedures

### Unchaai - Campaign on Working at Heights

02-days long campaign themed 'Knowing the Heights Better' conducted at different sites and designed using 5C Model (Climb, Control, Competence, Capacity and Check) to ensure safety while working at heights

### Urja - Campaign on Electrical Safety

02-days long campaign on 5E Model (Exposure, Enable, Educate, Equip and Ensure) conducted at various sites to create mass awareness on Electrical Safety

### Audio Video Learning Pack

'Excavation Safety Standard' and 'Hot Work Safety Standard' awareness drive conducted at various sites along with a short message for the leadership team

### Safety Campaign

An HSE campaign calendar was created, and related activities were held at the site premises as well as adjoining villages to build safety awareness on topics such as fire safety, summer safety, monsoon & electrical safety etc.

### Saksham

This Mandatory Contractor Workmen Incubation & Induction Programme released by group safety was conducted at various sites for better learner experience and to enhance training effectiveness

### Mandatory Training on Gensuite Reporting

Training sessions on Gensuite reporting conducted at sites to provide guidance on the Gensuite reporting process and procedures for improving the quality of observations

## Safety Initiatives in FY 2023-24

### 35<sup>th</sup> National Road Safety Week

National Road Safety Week was celebrated between January 15, 2024 and January 22, 2024. The campaign intended to raise road safety awareness among the people.

### 53<sup>rd</sup> National Fire Service Week

National Fire Service Week, themed 'Awareness in Fire Safety for Growth of National Infrastructure (AGNI)', was celebrated between April 14 and 20, 2023. A week-long activity including fire safety training, and competitions such as fire quiz, essay writing, poster-making, etc. were conducted to drive engagement towards safety.

### Suraksha Samvaad

Senior leaders of the Company engage in a dialogue with O&M workers to raise awareness about Adani Portfolio of Companies Safety Standards and address their safety-related concerns.

### 'Sabhi ki Suraksha' WhatsApp Groups

The initiative aims at fostering safety of the last-mile worker, by releasing fortnightly safety alerts in 'Sabhi ki Suraksha - WhatsApp Groups' in three languages, i.e. Hindi, Telugu and Bengali covering over 3,000 workers.

### Toolbox Talks

Are conducted by the site engineers to address workers and make them aware of the risks involved in maintenance activity being carried out at the sites.

### Adani Energy Solutions MSQS

This bimonthly safety quiz series (MSQS) raised awareness about Safety Standards of Adani Portfolio of Companies and established performance benchmarks.

### Positive #Safety Culture

12 positive safety cases were shared over the course of the year aligned with the objective of achieving 'Zero Harm' and cultivate a 'Positive #Safety Culture'

### Mr. Tower

Monthly group discussions are conducted with Senior Managers and employees to address safety focus areas, safety excellence, and performance updates.

### Safety Interactive Session with Employee Family

A virtual session was organised to promote safety both on and off the job, with the participation of 263 employees and their family members.

## Yearly Activity Calendar – FY 2023-24

Month	HSE Theme for Safe Connect	HSE Training	HSE Campaign
April	Fire Safety Week Observation	Permit to Work	Fire Safety
May	Summer Precautions and Allied Safety	Scaffolding and Ladders Safety	Summer Safety Precautions
June	Monsoon Precautions and Allied Safety	JSA and HIRA	Bird Diverters and its Importance
July	Physical Inspection of PPE's	Ergonomics (Material Handling)	Monsoon & Electrical Safety
August	Inspection of all Electrical Appliances	Hot Work Safety	Stubble Burning and its Safety
September	Vehicle Inspection	Height Work (including erection and stringing)	Tree Cutting and its Measures
October	T&P Testing	LOTO and Hot Line Work	Transmission Tower and Line Safety
November	Inspection of Fire Fighting Equipment's	Gensuite Reporting	Diwali Safety Tips
December	Home Safety	Incident Reporting & Investigation	Flying Kites and its Safety
January	Job Safety Analysis	Suraksha Samvaad	Winter and Foggy Weather Safety
February	Emergency Handling	Electrical Safety	Gharelu Safety
March	Safety Week Celebration	Defensive Driving	Road Safety

## Digitising Safety

We work closely with the safety team to monitor and spearhead safety initiatives across all sites while utilising digital tools for reporting concerns, hazards, and near misses. As part of Safety Technology Task Force # 06, we've conducted multiple surveys and gathered input from our team on 20 different use cases to enhance safety at our workplace. We already carried out number of successful POC's at site against Smart Wearables, Mechanical Wedge Connector, Voltage Sensor. Digital Driving Safety App is also an example of successful implementation of safety enhancement at site.

### Technological Interventions to Ensure Safety

#### Safety Wearables and Gadgets

- Smart Hat
- Connected Worker SOS
- Smart Shoes (Magnetic)
- Smart Safety Belt
- Non-Contact Voltage Tester

#### Vehicular Safety

- ARAS (Advanced Rider Assistance System)
- Night Vision Glasses – ZAAVIO NIGHTZER
- Rider Safety Jacket

#### Sensor

- Motion Sensor
- Arc Flash Technology
- Robotic Control Breaker Switch

#### Mobile Application

- Field Assistance Record
- Field Force Safety Guidelines

#### Fire

- Water Gel Blanket
- Optical Fibre Detection Technology

## Collaboration

We have collaborated for a Certification Course in Logistics and Process Safety Engineering from IIT, Kharagpur's Centre of Excellence in Safety Engineering and Analytics (CoESA).





## Asset Integrity

Adani Energy Solutions ensures high system availability and upholds high safety standards, establishing itself as a responsible and dependable transmission company, trusted to deliver electricity efficiently and securely. Maintaining asset integrity is crucial to ensure operational safety as well as excellence. Our cluster maintenance teams work in adherence with internationally recognised standards, alongside continuous ENOC operation, and other operational practices, towards fulfilling Adani Energy Solutions' commitment to operational excellence and maintaining asset integrity ensuring safe operations.



Read more about our Operational and Execution Excellence on Page 42.

## Performance Monitoring and Target Management

**Monthly MIS (Management Information System)** to report on leading and lagging indicators

**Safety Performance Indicator Scorecard (SPIS)** to manage health and safety targets

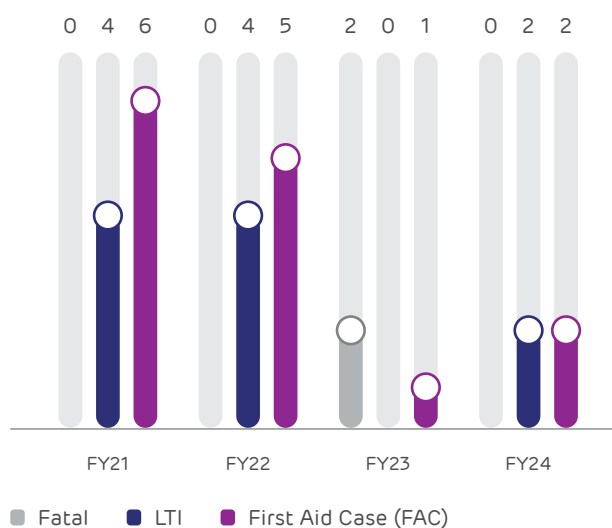
**Comparison** of leading lagging indicators on a YTD basis

**External Benchmarking** to assess safety performance vis-à-vis the industry

### Systematic Approach to Reduce Fatalities

We employ a comprehensive Management Information System (MIS) that enables tracking of the key safety-related parameters such as duration of accident-free periods, Lost Time Injury severity, LTI frequency rate, and other relevant metrics.

#### Trend of Accidents



### Safety Strategic Action Plan (STRAP)

A Safety Perception Survey among employees assessed various safety aspects, such as communication, awareness, leadership, and governance. The findings from the survey were then analysed to identify areas for improvement and develop a strategic safety roadmap for the future. With inputs from both the survey results and the guidance of Group Safety & senior leadership, Adani Energy Solutions developed the Safety Strategic Action Plan (STRAP), prioritising seven key areas as follows:

Leadership Commitment

Capacity and Capability Building

Monitoring to Ensure Strategic Safety Performance

Reduce Incident Severity

Technological and Digitisation Initiatives

Safety Engagement/Community Safety Initiatives under Safety Culture

Project Safety Management

Apart from OHS initiatives, we conduct routine health checkups for all our employees and workers at all operating locations to evaluate their general health conditions. Additionally, we conduct site-wise health awareness workshops that addresses numerous health challenges. All the results related to health check-ups are kept confidential and the reports are only shared with the employees and the HR team.

Case Study

Ensuring Driving Safety Through Digital Solution

Safety Concern

High employee safety concerns have risen due to multiple accidents involving those individuals who commute long distances to Adani Energy Solutions sites. These sites, spread across remote regions, necessitate extensive travel by employees on two-wheelers and four-wheelers, posing significant safety risks.

Solution Proposed

We've introduced a smart safety solution focussed on analysing employees' driving behaviours. It evaluates high-risk behaviours such as harsh acceleration, harsh braking, phone usage, cornering, and speeding. An average safety score is calculated for each employee, and those displaying high-risk behaviours receive counselling. A 19-days long Proof of Concept (POC) was conducted involving six employees.

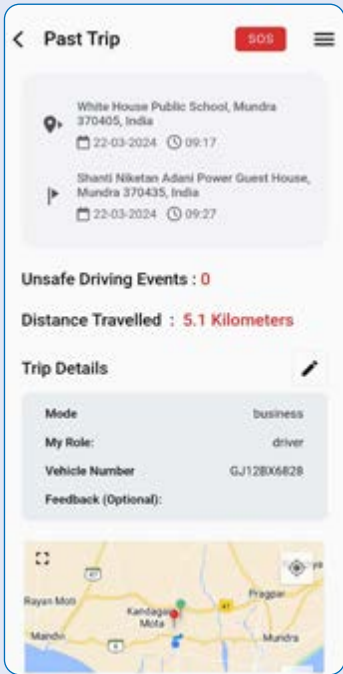
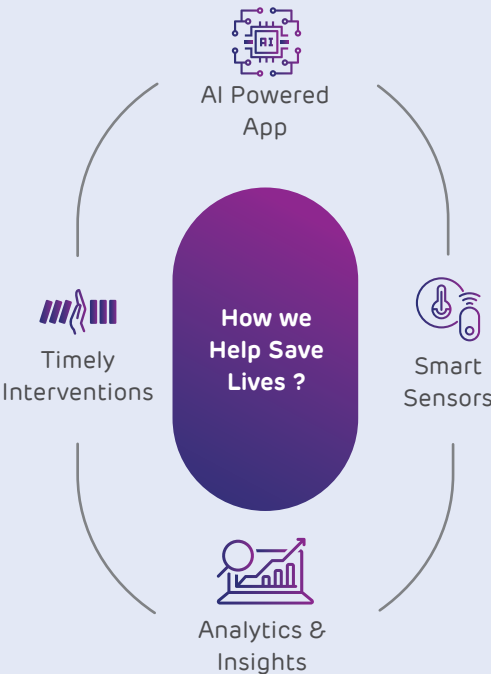
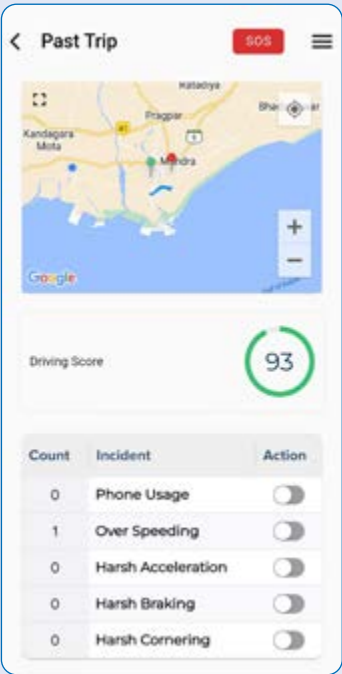
Outcome & Impact

Following the trial process, a significant decline in road-accidents was noticed which made the work-related commute of our employees much safer than ever.

- **Zero** road-accidents occurred in FY 2023-24 owing to the deployment of smart safety solution

Vehicle-related Accident  
(Two & Four-Wheeler)

FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
3	3	0	0



## Health & Safety Performance (Year-on-Year)

### Workplace Fatalities

	FY 2021-22	FY 2022-23	FY 2023-24
Employees	0	0	0
Contractors	0	03	0
<b>Total</b>	<b>0</b>	<b>03</b>	<b>0</b>

### LTI (Lost Time Injury) Cases

	FY 2021-22	FY 2022-23	FY 2023-24
Employees	0	0	4
Contractors	4	2	6
<b>Total</b>	<b>4</b>	<b>2</b>	<b>10</b>

### LTIFR (Lost Time Injury Frequency Rate)

	FY 2021-22	FY 2022-23	FY 2023-24
Employees	0.86	0.88	0.23
Contractors	0.61	0.15	0.45

### Near Miss

	FY 2021-22	FY 2022-23	FY 2023-24
Numbers Reported	4,325	6,263	8,262

Note: Total working hours for the reporting year: 1,72,29,843 hours for employees & 1,33,61,852 hours for workers.



SOCIAL – CORPORATE SOCIAL RESPONSIBILITY

# Shaping Stronger and Empowered Communities

We acknowledge the fact that empowered societies create prosperous nations. We collaborate with the Adani Foundation with an aim to foster value and build bright future for the communities. In perfect alignment with The Adani Group's 'Growth with Goodness' philosophy, we remain steadfast in working towards equitable and sustainable development of the marginalised communities.

## Overview of Adani Foundation

Since 1996, the Adani Foundation, the community engagement arm of the Adani Group, has remained agile and deeply committed to making strategic social investments for sustainable outcomes across India. It is empowering and enriching the lives of children, women, youth, and marginalised communities in the core areas of education, health & nutrition, sustainable livelihood, community development, and climate action. The strategies of the Foundation are integrated in national priorities and global Sustainable Development Goals (SDGs). The Adani Foundation is currently operating in 6,769 villages across 19 states, positively impacting 9.1 million lives.

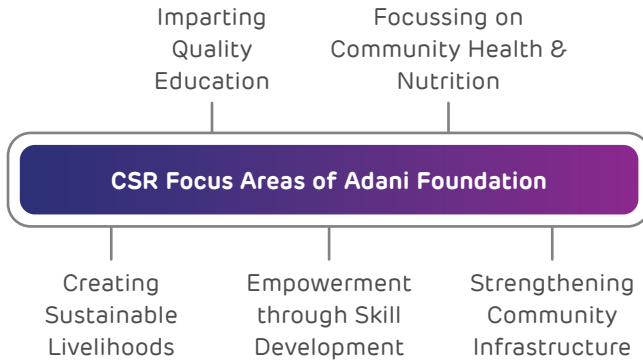
## Vision

To accomplish a passionate commitment to social obligations towards communities, fostering sustainable and integrated development, thus improving quality of life

## Mission

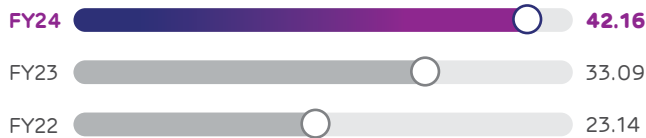
To play the role of a facilitator for the benefit of the people without distinction of caste or community, sector, religion, class or creed, in the fields of education, community health, and promotion of social and economic welfare and upliftment of the people in general



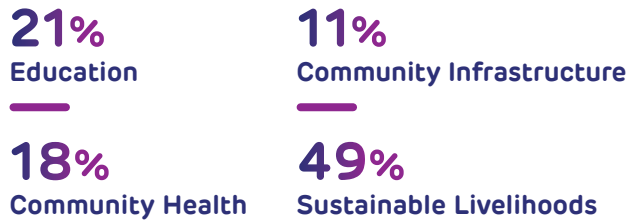


## CSR Expenditure and Growing Outreach

(CSR Spend in ₹ crore)



## Key Focus Areas (% spend on CSR activities in FY 2023-24)



## Alignment with Strategic Priorities

ESG Integration

## Key Risks and Opportunities

- Reputation Risk
- Climate-related Transition Risk – Policy & Legal

## Linkage with UNSDGs



## Material Topics Linked

Community Relationships

## Adani Foundation CSR Highlights

**33,268 students benefited through education initiatives**

**37,287 consultation provided under access to primary healthcare services**

**6,769 villages and 19 states covered through CSR initiatives**

**4,214 women engaged in income generation activities; 15,648 person facilitated under Meri Sangini Meri Margdarshika Project to avail benefit of social security scheme**

## CSR Commitments and Targets

### Commitment

- Women empowerment & entrepreneurship development through SHG promotion
- Meri Sangini Meri Margdarshika: Building cadre of village women as local resource to enhancing access to government's social protection and welfare schemes
- Utthan Project aims to facilitate quality education: Enhancing learning outcomes, capacity building of teachers and creating joyful spaces in government schools

### Targets

- Women Empowerment:** Mobilise 1,900 women and form 150 Entrepreneur Self-Help Groups (ESHGs) in Mumbai
- Meri Sangini Meri Margdarshika (MSMM):** 32 Villages in Jalore, Sirohi (Rajasthan) and Nagpur (Maharashtra) and realising benefit of government schemes to 5,000+ people (along with facilitating legitimate documents)
- Education:** Utthan Project in 60 government schools of Brihanmumbai Municipal Corporation (BMC); Covered 12,000 students through various interventions

## Capitals Impacted





## Empowering Society for Lasting Prosperity

### CSR Strategy

Our CSR endeavours are channelised through the Adani Foundation in alignment with the UN Sustainable Development Goals and the philosophy of the Adani Portfolio of Companies. Our CSR programmes hinge around the key focus areas - education, health & nutrition, sustainable livelihood, community development and climate action. We conduct third-party impact assessments to evaluate the impact of our CSR programmes and align & re-align the initiatives to maximise the value creation process. There was no impact CSR impact assessment carried out in FY 2023-24.

### CSR Governance

Our CSR activities are guided by the comprehensive Board-led [CSR Policy](#).

The policy forms the bedrock for identification and implementation of CSR projects and fund allocation. The Corporate Social Responsibility Committee assists the Board in overseeing the effective implementation of the CSR activities in alignment with the CSR policy and the CSR framework. During the reporting year, there were no charitable contributions other than activities mentioned in Schedule VII of the Companies Act.

### Engaging with the Communities

Adani Energy Solutions shares the Adani Foundation's commitment to serving marginalised communities across the nation, addressing challenges in the social development sector and creating sustainable models for ushering in prosperity.

While executing CSR interventions, the organisation ensures the following:

- Aligns its scope and activities with the projects and goals of the Adani Group
- Adopts a pro-people, bottom-up, participatory approach in rendering its services
- Formulates work plans and activities which are indigenous in nature and complements the efforts of existing services delivered by the government, thereby avoiding duplicity
- Make projects, programmes and initiative process driven, transparent and replicable in order to implement the same across all the operational locations to maximise public benefits

**Adani Electricity Mumbai Limited (AEML) has received ISO 26000:2010 certificate for FY 2022-23.**





## CSR Activities in FY 2023-24

In collaboration with the Adani Foundation, we implemented a host of CSR initiatives for the betterment of the local communities in the reporting year aimed at the empowerment of the local communities especially children, women, and tribal communities.

### Focus Area

#### Empowerment Through Education



With a strong focus on education, the Adani Foundation's educational initiatives are designed to empower marginalised communities and create promising futures. These initiatives offer inclusive and affordable learning through various free and financially supported schools as well as projects to enhance education quality. They extend support to progressive learners in government schools with digital tools and classrooms, as well as coaching for competitive exams. Additionally, scholarships are awarded to deserving students, and evening classes are provided to promote inclusive learning.

### Project Utthan

Utthan, a flagship initiative of the Adani Foundation, is aimed at improving the learning outcomes in the students of the government primary schools as well as identify and engage with the progressive learners (Priya Vidyarthi). Utthan Sahayaks are engaged in the recognised schools, to engage with the progressive learners (Priya Vidyarthi) through various immersive teaching methodologies and enhance the educational outcomes in them. Utthan Sahayaks also visit the communities regularly to interact with the parents and encourage them to send their children to schools regularly.

### Project Intervention

- Enhancing the teaching-learning outcomes
- Empowering 'Priya Vidyarthi' (Progressive Learners)
- Introducing English as a third language in class 1 to 4
- Arresting dropout rates
- Collaborating for teachers' capacity building
- Creating joyful learning spaces



▲ Utthan, Mumbai

### Highlights During the Year

**10,000+**

Students attended Foundational Literacy and Numeracy (FLN) classes

**430**

Reading club sessions were conducted covering **4,500** students

**850**

Activity-based sessions including language and math were conducted covering **4,700** students

**280**

Mothers' meets organised, witnessing participation from **2,300+** mothers

**658**

Students' houses covered through home visits, leading to **48%** students attending the schools regularly

### Baseline Assessment of 9,070 Students

The project covers

**12,050**

Students

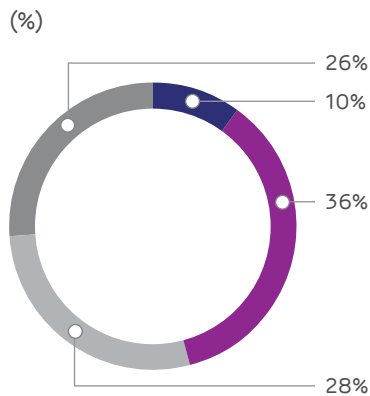
**60**

Brihanmumbai Municipal Corporation (BMC) schools

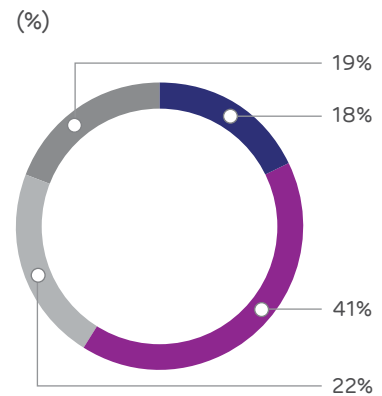
**20**

Utthan Sahayaks

#### Language



#### Math



■ Proficient ■ Progressive ■ Beginner ■ Non-Beginner







▲ BaLA Painting

## Midline Assessment

### Language

- 1,000+ students showed progress in their academic performance, particularly in language proficiency, such as the ability of Level-1 students to identify letters
- Level-2 students started reading two & three letter words
- Progressive learners showed progress in reading small passages and comprehensions

### Math

- Level 1 and Level 2 learners able to identify both face value & place value
- Forward & backward series
- Progressive students started performing simple mathematical operations involving 2 and 3-digit numbers, including addition and subtraction

## Building as Learning Aid (BaLA) Painting Project in BMC Schools

Adani Energy Solutions, through the Adani Foundation, promotes innovative ways to make learning an enjoyable process for marginalised students in the BMC schools of Mumbai. This initiative created an ambience of learning and self-education for students. Students are experiencing a welcoming atmosphere and feeling motivated to learn. Teachers are infusing joy and creativity into their teaching methods by employing BaLA as a tool for Teaching Learning Material (TLM). The initiative leads to meaningful engagement of students during break time.

We aim to boost student engagement and reduce dropout rates through school enrolment programmes and innovative BaLA painting approach. In BaLA paintings, school buildings and walls

are transformed into interactive learning spaces by creating visually appealing educational murals and artwork. BaLA painting approach aims to draw children's interest in schools by creating colourful and interactive learning environment. This helps improve student retention rate and their understanding of various subjects by providing visual cues and aids.

### Highlights During the Year

**10,657 sq. ft.**

BaLA painting completed in 10 BMC schools

**2,000+**

Children enrolled



## Aamchi Shala, Aadarsh Shala

Under this community engagement initiative, the Adani Foundation along with Gondia District Education Department, held competition across government schools on 41 parameters in 11 domains related to quality education & required amenities. The aim is to enhance the quality of education in government schools through community participation.

### Highlights During the Year

**595**

Primary and middle schools participated

**290+**

Students shifted from private to government schools

**40**

Meritorious students provided scholarships to pursue education post class X

**19,218**

Students across 8 teachers are involved

**₹ 37.86 crore**

Community contribution

**~₹ 65,000**

Average contribution per school

## Focus Area

### Sustainable Livelihood Development (SLD)



The Adani Foundation is relentlessly working towards empowering lives and expanding horizons of socio-economic opportunities through community-based approaches. The Foundation undertakes a multitude of sustainable livelihood generation programmes aimed at the socio-economic growth of the lowest strata of the society such as water conservation, organic farming, dairy development through strategic animal husbandry projects, and augmentation of women enterprises by supporting them with knowledge, skills, and market linkages.

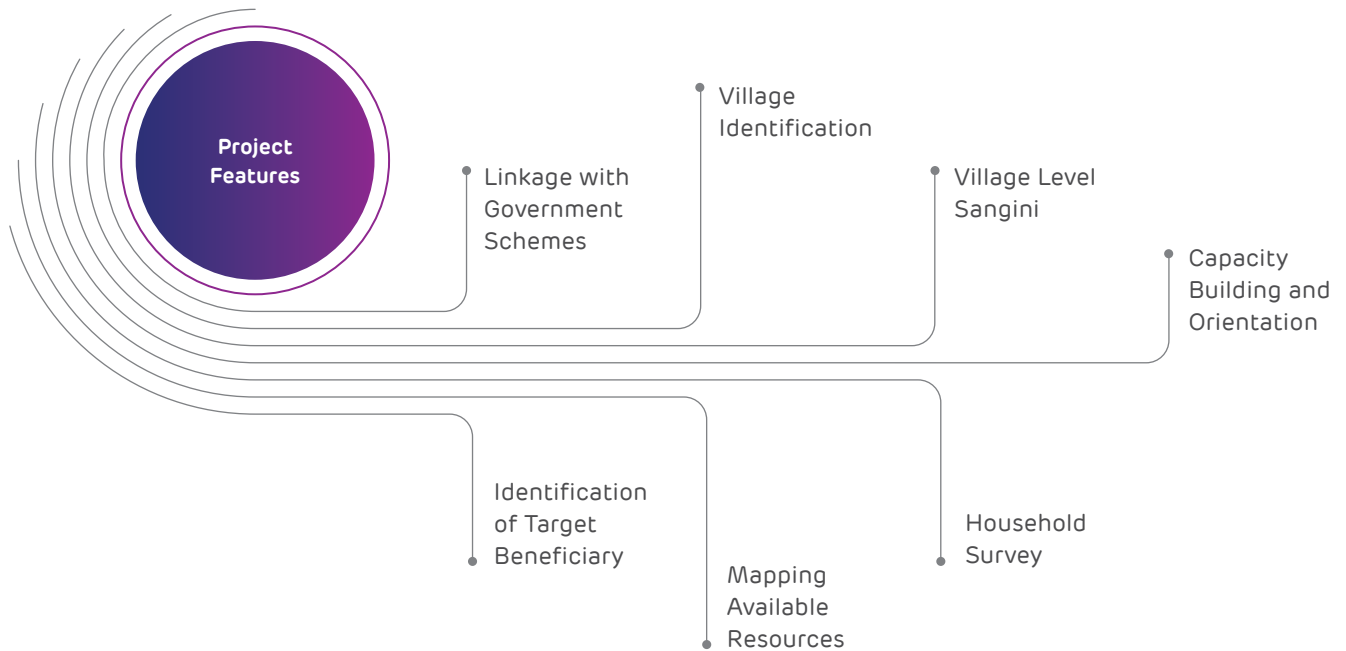
### Meri Sangini Meri Margdarshika (MSMM)

(Sirohi & Jalore, Rajasthan and Nagpur, Maharashtra)

Under this flagship project, the Adani Foundation encourages and nurtures women leaders from within the communities who then become change makers in their surroundings. 'Sangini', the catalyst for change, is envisioned to be a woman from the local community who is willing to act as a 'Margdarshika' to support the community members. The effectiveness of the social welfare schemes launched by the Government of India depends on the level of its penetration into the society's grassroot. MSMM has been instrumental in ensuring scale, sustainability, and enhanced reach of awareness about these

schemes leading to social and economic development of the communities in and around Adani Energy's substation.

MSMM Sanginis (community facilitating women) are trained to conduct regular field visits, collect documents from people such as PAN, Aadhaar, domicile, etc. to facilitate linkages with government schemes, hold focussed group discussions, and attend village events to spread awareness about the government schemes. These Sanginis build, connect and work closely with the government departments to facilitate utilisation of relevant schemes.





### Highlights During the Year

**32**

Number of villages covered under MSMM

Facilitated access to benefits worth

**₹ 162 lakhs**

In Nagpur &

**₹ 173 lakhs**

In Sirohi

**15,648**

Total beneficiaries linked with government's social welfare scheme across Nagpur & Sirohi

**3,780**

Facilitated to avail legitimate documents

### Case Study

#### Meri Sangini Meri Margdarshika

Hindu Ram's family residing in the village of Bant, was battling financial hardships since a year due to discontinuation of his old age pension arising from Aadhaar discrepancies.

#### Outcome

With the support from the Adani Foundation and dedication of MSMM Sangini Kamala Kumari, Hindu Ram's pension, that amounted to ₹ 12,000 for the past year, was successfully reinstated after resolving Aadhaar discrepancies.

### Swabhiman (Mumbai)

Project Swabhiman aims at promoting self-reliance and entrepreneurship in women across economically weaker sections including domestic helps, housewives, micro unit workers and health assistants. The initiative brings women together to form Entrepreneurship Self Help Groups (ESHGs) encouraging them to save

₹ 150 - ₹ 200 in the ESHG account. These ESHGs are regularly provided with sessions on financial literacy, bank linkages, soft skills, marketing and entrepreneurship.

We have also established "Swabhiman Centers" to conduct various consumer product skills & training for women, and have also set up production unit along

with fair scope of upskilling in predominant trades and improve their existing livelihood. The Swabhiman Center is a working co-operative where women progressively scale up production to meet formal forward linkages with corporate houses, manufacturers or industries that create their own brands.





**Highlights During the Year (Mumbai)****3,985**Women were united to form **278** ESHGs**23**

Groups received

**₹ 56 lakhs**

Saved collectively by the beneficiaries &amp; bank linkages

**₹ 23 lakhs**

Through bank credit linkage for business expansion

**434**

Women benefitted through trade-based entrepreneurship trainings

**₹ 2,000-₹ 3,500**

Average increase in beneficiaries' income

**Case Study****Swabhiman (Dahanu)**

A 30-membered group was established by Women Enterprise Group, who collectively contributed ₹ 10,000 and set up a garment production unit equipped with 25 high-speed sewing machines and 4 other specialised ones. Orders were received from various enterprises for 3,000 school uniforms, 1,585 school Pino frocks and 885 Punjabi tops.

**Impact****₹ 91,160**

Income generation for the group through the order fulfilment





▲ Anuradha Dairy

### Empowerment Through Anuradha Dairy Cooperative, Tiroda, Maharashtra

**1,950+**

Dairy farmers are associated

**135 women**

Operating **45** milk collection centres and chilling plants, collecting **17,000** litres of milk daily

**₹ 16.70 crore**

Of turnover realised

### Case Study

#### Saheli Mahila Samuh, Raipur: Promoting Self-reliance

Saheli Mahila Samuh in Raipur established a garment production centre furnished with advanced machines.

#### Impact

**94**

Women engaged across 4 centres

**1.81 lakhs**

Pieces of garments produced

**₹ 8.63 lakhs**

Of revenue generated

## Integrated Tribal Development Programme – Wadi Programme

As one of the flagship projects of Adani Dahanu Thermal Power Station (ADTPS), we introduced Wadi Project in 2015 – an integrated and sustainable livelihood development programme, to support the tribal and backward communities in Dahanu block of Palghar district. The community faced challenges due to limited income sources to develop their land, which impacted their ability to meet daily needs and requirements. Constraints such as low land holding, soil degradation, high agriculture input costs, problems

of pests and diseases, limited credit availability and unfavourable market situations made farming less profitable for the tribal families. As a result of these challenges, 79% of families have left farming and migrated to employment opportunities in industries such as brick making or sand dredging.

A diversified horticulture-forestry and agriculture programme was developed named as Wadi programme – that encompassed horticulture, forestry, vegetable cultivation and floriculture. Fruit & forest, transforming were carried out on the wastelands, transforming

them into productive assets. Financial support from the Adani Foundation and NABARD made this possible, with implementation by the BAIF Institute. Skill, service, agriculture and trading based micro enterprise activities were set up to enable landless families generate sustainable livelihood for themselves.

The Wadi project is now yielding positive outcomes by giving families in the region an opportunity to diversify their income through horticulture, floriculture, and vegetable cultivation, instead of sole reliance on just one source.

### Highlights During the Year

# 276

Tribal farmers trained on agricultural techniques and linked with government schemes

# 101

Farmers trained on drip irrigation that will cover **38.90** hectares of land, saving **30-35%** water consumption

# 38,900+

Saplings handed over to the **275** farmers, covering **114.9** hectares of area under cultivation

### Case Study

## Improved Annual Income Through Wadi Initiative

Amit Dhulsada, aged 36 lives in Dhulsadapada, Ambesary, Taluka-Dahanu, which is a tribal area with low literacy rate. Amit earned ₹ 50,000 on an average annually through farming activities, which is meagre to support his five-member family.

### Intervention

In 2017, Amit was introduced to Wadi Programme that helped him plant 300 Mogra saplings, 40 Jamun saplings and 30 Mango saplings, to build a sustainable livelihood.

### Outcome

After six years of sustained hard work and support from the Adani Foundation, he is now able to generate substantial income for his family by selling Jasmine, Mangoes and Paddy. With the supplement income generated, he not only dug a new borewell in his farm, but also purchased a sewing machine for his wife. Overall, the initiative has improved the economic status of Amit's family.

### Impact

# ₹ 3 lakhs

Annual income earned through Wadi support



## Livestock and Dairy Development

Livestock sustains livelihoods for small and marginal rural farmers. It is crucial to support them in meeting the growing demand for milk and dairy products, by improving cattle breeds & feeding

practices and providing adequate veterinary healthcare.

### Breed Improvement Through Artificial Insemination (AI)

Our Integrated Livestock Development Centres are Artificially Inseminating the cattle

at the farmer's doorsteps using high-quality semen that produces genetically superior progeny with higher milk yield.

#### Highlights During the Year

**1,823 AIs**

Have been facilitated in Tiroda

**921 animals**

Born of improved progeny

**2,299 animals**

Vaccinated in 11 camps

## Focus Area

### Community Development



The Adani Foundation is committed to the overall well-being of the community through enablers, including need-based safe public infrastructure, providing access to applicable government schemes, ensuring access to clean and safe drinking water, promotion of sports for youths, protection, and promotion of art & heritage, and last but not the least responding to humanitarian and natural calamities.

### Zari Mari Garden, Mira Road, Mumbai

Adani Electricity Mumbai Limited (AEML) has undertaken a greenfield project to develop a garden at Zari Mari, Kashimira, Mira Road. AEML will develop the site to create garden & lawn through tree plantation, Yoga centre, an observation deck, ornamental colosseum, jogging track, trellis & sit-out areas, storm water drainage, etc.

## Focus Area

### Community Health



The Adani Foundation is investing in improving on-ground health services & resources, ensuring affordability and accessibility for underserved communities. This includes:



Mobile Health Care Units for access to primary healthcare services



Health camps



Wellness centres and rural clinics



Building and operating multi-speciality hospitals

### Community Infrastructure Works in Dahanu, Maharashtra

Dahanu lacked specialised neonatal healthcare infrastructure which led to a high infant mortality rate in the area. Women had no choice but to travel long distances to Vapi or Mumbai for critical neonatal care. Addressing the urgent need, a specialised neonatal unit with 30-bed capacity was successfully established at Sub District Hospital in Dahanu, through collective efforts of AEML, Adani Foundation, and the Palghar district administration.

The Adani Foundation facilitated the development of the specialised unit dedicated towards essential healthcare in the region.

The neonatal unit offers critical care for **22** newborns with **02** ventilators, **02** bubble machines, **03** LED phototherapy machines, and **09** beds for lactating mothers.



▲ Multi Specialty Camp, Tiroda

### Mobile Health Care Unit (MHCU)

The Foundation operates mobile healthcare unit at Tiroda offering preventive healthcare awareness and medical services across 25 villages in the vicinity. It provides free medical consultations, medicines and home visits for bedridden or elderly patients.

#### Highlights During the Year

**33,511**

Medical consultations were provided

**3,776**

Patients treated in 12 multi-specialty camps by General Physicians & Specialists

## Employee Volunteering Programme (EVP)

### A Marvel

- **30 Employees of Class 1 & 2 level officials** from AEML actively took part in 7 schools, with 7 Sahayaks & **more than 300 students and 50 mothers**

- **Team of 12 officials** were meaningfully engaged in various activities like FLN sessions, activity-based learning, reading club, Mothers' meet
- **Joy of Giving** for street children in collaboration with Jeevan

Anand Trust. This event was celebrated at **2 centres of Jeevan Anand Trust at Dahisar and Khar Road** where **50 children** participated. At this celebration, students participated in a variety of art and craft activities and crafted various artifacts

SOCIAL – CUSTOMERS

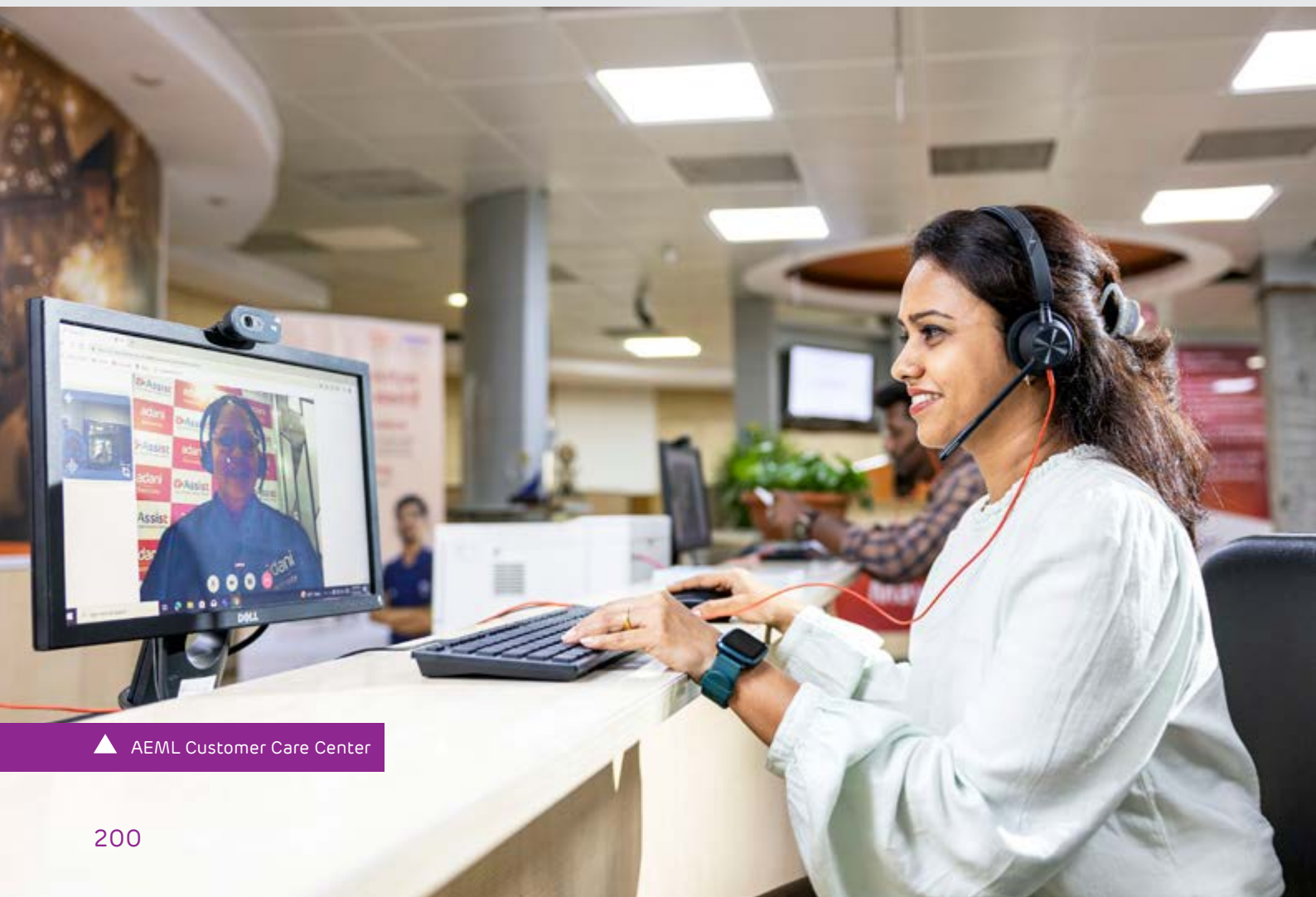
## Enhancing Customer Delight

We are constantly striving to surpass customer expectations and deliver unparalleled services. Being in B2B as well as B2C domain, our approach towards building long lasting relationships with customers hinges around listening to them, providing exceptional service and fostering loyalty. We believe that effective communication and timely responsiveness is the key to customer-delight. Our commitment to exceptional customer service directs our endeavours to serve our customers in the most optimal way.

### Linkage with UNSDGs



### Capitals Impacted



▲ AEML Customer Care Center



### Material Topics Linked

- Customer Orientation and Satisfaction
- Digitisation
- Access and Affordability

### Alignment with Strategic Priorities

- Execution Capabilities
- Portfolio of Efficient Operating Assets
- Business Excellence

### Commitments and Targets

We are committed to enhancing customer satisfaction through supply reliability and top-quality customer service.

#### Target

~100% supply reliability for 12 million+ Mumbai consumers

### Consumer Mix for FY 2023-24

**Over 12 million** consumer base in Mumbai and Mundra Special Economic Zone

**18.4%** Commercial & industrial customers

**81.6%** Retail or residential customers

**Zero** instances of customer data breach

### Key Risks and Opportunities

- Reputation Risk
- Cybersecurity Risk
- Emerging Risk (Failure of Climate Change Adaptation)

### Focus Areas

Enhanced customer satisfaction through exceptional service, strong communication and keen emphasis on customer data privacy.

### Recognising Service Excellence

**Rated as Mumbai's No. 1 Power Distribution Utility by the National Consumer Service Ratings**

## Commitment to Excellence

**24X7 Uninterrupted power supply of 24 hours per day exceeding the national average 23.59 hours per day, benefitting 31.5 lakh customers**

**Minimal outages outperforming peers with an Interruption Index of 0.20 versus the national average of 200.15**

**Speedy Connections through 100% swift online processing surpassing the national average of 82%**

**Accurate billing with 100% bills based on actual meter readings, exceeding national averages**

**Convenient consumer communication with 94% receiving bill alerts**

**98% of new connection supplies are released within 1 to 3 days in non-slum area, while 95% are released within the same timeframe in slum area**

We relentlessly strive to ensure reliable, safe, affordable and continuous supply of electricity and customised solutions of affordable power uninterruptedly to our customers. Our strong customer base spans across industrial/commercial customers to small retail customers. We are constantly seeking ways to exceed their expectations and deliver unparalleled services. We train and develop our team to enable them to understand customer concerns and deliver outstanding customer experience. We focus on delivering top-quality service at an optimum cost to enhance customer experience and trust.

## Key Markets Served and Clean Energy Solutions

We increased renewable energy mix from 30.04% to 34.35% in our distribution network in FY 2023-24. We aim to provide clean energy and environment-friendly solutions to our customers at an optimal cost. This is evident from the fact that during FY 2023-24, we observed a mere 2.5% increase in our tariff, which is almost 5 times less than our key competitors.

We are set to strengthen our customer base in India by strategic

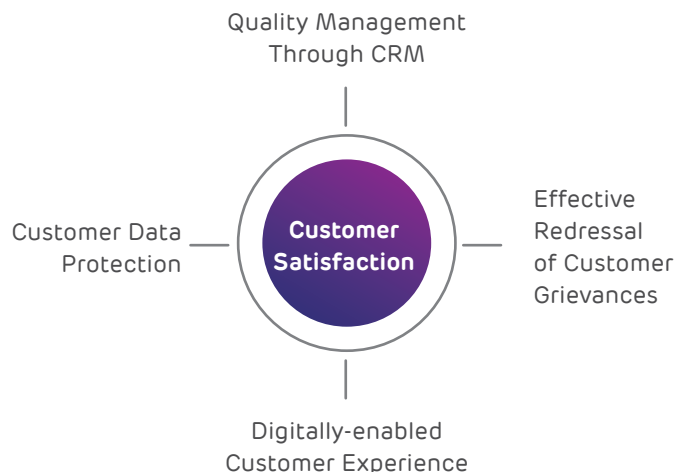
expansion of our footprints to other states and geographies. Our expansion is in alignment with our strategic roadmap to build a better future for our country.

Our business is strategically targeting specific geographic regions and market segments for expansion. These areas are targeted on the basis of multiple factors such as emerging market potential, urban and industrial activity, favourable regulatory environments, customer

needs, and technological readiness. The objective is to capitalise on the growth opportunities and deliver tailored energy solutions to address the evolving demands of customers.

Following the extensive market research and considering the factors such as customer demand and regional dynamics, our Distribution Business has decided to explore parallel licensing opportunities in Navi Mumbai, Gautam Buddha Nagar, and Mundra.

## Our Approach to Enhance Customer Satisfaction



streamlined operations. The project includes offering holistic approach for customer engagement, operational efficiency & data-driven insights for decision-making through features such as case and interaction management, lead and opportunity management, a GIS-based mobility solution for the sales team, an appointment planner, competitor and prospect consumer mapping, and robust reporting and dashboard functionalities.

### Feedback, Surveys and Redressal of Customer Grievances

We regularly engage with our customers through feedback and surveys not only to meet & surpass their expectations but to foster relationship that lasts. Our focus is to ensure that we listen to our customers and comprehend their needs continuously.

### Facilitating Quality Management Through CRM

Customer Relationship Management (CRM) is vital in enhancing customer interactions & satisfaction. The proposed scope involves elevating CRM capabilities, including the migration of legacy data from MS Dynamics

CRM. The goal is to create a unified interface for all call centre and customer care operations, providing a 360-degree view of customer needs & preferences. Integration with platforms such as SAP, AVAYA, Outlook, Social Media, Chatbot, GIS & OMS, Power BI is prioritised for efficient &

### Customer Service Touchpoints

Recognising the significance of resolving customer pain points effectively and efficiently, we have established several customer service touchpoints to voice their needs and concerns. Consumers can register their complaints and track redressal in a structured manner. Complaints registered from any touchpoint can be tracked uniformly on the website, mobile app or other touchpoint.

#### Digital & Social Media Platforms

- Mobile App: Adani Electricity Mobile App
- Elektra - Digital Assistant on Website, Facebook Messenger and WhatsApp
- Genius Pay Self Help Kiosks Virtual Customer Care Centres (interaction through video call facility)
- WhatsApp - 9594519122 and say 'Hi'
- On Twitter @adani\_elec\_MUM
- On Facebook @ AdaniElectricityMumbai
- On LinkedIn as /adanielectricity
- On Instagram @ adanielectricitymumbai
- On YouTube / AdaniElectricityMumbaiLimited

#### Online Platforms

- Website: [www.adanielectricity.com](http://www.adanielectricity.com)
- Email: [consumercare@aeml.com](mailto:consumercare@aeml.com)

#### Call, SMS and Email

- Missed call: 1800532 9998
- Call us 24x7 Toll Free Call Centre (help line) number: 19122
- SMS service: Send Power to 7065313030



## Multi-tier Grievance Handling through Internal Complaint Redressal System (ICRS), Consumer Grievance Redressal Forum (CGRF) and Electricity ombudsman

Web-enabled grievance redressal mechanism called ICRS, enables the customers to seek redressal from the higher authorities of the organisation. All grievances can be logged into the web portal by duly filling in the necessary information in the prescribed format with an undertaking. With a unique tracking number generated for each registered complaint, customers can track the complaint status.

### Consumer Lodges Complaint Through ICRS

- Complaint is registered and acknowledged by ICRS
- Complaint details are forwarded to the concerned distribution company

### Distribution Company Investigates Complaint

- Distribution company investigates and attempts to resolve the complaint within a specified timeframe
- If resolved, distribution company informs consumer and closes the complaint

### If Complaint Remains Unresolved

- Consumer may escalate the complaint to CGRF within a specified period
- CGRF reviews complaint and conducts hearings if necessary

### Final Resolution

- Distribution company implements CGRF or Ombudsman decision
- Complaint is considered resolved once implemented

### If Consumer is Dissatisfied with CGRF Decision

- Consumer may appeal to Electricity Ombudsman within specified timeframe
- Electricity Ombudsman reviews complaint and issues a final decision

### CGRF Resolution

- CGRF issues a decision based on investigation and hearings
- If decision is in favour of consumer, distribution company is directed to resolve the complaint accordingly



▲ Customer using digital kiosk

## Digitally-enabled Customer Experience

We have implemented multiple digital touchpoints to create seamless customer experience and deliver superior value such as chat bots, voice bots, payment kiosks, video call centres, digital modes for payments etc.

### Digital Touchpoints for Customer Service

#### AI-enabled Elektra Chatbot

- 24x7 chat Availability Across Channels
- Option to Chat or Seek Video Assistance
- AI/ML to provide prompt and accurate responses
- Self-help workflows for quick and effective response

#### V-Assist – Industry First Video Contact Centre

- Can initiate video calls on the go or schedule the call as convenient
- Easy to access and use
- Integrated with ERP, CRM, Chat bot etc.
- Can connect as per convenience from 07:00 am to 11:00 pm
- Resolves service queries via screen share & white board

#### Genius Pay – Self-Help Recycler Kiosk

- Self-help kiosk available in multiple languages
- Supports document scanning, complaint registering, payment confirmation, contact updation etc.
- Facilitates accessing V-assist

#### AMI Smart Metering

- Tracks consumption like mobile data/DTH consumption tracking
- Understands consumption better and facilitates optimisation as per need
- Supports availing prepaid/postpaid conversion

### Other Key Digital Interventions

#### Digital Transformation

- Enhances efficiency through data analytics, AWMS, and 5S
- Facilitates monitoring of all critical asset health on a real-time basis to prevent outages

#### AEML's Adoption of ADMS

- Enhances consumer experience through fewer outages and faster restoration
- Informs consumers transparently through real-time updates regarding service disruptions
- Supports integration with cleaner energy through alignment with consumer preferences

#### Data-lake Deployment by AEML

- Centralises and manages extensive data
- Provides insights for enhancing grid efficiency, customer service and operational optimisation
- Enables analysis for data-driven decision-making & innovation

#### Ariba – a Procurement Software

- Automates purchasing processes & manages supplier relationships
- Enhances efficiency, reduces costs, and ensures policy compliance
- Provides procurement insights to enable data-driven decision-making

## Customer Data Protection

Stringent access controls, encryption protocols and regular security audits are in place to prevent unauthorised access or data breaches. Our comprehensive Information Security policy guides our actions towards cybersecurity and customer data protection. Data privacy system is embedded in our risk management system and guides our data protection measures. We take several initiatives to create awareness among the customers on data use including the nature and purpose of customer information captured and the protection of data and information. In events of data breach, there are set protocols to ensure strict disciplinary actions, as deemed appropriate. Customers have the choice to decide on how private data is collected including data deletion, correction, access to data held by the Company and request for data transfer to other service providers.

### Initiatives to Create Cybersecurity Awareness

- Flyers were circulated through email to educate customers on cyber threats through Phishing, Vishing and SMShing
- Awareness video clip was circulated on visual media regarding the security measures to be taken by customer against cyber threats
- Text messages were sent to customers through WhatsApp, SMS to create cybersecurity awareness

### Initiatives for Customer Safety

- As an essential service provider, we have taken proactive initiatives to educate the consumers to ensure their safety during monsoon season
- We run energy efficiency programmes through emails, SMS, roadshows, kiosks for energy-efficient products and appliances
- We prominently display the Enunciated policy across AEML locations and ensure it is articulated to all stakeholders
- Safety awareness building/communication sessions for internal and external stakeholders are conducted at regular intervals through webinars, radio safety messages, school safety programmes and slum awareness programmes



▲ Attending customer in customer care centre



## Major Customer-centric Initiatives in FY 2023-24

### Sampark – A Comprehensive Customer Outreach Programme

#### Overview

This organisation-wide customer-centric programme is implemented across all levels from top to bottom to foster empathy among the employees and amplify the 'Voice of Customer'.

#### Intervention

The programme emphasises on building customer-centric capabilities across different employee categories:

- Develop Senior Management capabilities through effective focus on Business-to-Business (B2B) interactions
- Engage Middle Management in Business-to-Customer (B2C) interactions
- Enable participation from Junior Management in Call Listening sessions

#### Outcome

- 600+ employees engaged with 1,753 customers, contributing to 600+ MUs annually
- Fostering positive atmosphere to forge long-lasting customer-relationships
- Seeking opportunities for partnerships and collaborations across the Group

### Samvaad – Listening to our Frontline (FL) Staff

#### Overview

Samvaad is focussed on closely listening to our Frontline Staff (FL) through a bottom-up approach, to comprehend and address our customer needs & preferences more effectively.

#### Intervention

- Foster direct communication between the CXO and the Frontline staff
- Ensure close Ear-to-the-ground and effective in-person interactions
- Empower Frontline to deliver improved customer experience
- Enhance alignment and instil trust


#### Outcome

- Three Samvaad sessions successfully completed covering:
- 3 teams — Security, Acquisition and Network Service

SOCIAL – RESPONSIBLE SOURCING

## Deepening Partnerships for Responsible Supply Chain Practices

Sustainability is at the core of how we operate and we are continuously exploring ways to integrate it into our overall value chain to maximise the value creation. It can only be achieved by forging lasting relationships with our value chain partners. Our Supply Chain Management policy effectively governs our sustainable supply chain management practices. We have established a collaborative and responsible Supply Chain Management process to mitigate risks and improve procurement practices.

 Our policy on Responsible Supply Chain Management is available on our website and can be accessed from [here](#)





## Linkage with UNSDGs



## Capitals Impacted



## Material Topics Linked

- Supply Chain
- Compliance
- Human Rights
- Labour Relations
- Climate Change
- Waste Management
- Energy Management

## Alignment with Strategic Priorities

- ESG Integration
- Safety Culture
- Efficient Capital Allocation and Execution Capabilities

## Commitments and Targets

### Commitment

We are committed to collaborating with our business associates to foster sustainable supply chain operations, and mitigate potential supply chain risks, ensuring enhanced compliance.

### Targets

- Adopt proactive approach to mitigate supply-demand risks for critical procurement packages and alleviate potential delays in project completion due to heightened demand
- Undertake strategic development of existing vendors/new vendors and get into pre-bid ties with vendors for advance capacity booking
- Boost our green supply chain by seamlessly integrating our business associates for 100% of critical supplies by FY 2024-25





### Key Performance Highlights in FY 2023-24

**615 suppliers in the supplier-network**

**Suppliers with 64% by spends participated through CDP supply chain engagement platform**

**8 Tier-1 & 2 suppliers were on-boarded post ESG evaluation**

**Devised comprehensive ESG checklist and continued actively evaluating new suppliers**

**Successfully identified significant Tier-1 suppliers for evaluation for FY 2024-25**

### Key Risks and Opportunities

#### Risks

- Reputation Risk
- Operations & Maintenance Risks
- Macroeconomic Risks

#### Opportunities

- Surge in annual transmission line capacity and transformation capacity in the coming years will create significant opportunities for Adani Energy Solutions
- Harnessing the power of latest AI technology and Machine Learning tools in day-to-day operations will lead to quick turnaround times and enhanced efficiency

### Focus Areas

- Enhancing Green Supply Chain
- ESG Evaluation and Supplier Enhancement

## Integrating ESG for a Responsible Value Chain

Our Chief Sustainability Officer (CSO) oversees the implementation of the supplier ESG programme into our value chain and ensures its alignment with the Company's ESG strategies. In pursuit of creating a responsible and resilient supply chain, we have identified and integrated ESG criteria into our

procurement practices which begins right from screening the new vendor requests and onboarding to annual vendor performance evaluation. We have identified our 'Significant Suppliers' using a systematic approach to manage supply chain risks & build resilience effectively. We engage with our value chain

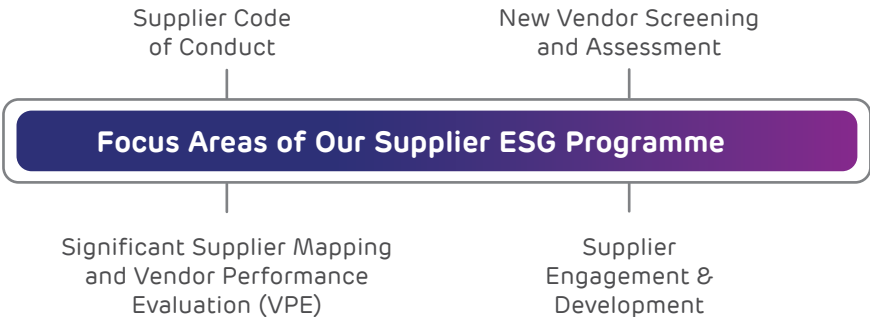
partners regularly to make collective progress on our ESG programme and create resilience in the supply chain. We conduct regular supplier audits to identify the areas of improvement and engage with them to enhance supply chain practices and ensure ESG compliance & conformities.

### Procurement Spend

In FY 2023-24, our total procurement spend was

**₹ 7,749.83 crore**

Out of which ₹ 7,734.95 crore was spent on local suppliers, comprising 99.81%



### Responsible Sourcing

**100%**

Of our input materials were sourced in adherence to supplier code of conduct

**60.33%**

By number of supplier partners of input materials were directly sourced from MSMEs/small producers

## Supplier Code of Conduct

We have established a stringent **Supplier Code of Conduct** to ensure that the supplier operations and conduct are aligned with our sustainability and ESG goals and commitments. The Supplier Code of Conduct aims to impact our procurement practices in a positive and sustainable manner. We expect all our vendors to maintain conformance with the code of conduct. Vendors are expected to have necessary policies, practices, systems & structures in place to minimise their impact on people & the environment. Additionally, they are expected to maintain compliance with government regulations. We conduct periodic assessments of our vendors to gauge their conformity with the Code of Conduct.

### Key Focus Areas

- Compliance with all applicable laws and regulations
- Environment
- Human Rights & Labour Standards
- Fair Wages
- Health & Safety
- Child Labour
- Forced Labour & Modern Slavery
- Discrimination
- Working Hours & Conditions
- Community Engagement
- Business Ethics and Governance including Anti-Corruption & Bribery
- Intellectual Property

### Our Supplier Universe

- Material Suppliers for Projects and O&M
- Contractor for Civil Construction Works
- Service Contractors for Projects and O&M
- EPC Contractors for Transmission Lines and Substations



▲ Koradi Substation

## New Supplier Screening and Onboarding



Our vendor onboarding and selection process ensures highest levels of compliance to all legal norms and requirements. Our inhouse teams evaluate all new vendor requests. The vendor assessments and quality assurance are done on the basis of the documentary evidences provided by the vendor. Internal screening of the vendors on predefined ESG-criteria is conducted prior to the factory assessment for new suppliers. A supplier with a score below 60% in the ESG criteria is not considered for further evaluation. However, the necessary feedback shall be provided to the same vendor to implement required improvement measures, and their performance shall be reassessed thereafter. Vendors are approved to be onboarded once they qualify through our stringent evaluation and assessment process.

### Vendor Evaluation Parameters

- ESG Preparedness
- Safety Adherence
- Quality
- Financial Stability
- Manufacturing and Testing Facilities
- Compliance with Statutory, Regulatory and Legal Requirements

For the qualified suppliers, detailed post-assessment vendor scorecards are generated and submitted to them to share the assessment findings and seek their comments/feedback. This opens a two-way communication channel to work on the areas of improvement. We guide and handhold the vendors on implementation of corrective actions and improvements and conduct reassessments, as required. We strive to encourage our suppliers to be compliant with the internationally accepted ESG standards and disclosure frameworks such as SA 8000, ISO 14001, ISO 45001, Carbon Disclosure Project (CDP).

### New Vendor Onboarding & Screening – FY 2023-24

Number of new suppliers hired (on whom PO/SO is raised)	4*
New suppliers who were assessed on environmental & social criteria through Contract Safety Management (CSM)	100%

#### Note:

ESG assessment is done for manufacturers whose factory assessment is done prior to onboarding on the Adani Energy Solutions vendor list. These manufacturers fall within the categories as defined in the approved vendor list. For contractors performing high risk jobs (as defined by the user), CSM is performed and approved by the respective stakeholders.

\* Out of 10 approved new suppliers

### Mutual Collaboration and Feedback

- Post-assessment vendor performance scorecards are submitted to the vendors to seek their comments & feedback, which opens the doors for performance-enhancement through collaboration
- The vendor onboarding standards have been designed to help new vendors emerge as future market leaders in their respective domains

### How Do We Ensure Compliance and Effective Contract Management?

- Our skilled negotiation team works on contracts to mitigate ambiguity and protect finances and timelines
- Contractual obligations are managed by commercial terms and conditions such as Liquidated Damages, Corporate Performance Bank Guarantees and Performance Bank Guarantees; provision for Productivity-Linked Performance-Based Contract (PLPBC) and flexible phase-wise payment terms for addressing vendor's cash flow
- Adoption of an e-auction platform for providing fair bidding competition



## Supplier Mapping and Vendor Performance Evaluation (VPE)

Given our extensive supplier network, we classify our 'Significant Suppliers' based on their criticality to our operations and business value generation. The systematic screening approach enables us to proactively manage supply chain risks and minimise externalities.

### Basis of our Significant Supplier Identification

- **High Volume Suppliers**  
Contractors having annual spend of more than ₹ 5 crore during FY 2023-24
- **Critical Component Suppliers**  
Suppliers of components having long lead time that impacts the operations/commissioning of the plant
- **Non-Substitutable Suppliers**  
Original Equipment Manufacturers (OEMs) from whom procurement of spares/proprietary items is carried out

Annual VPEs are conducted to review the vendor performance and evaluate their conformance with the Supplier Code of Conduct. The online portal Ariba is used to generate vendor performance scores, helping vendors in implementing required corrective/improvement actions.

### Mitigating Supplies Risk

- Focus on developing supplier capabilities, considering the regulatory compliances restricting major supplies from selected countries
- Enhance the vendor pool by onboarding more vendors for critical items
- Advance capacity allocation/MOU with Tier-1 suppliers to ensure timely project completion
- Digitalised and automated procure-to-pay process through SAP Ariba
- Risks associated with commodity-linked procurement are being managed through smart and strategic hedging for ensuring our interest with intact IRR of the project

### Supplier Mapping FY 2023-24

Total number of Tier-1 suppliers	615
Total number of significant suppliers in Tier-1	45
% of total spend on significant suppliers in Tier-1	96.83%
Total number of significant suppliers in non-Tier-1	0
Total number of significant suppliers (Tier-1 and non-Tier-1)	45

### Supplier Assessment FY 2023-24

Number of suppliers assessed through desk assessments/ on-site assessments	12*
Percentage of new suppliers assessed	100%
Number of suppliers identified as having significant actual/potential negative impacts	0
Percentage of suppliers with significant actual/potential negative impacts with which improvements were agreed upon as a result of assessment	0
Number of suppliers identified as having significant negative impacts with which relationships were terminated as a result of assessment	0
Total number of suppliers supported in corrective action plan implementation	1
Percentage of suppliers assessed with substantial actual/potential negative impacts supported in corrective action plan implementation	0

\*Note: For FY 2023-24, the target set for assessment of suppliers was 12

## Engaging with Vendors

We hold multi-channel engagement with our vendors on a regular basis to ensure transparency and a two-way communication. Further, we also seek to support local suppliers and thereby contribute in attracting additional investment to the local economy. Increased local procurement minimises supply chain disruptions, supports a stable local economy, and helps in maintaining community relations.

### Channels of Engagement with Vendors

- Annual Vendor Meet
- Industrial Events
- Training and Workshops
- Supplier Surveys
- In-person Meeting
- Supplier Audits
- Vendor Performance Score Cards
- Grievance Redressal Mechanism

In FY 2023-24, we conducted several in-person meetings with our vendors throughout the year including training & vendor visits.

**77**

Trainings/Visits  
(Absolute Count)

**1,094**

Trainings/Visits  
(Man-Hour)



## Strategic Engagements with Vendors

- The competitive landscape in the Indian transmission sector posed challenges to the major developers including us. This was mainly because of non-participation from the major 'Type-A Engineering, Procurement, and Construction (EPC) contractors' in projects due to competitive bidding. In order to address the challenge, we extended support to the 'Type-B EPC contractors' by providing manpower and financial support and helping them develop their capabilities to execute large projects. This strategic approach not only helped us transition into a leading developer across the transmission sector of India but also established the presence of the EPC vendors in the sector
- We also entered into strategic pre-bid tie-ups with vendors for the procurement of transformers/reactors, substation equipment, conductors, etc. to safeguard our interests going forward. These pre-bid tie-ups have successfully cushioned us against the risks related to the potential breach of project timelines despite the enormous supply-demand gap
- Adani Energy Solutions maximised the list of approved vendors by streamlining hassle-free and accurate onboarding methods in line with the 'Growth with Goodness' positioning of Adani Portfolio of Companies





GOVERNANCE

# Strengthening Business Integrity and Ethical Conduct

Our robust corporate governance principles support long-term partnerships, financial stability and business integrity thereby ensuring stronger growth avenues. The Adani Code of Conduct, along with the sound governance policies lays down the protocols, practices, and behaviour expected from the Directors, employees, and all business partners, to ensure ethical behaviour in achieving business excellence. Effective corporate governance ensures that the Company navigates risks, seizes opportunities, and contributes to sustainable energy development in India.



Please read about our Code of Business Ethics & Conduct [here](#)

## Linkage with UNSDGs



## Capitals Impacted



## Alignment with Strategic Priorities

- ESG Integration
- Business Excellence

## Material Topics Linked

- Business Ethics and Values
- Corporate Governance
- Compliance
- Anti-Corruption
- Human Rights
- Political Stability
- Climate Change
- Water Stewardship
- Occupational Health & Safety

## Commitments and Targets

### Commitment

Adani Energy Solutions is committed to conducting its business operations through adherence with legal & ethical practices, positioning itself as a significant player in India's growth story by fostering self-reliance in the field of sustainable energy solutions.

### Targets

- Train 100% Directors and employees on code of business ethics and conduct
- Train 100% Directors and employees on human rights
- Ensure Zero instances of breach of code of business ethics including anti-corruption & bribery policy
- Ensure Zero instances of human rights violation
- 57% Board Independence
- 29% women Directors on the Board
- 100% compliance of applicable legal, environmental and statutory guidelines

## Key Performance Highlights for FY 2023-24

**Zero** instances of violations of Business Ethics Code

**Zero** instances of payment of fine or penalty as a result of non-compliances

**Zero** cases of human rights violations

**100%** stakeholders including Directors, senior management, employees, and business partners are trained on Code of Business Ethics and Conduct

## Key Risks and Opportunities

- Macroeconomic Risk
- Cybersecurity Risk
- Reputation Risk
- RoW Clearance Risk
- Climate Risk
- Operational Technology Risk
- Operations & Maintenance Risk
- Failure of Climate Change Adaptation
- Climate-related Physical & Transition Risk

## Focus Areas

<b>Board Composition and Independence</b>	Maintain a diverse Board with a mix of Independent Directors, industry experts, and representatives from different backgrounds for balanced decision-making and reduced conflicts of interests
<b>Transparency and Disclosure</b>	Regularly publish financial reports, sustainability reports, and other relevant information, to foster stakeholder trust & openness
<b>Risk Management</b>	Develop a robust risk framework for effective management of operational, financial, and reputational risks
<b>Ethical Conduct and Anti-Corruption Measures</b>	Implement Code of Conduct for employees and Directors to promote business ethics, anti-corruption and positive work culture
<b>Shareholder Rights and Engagement</b>	Ensure shareholders' rights are protected for long-term stability & growth
<b>Stakeholder Engagement</b>	Regularly engage with customers, employees, communities, and regulators for informed decision-making aligned with stakeholder interests
<b>Environmental and Social Responsibility</b>	Set emission reduction targets aligned with global standards for responsible environment management & ensure social well-being

# Corporate Governance Structure and Framework

## Corporate Governance Objectives

### Benchmark

We are committed to becoming or maintaining our status as a private sector leader, whether in terms of the pace, scale, or scope of results.

### Digital Technology

We have deepened our systemic stability through an extensive investment in digital technologies.

### Hurdle Rate

Our Company will bid for projects with a minimum indicated rate of return, a hedge against prioritising revenue growth above profit growth; this strategy will guarantee that our expansion remains profitable, and Balance Sheet stays adequately liquid - the basis of its sustainability.

### Transparency

We commit to transparent financial information, displaying credit ratings (the highest in India's infrastructure sector) that enhance lender trust.

### Commitment

Our promoter will outline the strategic direction; the professional management will address day-to-day management and target achievement.

### Social

We will deepen investments in vendors and customers, employee well-being culture and community responsibility, deepening ecosystem stability.

### Integrity

We are committed to do the right things (preceding doing thing the right way), putting a premium on intent, vision, strategic direction and integrity above all.

### Propriety

We will continue to do the right things in the right way. This commitment has manifested in our gender respect, zero tolerance for sexual harassment, impatience with ethical transgressions, commitment to recruit without prejudice and appraise without partiality, respect for the dignity of people and the integrity of the environment.

### Clean

We are committed to the use of clean resources and technologies. We achieved a 34.35% renewable energy input in Mumbai's delivered electricity mix in FY 2023-24.

### Plus-factor

Our compliance efforts extend beyond mere statutory requirements to reflect our commitment to meeting stringent global ESG standards. Our goal is to position ourselves among the world's top-ranking ESG companies, guided by the highest ESG standards.

### Stakeholder Value

We are engaged in business to address the needs of all stakeholders; this focus is periodically verified and validated through engagements with stakeholders.

### Adjacency

We will operate in areas of core or adjacent competence, eliminating the role of unrelated diversifications that could compromise stakeholders' returns.

### Process-driven

We have deepened investments in processes and systems. This framework - processes as well as IT foundation - represents a scalable foundation that will enable the Company to grow profitably in a sustainable way.

### Audit and Compliance-driven

We have strengthened an audit-driven and compliance driven approach, enhancing the credibility of our reported numbers, influenced by prudent conservatism in accounting treatment.

### Controlled Growth

We understand the significance of measured expansion over unrestrained growth, prioritising a controlled approach to avoid strain on our Balance Sheet, talent, or goodwill.

### Credit Rating

Our credit rating is the highest in India's infrastructure sector and benchmarked with the national sovereign rating.

### Clarity

We work with a documented and defined debt size with indicated limits for gearing (debt-equity ratio), debt costs and debt tenures, eliminating the role for arbitrary decision-making.

### Long Term

We will deepen our long-term business approach, marked by prudent investments in resources, technologies, personnel and clients. We will seek to arrive at a balance of tactical conservatism and strategic boldness.

### Responsibility

We have established an ESG-compliant business model with a de-risked approach; it established global corporate credibility marked by robust governance and disclosures.

### Environment

Our environment commitment will be centred around the utilisation of ecologically friendly resources, reducing our carbon & water footprint through optimal design, moderating fossil fuel use and embracing counter-climate change.



## Our Corporate Governance Tenets Courage, Trust and Commitment

### Commitment to Our Stakeholders

Ethics | Integrity | Fairness | Equity | Transparency | Accountability | Commitment to Values

### Board of Directors

Robust Risk Management Framework

#### Statutory Committees

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship Committee
- Corporate Social Responsibility Committee
- Risk Management Committee (RMC)

#### Non-Statutory Committees

- Securities Transfer Committee
- Corporate Responsibility Committee
- Public Consumer Committee
- Information Technology & Data Security Committee
- Mergers & Acquisitions Committee (Sub-Committee of RMC)
- Legal, Regulatory & Tax Committee (Sub-Committee of RMC)
- Reputation Risk Committee (Sub-Committee of RMC)

Controls & Assurance

### Foundation Through Strong Guidance & Implementation

Code of Business Ethics and Conduct for Internal & External Stakeholders

Policy Commitment for Ethical Business and ESG Practices

Robust Management Systems, Standards & Standard Operating Procedures (SOPs)

Training & Awareness of Employees & Other Stakeholders

Legal, Statutory & Regulatory Compliance

Enhanced ESG Ratings

Transparent & Timely Disclosures

## Board Structure

### Board of Directors and its Role

The Board of Directors leads the corporate governance of the Company and is responsible for ensuring its effectiveness throughout the organisation. Our Board provides strategic guidance and independent viewpoints to the senior management in alignment with the business perspectives. Additionally, Company's performance, compliance and governance practices and effectiveness of corporate governance policies are also overseen by the Board. The Board members are selected based on shareholder votes and the competencies relevant to the impacts of our operations. The Board convenes meetings as necessary, with a minimum of one quarterly meeting, to review and approve business plans, budgets, and other matters, including ESG issues requiring the Board's approval or attention.

### Board Committees

Board Committees play a pivotal role in ensuring good governance practices by assisting the Board in providing oversight of entire business operations. These Committees, both statutory and non-statutory, are established with the formal approval of the Board and carry out specific roles, as defined by the members of the Board, to ensure responsible business conduct. In conjunction with its committees, the Board upholds its duties towards all associated stakeholders, in a fair and transparent manner with a bias-free thinking. The minutes of the meetings of all the Committees including updates on critical concerns are placed before the Board for review. During the reporting year, there were no concerns communicated to the Board that were critical in nature.

### Board Attendance

We maintain adherence to the minimum attendance requirement as per with Section 167(1)(b) of Companies Act, 2013. The Directors are required to attend minimum of one meeting conducted during the year.

06

Number of meetings held for Board of Directors in FY 2023-24

01 out of  
06 meetings

Minimum attendance requirement

17%

Percentage of minimum attendance requirement

Please read about the details of our corporate governance and its key aspects covering the Board & its committees, their functioning, remuneration, etc. in the following reports:



Corporate Governance Report on  
Page 262

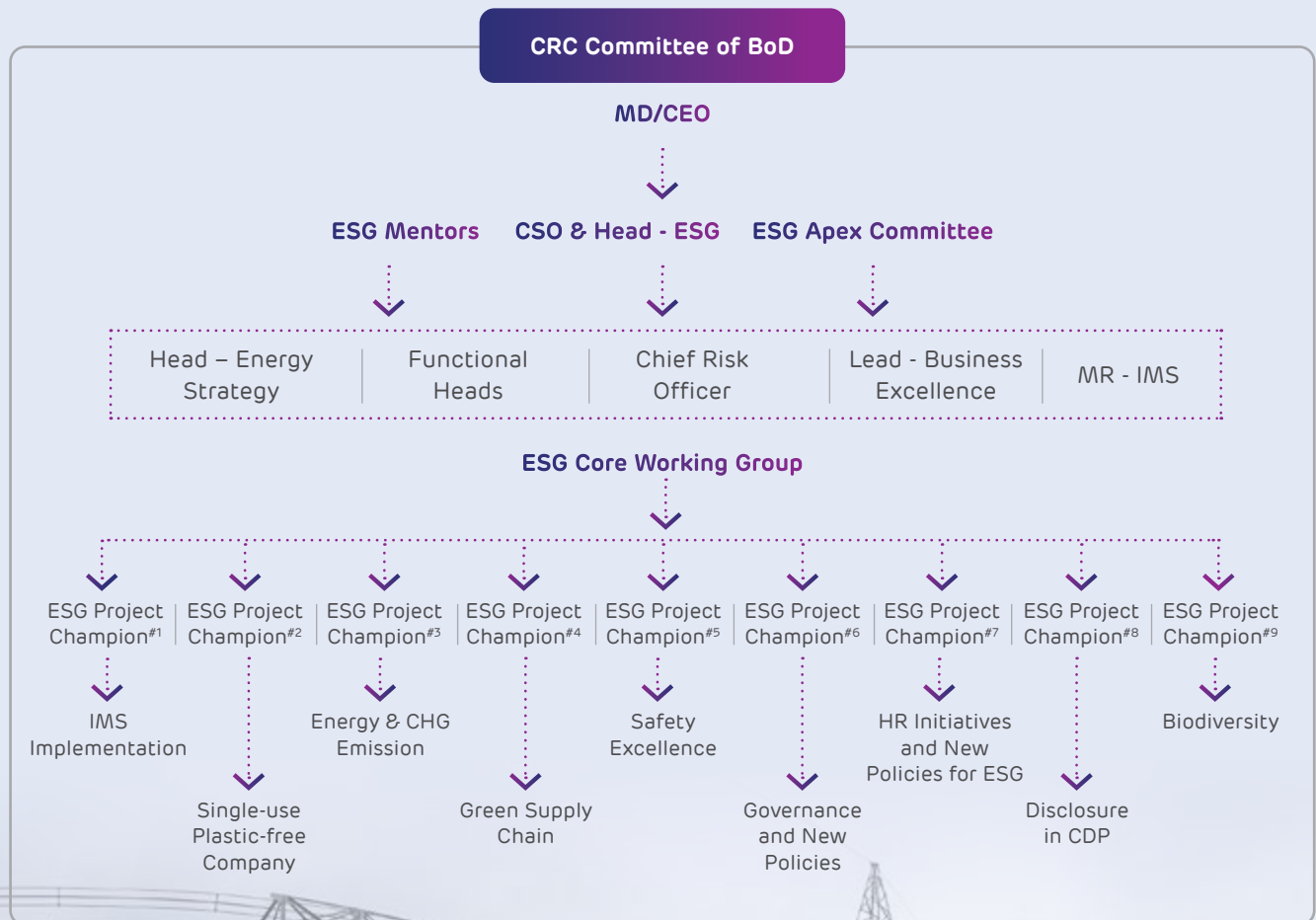


Business Responsibility and  
Sustainability Report on Page 320

# Sustainability Governance Structure and Framework

## Corporate Responsibility Committee (CRC)

The governance of Environmental, Social and Governance aspects falls under the purview of the Corporate Responsibility Committee (CRC). The Committee assists the Board in overseeing and guiding our ESG policies, strategies and programmes across entire business operations to manage impact on economy, environment and people.






## Roles and Responsibility of the CRC Committee

ESG Apex Committee	<ul style="list-style-type: none"> <li>Provides organisational vision and overall direction for ESG programme</li> <li>Reviews and approves public disclosures on ESG including sustainability report</li> </ul>
ESG Mentors	<ul style="list-style-type: none"> <li>Provides specific guidance and insights for ESG core working group and ESG champions</li> <li>Provides a quarterly review of ESG projects</li> </ul>
Chief Sustainability Officer and Head ESG	<ul style="list-style-type: none"> <li>Coordinates ESG apex committee meeting on an annual basis or as and when required</li> <li>Develops ESG disclosures and sustainability reporting</li> <li>Facilitates ESG Project Champions for independent validation, audit and assurance of ESG initiatives for public disclosures</li> </ul>
ESG Core Working Group	<ul style="list-style-type: none"> <li>Identifies material issues and risk factors for ESG disclosures</li> <li>Provides all data, and inputs for ESG requirements and reports</li> <li>Engagements with stakeholders including rating agencies</li> <li>Formulates long-term and short-term plan in line with achieving the ESG vision as directed by Apex Committee</li> </ul>
ESG Champions	<ul style="list-style-type: none"> <li>Leads the ESG projects</li> <li>Coordinates monthly team meetings for ESG projects</li> <li>Progress report monthly to ESG Head and to ESG members periodically</li> </ul>

## Business Ethics and Integrity

### Code of Conduct

We have adopted a Code of Business Ethics and Conduct to promote ethical behaviour throughout our business operations. We provide Code of Conduct training to all our stakeholders including Directors, Senior Management, Employees and Business Partners and ensure strict adherence. The scope of our annual audit is agreed by all stakeholders and these audits are conducted by Management Audit and Assurance Services (MAAS) covering every aspect of our Code of Conduct. Our compliance management systems periodic audits and verification by third parties.

 Please read about our Code of Conduct from [here](#)

## Anti-Bribery and Anti-Corruption

We maintain zero-tolerance towards bribery and corruption which is also enforced by our Code of Conduct (CoC). In tune with the code, all activities undergo a corruption and bribery risk assessment. We acknowledge that any instance of corruption or bribery can have significant consequences, exposing us to reputational harm, significant financial penalties, and legal repercussions. The CoC explicitly defines the acts of bribery and corruption, outlining the circumstances that

can cause potential breach of anti-corruption and anti-bribery clauses. Regular assessments of all our operations are conducted to identify and mitigate corruption risks.

# 100%

Of our employees and KMPs received trainings on anti-corruption and anti-bribery practices in the reporting year.



Please read about our policy on Anti-Corruption and Anti-Bribery from [here](#)

## Conflict of Interest

The Code of Conduct clearly enforces the guidelines to avoid situations with Conflicts of Interests. Directors and members of senior management of the Company refrain from engaging in conflicts of interests with the Company. Any situation that involves, or may reasonably be expected to involve, a conflict of interest shall be disclosed promptly to relevant stakeholders as required.

## Human Rights

Protecting & promoting the human rights of all those associated with us is of vital importance for our business strategy. Our Human Rights Policy drives the processes, practices and actions to promote and enhance human rights of our stakeholders. The policy is also consistent with our Code of Conduct, that clearly outlines clear expectations from our internal stakeholders and business partners to uphold our human right values. Our Human Rights Policy is aligned with internationally accepted standards including the principles of United Nation's Global Compact (UNGC), International Bill of Human Rights and the International Labour Organisations' (ILO) Declaration on Fundamental Principles and Rights at Work.



Please read about our Human Rights Policy from [here](#)

## Blowing the Whistle and Ensuring Compliance

The Company has established a dedicated [Whistle Blower Policy](#) and necessary vigil mechanism for employees and Directors to report concerns on unethical behaviour in accordance with the provisions of the Companies Act, 2013 and SEBI Listing Regulations. The policy empowers the employees and all other stakeholders to report actual or potential instances of any unethical and unfair business practices without the fear of victimisation and reprisal.

- Employees can address a Protected Disclosure to the Chairman's Office through an email to [whistleblower@adani.com](mailto:whistleblower@adani.com)

- External stakeholders and public can address the concerns by sending a letter in a closed and secured envelope and superscribed as "Protected Disclosure under the Whistle Blower Policy" to the Chairman's Office, Adani Corporate House, Shantigram, S G Highway, Khodiyar, Ahmedabad – 382 421. The letter should either be typed or written in legible handwriting in English or Hindi or Gujarati
- Vigilance and Ethics Officer is responsible for monitoring the effectiveness of the Whistleblower policy & vigil

mechanism and dealing with concerns raised and reports filed under the purview of Chairman of the Board or the Chairman of the Audit Committee

- Company Secretary oversees the effectiveness of the Code and its compliance
- All Board members and senior management personnel have affirmed their compliance with the Code of Conduct for FY 2023-24. A declaration to this effect signed by the Managing Director of the Company forms part of the Report and is available on Page 303 of this report.

Incidents of Misconduct and Violation of Business Ethics & Integrity	Number of Cases in FY 2023-24
Breach of code including money laundering and insider trading	Zero
Corruption & bribery	Zero
Conflicts of interest involving Directors or any senior management personnel	Zero
Anti-competitive practices, anti-trust and monopoly	Zero
Non-compliances and payment of monetary fines or penalties for Non-compliances	Zero
Employee misconduct	One
Workplace harassment and discrimination	Zero
HSE (Health, Safety and Environment) breach	Zero
Others	Zero

## Policy Commitment

Our Policy framework guides our actions towards sustainability and good corporate governance. Our actions and systems ensure the integration of our policy commitment across our business operations. This leads us towards business excellence and sustainable value creation for all. All the policies are formulated considering relevant stakeholder interests (including vulnerable & marginalised groups), globally recognised institutions, national and global regulations and human rights. Our Board is responsible to ensure and drive policy implementation across entire business operations.

[Access our policies](#)

## Policy Advocacy and Key Industry Associations

Our Policy advocacy approach is systematic, as we address issues across all aspects of our operations. Oversight and management of these issues are under the purview of our Board & Corporate Responsibility Committee, which also supervises lobbying efforts. We collaborate with various trade and industry chambers at both national and global levels, ensuring our memberships and relationships don't conflict with our climate strategies. Our lobbying activities and trade memberships adhere to the Paris Agreement, reflecting our commitment to consistent and robust climate action. We also promote sustainable development by encouraging our partners, including suppliers and vendors, to adopt best practices.

We are demonstrating our commitment towards sustainability best practices by being signatory to, and aligning our goals with:





## Key Trade and Industry Associations at the National & State Level



Electric Power  
Transmission  
Association (EPTA)



Northern  
Regional Power  
Committee (NRPC)



Confederation of Indian Industry (CII)



Federation of  
Indian Chamber  
of Commerce and  
Industry (FICCI)



Association  
of Power  
Producers (APP)



Gujarat Chamber  
of Commerce and  
Industry (GCCCI)



Independent  
Power Producers  
Association  
of India (IPPAI)



Ahmedabad  
Management  
Association (AMA)



Quality Circle Forum  
of India (QCFI)



India Business  
and Biodiversity  
Initiative (IBBI)



National Safety  
Council



Gujarat Safety  
Council (GSC)



GRI South Asia  
Charter on  
Sustainable  
Imperatives (GRI)



United Nations  
Global Compact



UN Energy  
Compact

## Political Contributions

We do not make contributions to political organisations, lobbyists, political campaigns or other tax-exempt groups. Any such contribution, if carried out are in compliance with all applicable laws and regulatory requirements and disclosed in our annual report.

In the reporting year,  
we made

**zero**

political contribution

We contributed ₹ 4.85 lakhs in FY 2023-24 versus ₹ 22.17 lakhs as annual subscription fees towards our affiliated trade associations.

## Tax Transparency

As an organisation, we strongly value the principles of transparency and accountability within the tax system, considering them vital for a just and equitable society. We publicly disclose our tax information, aiming to inspire trust and confidence in our system. Our commitment to tax transparency demonstrates our dedication to creating a more fair, sustainable society, grounded in integrity and shared responsibility.

## Policy on Cybersecurity & Data Privacy

At Adani Energy Solutions, we are cognisant of the reliance of our systems and processes on Information Technology. We acknowledge that any incident of breach or infringement may pose a threat to our business continuity via operational disruption and equipment failures. We strive to improve cybersecurity across all three dimensions - people, processes, and technology.

### Cybersecurity Policy and Processes

We have an organisation-wide Cybersecurity Policy duly approved by our top management. This policy guides our cybersecurity and data privacy related processes, procedures, and actions. The policy's scope not only includes the information systems but also the protection of industrial control systems, whether operated by our own personnel or supported by the third-party operations and services. Our cybersecurity processes are aligned with international standards to ensure comprehensive security of technology assets and information. The Policy comprises cybersecurity rules underpinned by the Company's cybersecurity structure.

We are certified for global process standards – ISO 27001:2013 (Information Security Management Systems) and ISO 22301:2019 (Business Continuity Management (BCM)).

 Please read about our Cybersecurity Policy [here](#)

### Approach to Manage Cybersecurity Risks

Cybersecurity and data privacy risks are embedded into our Risk Management framework for proactive identification and mitigation. We have created a cybersecurity programme based on the NIST Cyber Security Framework (NIST-CSF) and ISO-27001:2013 Standard. Our 'Three Lines of Defence model outlines a systematic approach for governing and supervising cyber risk management. This model ensures a coordinated approach with the appropriate segregation of duties. We have clearly defined roles and responsibilities for each line of Defence, which help streamline cybersecurity efforts into a centralised governance programme led by the Chief Information Security Officer (CISO), who reports into the senior management.

### Our 'Three Lines of Defence model for Cyber Risk Management

#### First Line of Defence

**Functions such as SCADA (Supervisory Control and Data Acquisition) operations & Information Technology**

Identifies potential cyber risks within their projects and operations

#### Second Line of Defence

**Function responsible for monitoring of the design and operation of controls in first line of Defence**

- Provides advice and facilitates risk management activities
- Responsible for setting policies, monitoring and reporting the status of cybersecurity programme to the senior management

#### Third Line of Defence

**Audits and Independent Assurance**

Regular internal audits, review from senior management, and external assurance to assess robustness of first and second Defence lines as well as assess policy compliance with the on-ground practices

## Cybersecurity Governance

The Board-level Information Technology and Data Security committee provides governance by reviewing cybersecurity risks, mitigation measures and the performance of the cybersecurity programme every six months. The committee discusses the emerging trends in the cyber domain and monitors the incidents happening in other sectoral players.

## Cybersecurity Trainings and Awareness

We continuously provide training & upskilling opportunities in cybersecurity domain for our

teams to enhance preparedness. Cybersecurity awareness training is mandatory for all the new hires at the time of induction. This course provides a basic level of awareness about the acceptable usage of information assets and common cybersecurity best practices. Our comprehensive cybersecurity training programme includes live sessions and e-learning modules that cover various aspects of the cybersecurity domain. Employees involved in the operations and maintenance of ICT infrastructure receive specialised cybersecurity training.

We regularly send awareness emails to all employees to inform them about cyber-attacks and frauds. Additionally, we conduct simulated phishing campaigns periodically to test the susceptibility of users to social engineering attacks. Users found at risk are trained to make them aware of the prudent practices to handle such attacks. Employees are familiarised with the mechanism to report any actual or potential cybersecurity breach through a uniform process.



▲ Warangal Substation



## Protecting our Technology Infrastructure

We have deployed multiple technical controls including the CIS (Centre for Internet Security) critical security controls to protect our technology infrastructure. These controls include:

### Inventory and Control of Enterprise Assets

We actively oversee all enterprise information assets, including end-user devices, network devices, and servers, both physically and virtually. This management extends to assets in remote and cloud environments, ensuring a comprehensive understanding of all assets that require monitoring and protection.

### Secure Configuration of Enterprise Assets and Software

We ensure secure configurations of enterprise assets, including end-user devices, network devices, and servers, as well as software such as operating systems and applications. This proactive approach helps to avoid misconfigurations and minimise the attack surface of our assets.

### Malware Defence

We have deployed security controls at multiple levels (endpoints, email gateway, secure email gateway etc.) to safeguard against the installation, spread, and execution of malicious applications, code, or scripts.

### Application Software Security

We conduct in-depth assessments of CIA (Confidentiality/ Integrity/ Availability) rating for all enterprise-level applications. Security assessment of applications is performed to prevent, detect, and remediate security vulnerabilities before they can impact the enterprise.

### Inventory and Control of Software Assets

We proactively administer all operating systems and applications on our information assets. This process ensures that only authorised software is installed and executed, while unauthorised or unmanaged software is identified and prevented from being installed or executed.

### Continuous Technical Vulnerability Management

We have established a robust technical vulnerability management solution that continuously assesses and monitors vulnerabilities across all enterprise assets. Additionally, our cybersecurity team diligently monitors both public and private industry sources for emerging threat and vulnerability intelligence.

### Audit Log Management

We collect and store audit logs of computer systems and network devices that could help detect, understand, or recover from an attack. These logs are periodically reviewed.

### Identity and Access Management

We manage the entire lifecycle of user identities from creation to deletion. To defend against password compromises, we have implemented multifactor authentication for added security. We safeguard privileged identities, including administrator accounts, using a privileged account management technology, which monitors their activities. We provision the access to systems on the principle of least privilege.

### Data Protection

We have implemented mechanisms to identify and protect business-sensitive data during rest and transit. To secure data in the event of asset theft, we utilise endpoint encryption. We actively monitor and track the transfer of sensitive data.

### Network Segmentation

We have segmented our enterprise network into multiple logical zones based on asset types and their security requirements. This allows granular control on the flow of traffic between these zones, enforce security policies and isolate infected assets.

### Email and Internet Access Protections

We have deployed email security solutions to monitor incoming and outgoing emails for phishing and spamming attacks. Additionally, all internet traffic originating from our Company's information assets undergoes scrutiny to identify any malicious or potentially malicious activity.

## Monitoring and Assurance

- A dedicated Security Operations Center (SOC) has been established to perform continuous monitoring of the cybersecurity posture in order to detect and respond to any security incident
- Monitoring of our external attack surface using industry leading solution is done to get an external picture of our technology landscape and close any visible issues
- CERT-IN empanelled auditors have been engaged for third-party audit of our ICT landscape, in order to get an independent view of our cybersecurity posture and exceed the industry's best practices
- Engagement and partnership with external stakeholders on initiatives to share threat information and participate in a wide range of industry collaborations and briefings on cybersecurity

## Incident Response and Business Continuity Framework

All actual or potential cybersecurity incident must be reported to the Security Operations Center (SOC), which serves as the single point of contact and is operational round the clock. We have developed standard playbooks to handle cyber incidents and formulated a Cyber Crisis Management Plan (CCMP) in line with the directions of CERT-IN. Business Continuity is critical requirement for the business, therefore we have established a Business Continuity Management System (BCMS) conforming with ISO-22301:2019, to manage potential risks which can cause disruption in the business processes.

Adani Energy Solutions suffered

**zero**

impact on its business from any cyber incidents or security breaches in FY 2023-24

## Customer Data Protection

We, at Adani Energy Solutions, firmly believe that customers are the true owners of their data and without their consent no data can be collected, processed, or used by any corporate entity. We transparently inform customers on data use (including the nature and purpose of customer information captured and the protection of data and information) to ensure data protection.

**Zero**

Cases of breach of customer privacy observed during FY 2023-24

**Zero**

Cases of breach of employee privacy observed during FY 2023-24










# Board of Directors

## Committees

AU	Audit Committee
N&R	Nomination & Remuneration Committee
SR	Stakeholders' Relationship Committee
CSR	Corporate Social Responsibility Committee
RM	Risk Management Committee
M&A	Mergers & Acquisitions Committee
LR&T	Legal, Regulatory & Tax Committee
RR	Reputation Risk Committee
CR	Corporate Responsibility Committee
PC	Public Consumer Committee
IT&DS	Information Technology & Data Security Committee

 Chairman/Chairperson  Member

## Skills and Expertise

-  Business Leadership
-  Financial Expertise
-  Risk Management
-  Global Experience
-  Corporate Governance & ESG
-  Merger & Acquisition
-  Technology & Innovation



**Mr Gautam S. Adani**  
Chairman

Mr Gautam S. Adani, is a Promoter Director of the Company since June 17, 2015. He is the Chairman and Founder of the Adani Group. Under his leadership, Adani Group has emerged as a global integrated infrastructure player with interest across Resources, Logistics and Energy verticals. His journey has been marked by his ambitious and entrepreneurial vision, coupled with great vigour and hard work. This has not only enabled the Group to achieve

numerous milestones with speed and scale but also resulted in the creation of a robust business model which is contributing towards building sound infrastructure in India.

## Skills and Expertise



**Mr Rajesh S. Adani**  
Director

Mr Rajesh S. Adani, is a Promoter Director of the Company since June 17, 2015. He has been associated with Adani Group since its inception. He is in charge of the operations of the Group and has been responsible for developing its business relationships. His proactive, personalised approach to the business and competitive spirit have helped towards the growth of the Group and its various businesses.

## Skills and Expertise



SR RM





**Mr Anil Sardana**

Managing Director

Mr Anil Sardana is the Managing Director of Adani Energy Solutions Limited since May 10, 2018. Before joining Adani Energy Solutions, he was the CEO & Managing Director of Tata Power for over seven years and prior to that he was the Managing Director & CEO of Tata Teleservices.

Mr Sardana has also served as Executive Director on the Board of Tata Power. He was also the founding CEO & Managing Director of Tata Power Delhi Distribution Limited (TPDDL/NDPL) having taken over as founding chief when the company was set up in 2002 to take over from state-owned DISCOM. He is credited with having spearheaded the dramatic turnaround of Tata Power Delhi Distribution, having achieved benchmark performance standards – including world record Reduction of Aggregate Technical and Commercial Losses and making discoverable changes in deliverables to customers. Tata Power Delhi Distribution was also bestowed the prestigious 'Silver National Award for Meritorious Performance' for two consecutive years, 2004-2005 and 2005-2006, in Power Distribution by the Prime Minister.

He spearheaded two major M&A's namely with NTT DOCOMO of Japan and a reverse equity swap & merger to create most valuable Telecom-Tower Infrastructure company VIOM with the highest tenancy in the industry. He also led the transition of Tata Tele by launch of very successful Tata DOCOMO & Tata Photon brands. These brands achieved

stupendous off take. He also launched several innovative schemes including pay-per-use & per-second billing.

Mr Sardana has more than 40 years of experience in the infrastructure space, particularly in the Energy and Telecom sectors having managed complex transitions, developments & operations as well as Engineering, Procurement and Construction assignments. He had also worked at NTPC (14 years) and BSES (7 years) prior to joining Tata Group where he spent 18 years. He held Chairman's position at CII National Committee on Power from 2012 onwards till April 2018, whereafter he is now National Co-Chair on CII's Infra Council.

Mr Sardana holds a degree of Bachelors in Engineering from Delhi College of Engineering. He also holds a Post-Graduate degree in Cost Accountancy (ICWAI) and a Post-Graduate Diploma in Management and has attended Top Management Programme at the Indian Institute of Management, Ahmedabad. He received several recognitions from Indian & International fora's and was also conferred with "Global Alumni Excellence Award" by his alma-mater Delhi College of Engineering in 2012. Anil did his schooling from Sardar Patel Vidyalaya, New Delhi.

### Skills and Expertise





**Dr Ravindra H. Dholakia**  
Independent Director

Dr Ravindra H. Dholakia, a retired Professor of IIM, Ahmedabad, has more than 38 years of experience in regional economic development, economic analysis and policy, international economics and health economics. He holds a post-doctoral research fellowship from the University of Toronto and a PhD in Economics from M S University, Baroda. Earlier, he has served as a consultant to State and Central governments, private sector institutions and international organisations such as

WHO, UNICEF, ADB and World Bank. He has also been a member of various committees appointed by the Government and has more than 140 research papers and 22 books to his credit. He joined the Board of Adani Energy Solutions on May 26, 2016.

#### Skills and Expertise



AU N&R SR CSR RM M&A LR&T RR CR PC IT&DS



**Mr K. Jairaj**  
Independent Director

Mr K. Jairaj, a member of the 1976 batch of the Indian Administrative Service, has held distinguished appointments in the infrastructure, energy, transport and urban development sectors, including a role as Additional Chief Secretary, Energy Department and Chairman, BESCO, Managing Director, Bangalore International Airport Ltd; Managing Director, Karnataka Power Corporation Ltd; Managing Director, Karnataka State Road Transport Corporation; Commissioner, Bangalore City Corporation for two terms; Commissioner for Commercial Taxes and Principal Secretary to the Chief Minister. With N.R. Narayana Murthy, Chairman Emeritus of Infosys, Mr Jairaj established the Bangalore International Airport Limited, India's first greenfield airport on public private partnership basis with Siemens, Germany.

Mr Jairaj served with the World Bank, Washington D.C. USA, as senior public sector management specialist in the Africa region between 2004-2006. He has academic background in economics, public policy and management. He has a Bachelor of Arts (Honours) degree from

Bangalore University, Master of Arts degree in Economics from the Delhi School of Economics, M.P.A. Woodrow Wilson School Of Public And International Affairs, Princeton University and M.P.A, Kennedy School of Government, Harvard University, U.S.A, where he was Edward's Mason Fellow. Mr Jairaj is active in the National Management Movement and served as President, All India Management Association (AIMA), the only IAS officer to have done so; Past President Bangalore Management Association; currently on the Board of Governors, Indian Institute of Management, Kashipur.

He was on the Board of Governors of Indian Institute of Management, Bangalore from 2000 to 2004. He is associated with several educational and not-for-profit institutions. He has been an Independent Director of Adani Energy Solutions since June 17, 2015.

#### Skills and Expertise



AU N&R SR CSR RM M&A LR&T RR CR PC IT&DS



**Mrs Meera Shankar**  
Independent Director

Mrs Meera Shankar joined the Indian Foreign Service in 1973 and had an illustrious career spanning 38 years. She served in the Prime Minister's Office for six years, from 1985 to 1991 working on foreign policy and security matters. Thereafter, she led the Commercial Wing in the Indian Embassy in Washington as Minister (Commerce) till 1995. She returned as Director General of the Indian Council of Cultural Relations overseeing India's cultural diplomacy. She has had extensive experience in South Asia having worked on Bangladesh, Sri Lanka and Maldives as Under Secretary and Deputy Secretary in the Ministry of External Affairs. Later, as

Joint Secretary, she headed divisions dealing with neighbours, Nepal and Bhutan, and the South Asian Association of Regional Cooperation (SAARC). As Additional Secretary, she handled the UN and international security issues. She served as Ambassador of India to Germany from 2005 to 2009 and then to the United States from 2009 to 2011. She has been on the Board of Adani Energy Solutions since June 17, 2015.

#### Skills and Expertise



AU N&R CR CSR PC



**Mrs Lisa Caroline MacCallum**  
Independent Director

Mrs Lisa Caroline MacCallum, an Australian citizen, began her professional life in Accounting, Finance and Consulting with KPMG in Australia and the USA. She enjoyed a long career at NIKE Inc (2001-2014) based in the USA, serving on the executive leadership team in commercial and brand strategy roles and as Vice President of NIKE's Corporate Philanthropy and Global Community Investments. Prior to joining NIKE, Mrs Lisa co-founded a Tokyo-based multi-media and executive education company, Business Breakthrough, Inc. She currently serves

as an ESG Advisory Board member of KAO Corporation Japan and is an Independent Non-executive Director of Bond University Australia Limited and Seattle based employee experience company Limeade Limited. She has been on the Board of Adani Energy Solutions since November 30, 2021.

#### Skills and Expertise





## Company Information

### Board of Directors

**Mr Gautam S. Adani**  
Chairman

**Mr Rajesh S. Adani**  
Director

**Mr Anil Sardana**  
Managing Director

**Mr K. Jairaj**  
Independent Director

**Dr Ravindra H. Dholakia**  
Independent Director

**Mrs Meera Shankar**  
Independent Director

**Mrs Lisa Caroline MacCallum**  
Independent Director

**Chief Executive Officer**  
Mr Kandarp Patel

**Chief Financial Officer**  
Mr Kunjal Mehta

**Company Secretary**  
Mr Jaladhi Shukla

**Statutory Auditors**  
M/s. Walker Chandiok & Co.  
LLP, Chartered Accountants

**Secretarial Auditors**  
Chirag Shah & Associates  
Practicing Company Secretaries  
Ahmedabad

**Registered Office**  
Adani Corporate House, Shantigram,  
Near Vaishno Devi Circle,  
S. G. Highway, Khodiyar,  
Ahmedabad – 382 421  
Website:  
[www.adanienergysolutions.com](http://www.adanienergysolutions.com)

### Committees

**Audit Committee**  
Mr K. Jairaj – Chairman  
Dr Ravindra H. Dholakia – Member  
Mrs Meera Shankar – Member

**Nomination and Remuneration Committee**  
Mr K. Jairaj – Chairman  
Dr Ravindra H. Dholakia – Member  
Mrs Meera Shankar – Member

**Stakeholders' Relationship Committee**  
Mr K. Jairaj – Chairman  
Dr Ravindra H. Dholakia – Member  
Mr Rajesh S. Adani – Member  
Mr Anil Sardana – Member

**Corporate Social Responsibility Committee**  
Mr K. Jairaj – Chairman  
Dr Ravindra H. Dholakia – Member  
Mrs Meera Shankar – Member  
Mr Anil Sardana – Member

**Risk Management Committee**  
Mr K. Jairaj – Chairman  
Dr Ravindra H. Dholakia – Member  
Mr Rajesh S. Adani – Member  
Mr Anil Sardana – Member

**Mergers & Acquisitions Committee**  
Mr Anil Sardana – Chairman  
Dr Ravindra H. Dholakia – Member  
Mr K. Jairaj – Member

**Legal, Regulatory & Tax Committee**  
Mr Anil Sardana – Chairman  
Dr Ravindra H. Dholakia – Member  
Mr K. Jairaj – Member

**Corporate Responsibility Committee**  
Mr K. Jairaj – Chairman  
Dr Ravindra H. Dholakia – Member  
Mrs Meera Shankar – Member

### Reputation Risk Committee

Mr Anil Sardana – Chairman  
Dr Ravindra H. Dholakia – Member  
Mr K. Jairaj – Member

### Public Consumer Committee

Mr K. Jairaj – Chairman  
Dr Ravindra H. Dholakia – Member  
Mrs Meera Shankar – Member

### Information Technology & Data Security Committee

Mr Anil Sardana – Chairman  
Dr Ravindra H. Dholakia – Member  
Mr K. Jairaj – Member

### Bankers / FIs

Axis Bank Limited  
Barclays Bank PLC  
Citi Bank N.A.  
Credit Suisse AG  
DBS Bank Limited  
Deutsche Bank AG  
HDFC Bank Limited  
ICICI Bank Limited  
IDFC First Bank  
Indusind Bank  
Intesa Sanpaolo  
India Infradebt Limited  
JPMorgan  
Kotak Mahindra Bank Limited  
Mizuho Bank Limited  
MUFG Bank Limited  
Power Finance Corporation Limited  
PTC India Financial Services Limited  
Qatar National Bank (Q.P.S.C.)  
Rural Electrification Corporation Limited  
Siemens Bank  
Societe General  
Standard Chartered Bank  
State Bank of India  
Sumitomo Mitsui Banking Corporation  
The Hong Kong Mortgage Corporation Limited  
YES Bank Limited

### Registrar and Share Transfer Agent

M/s. Link Intime India Private Limited  
5<sup>th</sup> Floor, 506-508, Amarnath  
Business Centre – 1 (ABC-1),  
Beside Gala Business Centre,  
Off C. G. Road, Navrangpura,  
Ahmedabad – 380 009.  
Phone: +91-79-26465179  
Fax: +91-79-26465179  
Website :[www.linkintime.co.in](http://www.linkintime.co.in)

# Directors' Report

## Dear Shareholders,

Your Directors are pleased to present the 11<sup>th</sup> Annual Report along with the Audited Financial Statements of your Company for the financial year ended March 31, 2024 ("FY 2023-24/ FY 24").

## Financial Performance

The Audited Financial Statements of your Company as on March 31, 2024, are prepared in accordance with the relevant applicable Indian Accounting Standards ("Ind AS") and Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and the provisions of the Companies Act, 2013 ("Act").

The summarized financial highlight is depicted below:

(₹ in crore)

Particulars	Consolidated		Standalone	
	2023-24	2022-23	2023-24	2022-23
<b>FINANCIAL RESULTS</b>				
<b>Total Revenue</b>	<b>17218.31</b>	<b>13,840.46</b>	<b>2511.89</b>	<b>1302.79</b>
Total Expenditure other than Financial Costs and Depreciation	10436.15	8775.11	1504.37	716.27
<b>Profit before Depreciation, Finance Costs and Tax</b>	<b>6782.16</b>	<b>5,065.35</b>	<b>1007.52</b>	<b>586.52</b>
Finance Costs	2766.51	2781.47	347.84	416.08
Depreciation, Amortization and Impairment Expense	1776.08	1607.74	0.34	0.15
<b>Profit Before Rate Regulated Activities, Tax and Deferred Assets recoverable/adjustable for the period / year</b>	<b>2,239.57</b>	<b>676.14</b>	<b>659.34</b>	<b>170.29</b>
Net movement in Regulatory Deferral Account Balances - Income/(Expenses)	(460.01)	1035.58	-	-
<b>Profit Before Tax and Deferred Assets recoverable / adjustable for the period / year</b>	<b>1,779.56</b>	<b>1,711.72</b>	<b>659.34</b>	<b>170.29</b>
Total Tax Expenses	580.13	435.33	64.43	0.01
<b>Profit After Tax for the period / year but before Deferred Assets recoverable/adjustable</b>	<b>1,199.43</b>	<b>1,276.39</b>	<b>594.91</b>	<b>170.28</b>
Deferred assets recoverable/adjustable	(3.82)	4.21	-	-
<b>Profit After Tax for the period / year</b>	<b>1,195.61</b>	<b>1,280.60</b>	<b>594.91</b>	<b>170.28</b>
Add / (Less) Share in Joint Venture & Associates	-	-	-	-
<b>Net Profit / (Loss) after Joint Venture &amp; Associates</b>	<b>1,195.61</b>	<b>1,280.60</b>	<b>594.91</b>	<b>170.28</b>
Other Comprehensive Income				
- Items that will not be reclassified to profit or loss	(0.77)	(0.41)	(0.02)	0.00
- Tax relating to item that will not be reclassified to Profit & Loss	0.01	(8.36)	-	-
- Items that will be reclassified to profit or loss	(375.33)	(341.59)	-	(40.49)
- Tax relating to items that will be reclassified to Profit & Loss	93.62	71.64	-	-
<b>Total Other Comprehensive Income / (Loss) for the year (Net of Tax)</b>	<b>(282.47)</b>	<b>(278.72)</b>	<b>(0.02)</b>	<b>(40.49)</b>
<b>Total Comprehensive Income / (Loss) for the year attributable to the Owners of the Company</b>	<b>890.63</b>	<b>990.42</b>	<b>594.89</b>	<b>129.79</b>
Add / (Less) Share Non-controlling interests	22.51	11.46	-	-
<b>Net Profit / (Loss) for the year</b>	<b>913.14</b>	<b>1,001.88</b>	<b>594.89</b>	<b>129.79</b>
<b>Balance carried to Balance Sheet</b>	<b>913.14</b>	<b>1,001.88</b>	<b>594.89</b>	<b>129.79</b>

Note: Figures less than ₹ 50,000 are denoted as 0.00

1. There are no material changes and commitments affecting the financial position of your Company which have occurred between the end of the financial year and the date of this report.
2. Previous year figures have been regrouped/ re-arranged wherever necessary.
3. There has been no change in nature of business of your Company.

## Performance Highlights

### Consolidated Financial Results

The Audited Consolidated Financial Statements of your Company as on March 31, 2024, prepared in accordance with the relevant applicable IND AS and Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and provisions of the Companies Act, 2013 ("the Act"), forms part of this Annual Report.

The key aspects of your Company's consolidated performance during the FY 2023-24 are as follows:

### Operational Highlights

Your Company, Adani Energy Solutions Limited (formerly known as Adani Transmission Limited) (AESL), part of the Adani portfolio, is a multidimensional organization with presence in various facets of the energy domain, namely power transmission, distribution, smart metering, and cooling solutions. AESL is the country's largest private transmission company, with a presence across 16 states of India and a cumulative transmission network of 20,509 ckm and 57,011 MVA transformation capacity. In its distribution business, AESL serves more than 12 million consumers in metropolitan Mumbai and the industrial hub of Mundra SEZ (Gujarat). AESL is ramping up its smart metering business and is on course to become India's leading smart metering integrator with an order book of over 22.80 million meters. AESL, with its integrated offering through the expansion of its distribution network through parallel licenses and competitive and tailored retail solutions, including a significant share of green power, is revolutionizing the way energy is delivered to the end consumer. AESL is a catalyst for transforming the energy landscape in the most reliable, affordable, and sustainable way.

The following are some of the operational highlights for FY 2023-24 –

- Commissioned largest 765 kV Warora-Kurnool transmission line strengthening the national grid and facilitating the seamless flow of 4,500 MW of power between Western and Southern regions and bolstering the Southern region's grid for efficient integration of renewable energy sources.
- The 765 kV KBTL (Khavda Bhuj line), with 217 circuit kilometers, will help evacuate about 3 GW of renewable energy from Khavda, Gujarat. The project will help shape one of the country's largest solar and wind farms.
- Commissioned 400 kV Kharghar-Vikhroli double circuit transmission line, establishing the first-ever high voltage 400 kV connection in Mumbai. This will enable an additional 1,000 MW power to be brought into Mumbai, thus meeting the city's fast-growing electricity demand.
- Completed the Karur Transmission Limited (KTL) project by establishing the 400/230 kV, 1000 MVA Pooling Station and an associated transmission line in Tamil Nadu.
- Strong transmission system availability of 99.6% at the portfolio level.
- AEML, the Mumbai distribution business witnessed an increase in the energy consumed by 9.4%. It saw one of the lowest distribution losses of 5.29% in its history and added new consumers, reaching 3.18 million on the back of reliable and affordable power supply.

### Financial Highlights:

#### Consolidated Performance on YoY basis –

For FY 2023-24, the operational EBITDA grew by 7% to ₹ 5,695 crore. The transmission business continues to maintain the industry's leading EBITDA margin of 91%. Comparable PAT of ₹ 1,197 crore in FY 2023-24 was 12% higher YoY.

### Performance highlights:

- Operational Revenue at ₹ 14,217 crore, up 17% YoY
- Operational EBITDA at ₹ 5,695 crore in full year, up 7% YoY
- Comparable PAT of ₹ 1,197 crore increased by 12% YoY
- Cash Profit of ₹ 3,257 crore

### Standalone Financial Results:

On standalone basis, your Company registered Total Revenue of ₹ 2,511.89 crore in FY 2023-24 as compared to ₹ 1,302.79 crore in FY 2022-23 and Net Profit of ₹ 594.91 crore as compared to ₹ 170.28 crore in FY 2022-23.

The detailed operational performance of your Company has been comprehensively discussed in the Management Discussion and Analysis Section, which forms part of this Integrated Annual Report.



## Credit Rating

The Company's financial discipline and prudence is reflected in the strong credit ratings ascribed by rating agencies. The details of credit rating are disclosed in the Corporate Governance Report, which forms part of this Integrated Annual Report.

## Dividend

The Board of your Company, after considering holistically the relevant circumstances and keeping in view the tremendous growth opportunities that your Company is currently engaged with, has decided that it would be prudent not to recommend any dividend for the year under review.

## Dividend Distribution Policy

The Dividend Distribution and Shareholder Return Policy, in terms of Regulation 43A of the SEBI Listing Regulations is available on your Company's website on [www.adanienergysolutions.com/-/media/Project/Transmission/Investor/documents/Policies/A210-Dividend-Distribution-Policy-dtd-04012020.pdf](http://www.adanienergysolutions.com/-/media/Project/Transmission/Investor/documents/Policies/A210-Dividend-Distribution-Policy-dtd-04012020.pdf)

## Share Capital

During the year under review, there was no change in the authorized and paid-up share capital of the Company. The authorized share capital of your Company is ₹ 1,500 crore and paid-up equity share capital of your Company is ₹1,115.49 crore.

## Non-Convertible Debentures (NCDs)

Your Company has outstanding 1,000 Unsecured Rated, Listed, Redeemable, Non-Convertible Debentures of face value of ₹ 10 lakh each, aggregating to ₹ 100 crore. These NCDs are listed on the wholesale debt market segment of BSE Limited.

## Public Deposits

There were no outstanding deposits within the meaning of Section 73 and 74 of the Act read with rules made thereunder at the end of FY 2023-24 or the previous financial years. Your Company did not accept any deposit during the year under review.

## Particulars of loans, guarantees or investments

The provisions of Section 186 of the Act, with respect to a loan, guarantee, investment or security are not applicable to your Company, as your Company is engaged in providing infrastructural facilities which is exempted under Section 186 of the Act. The particulars of loans, guarantee and investments made during the year under review, are given in the notes forming part of the financial statements.

## Subsidiaries, Joint Ventures and Associate Companies

A list of subsidiaries/associates/joint ventures of your Company is provided as part of the notes to the Consolidated Financial Statements.

During the year under review, your Company formed/acquired following entities:

### Subsidiaries:

- Sangod Transmission Service Limited
- Halvad Transmission Limited
- Arasan Infra Two Limited
- Sunrays Infra Space Two Limited
- Adani Energy Solutions Step-Twelve Limited
- Adani Energy Solutions Step-Thirteen Limited
- KPS1 Transmission Limited

In view of the above, the total number of subsidiaries of your Company, as on March 31, 2024 was 62.

Pursuant to the provisions of Section 129, 134 and 136 of the Act read with rules made thereunder and Regulation 33 of the SEBI Listing Regulations, your Company has prepared consolidated financial statements of the Company and a separate statement containing the salient features of financial statement of subsidiaries, joint ventures and associates in Form AOC-1, which forms part of this Integrated Annual Report.

The annual financial statements and related detailed information of the subsidiary companies shall be made available to the shareholders of the holding and subsidiary companies seeking such information on all working days during business hours. The financial statements of the subsidiary companies shall also be kept for inspection by any shareholders during working hours at your Company's registered office and that of the respective subsidiary companies concerned. In accordance with Section 136 of the Act, the audited financial statements, including consolidated financial statements and related information of your Company and audited accounts of each of its subsidiaries, are available on website of your Company at [www.adanienergysolutions.com](http://www.adanienergysolutions.com).

### Material Subsidiaries

As on March 31, 2024, your Company had 3 (three) unlisted material subsidiaries. Your Company has formulated a policy for determining Material Subsidiaries. The policy on Material Subsidiary is available on your Company's website and link for the same is given in **Annexure-A** of this report.

Pursuant to Section 134 of the Act read with rules made thereunder, the details of developments at the level of subsidiaries and joint ventures of your Company are covered in the Management Discussion and Analysis Report, which forms part of this Integrated Annual Report.

### Directors and Key Managerial Personnels

As of March 31, 2024, your Company's Board had seven members comprising of three Executive Directors and four Non-Executive Independent Directors including two Woman Directors. The details of Board and Committee composition, tenure of directors, and other details are available in the Corporate Governance Report, which forms part of this Integrated Annual Report.

In terms of the requirement of the Listing Regulations, the Board has identified core skills, expertise, and competencies of the Directors in the context of the Company's business for effective functioning. The key skills, expertise and core competencies of the Board of Directors are detailed in the Corporate Governance Report, which forms part of this Integrated Annual Report.

### Appointment/Cessation/Change in Designation of Directors / KMPs

During the year under review, following changes took place in the Directorships / KMPs:

#### Cessation:

- Mr Bimal Dayal resigned as Chief Executive Officer – Transmission Business and KMP of the Company w.e.f. December 8, 2023 due to another compelling and growing infrastructure execution role at Adani portfolio company, as CEO.
- Pursuant to leadership development process across the Adani portfolio companies, Mr Rohit Soni relinquished his position as Chief Financial Officer of the Company (Key Managerial Personnel) of the Company w.e.f. March 31, 2024 and transitioned to a new role within Adani portfolio of companies.

The Board places on record the deep appreciation for valuable services and guidance provided by Mr Bimal Dayal and Mr Rohit Soni, during their tenure.

#### Change in Designation:

- Mr Kandarp Patel was redesignated as Chief Executive Officer of the Company w.e.f. December 8, 2023.

#### Appointment:

- Mr Kunjal Mehta was appointed the Chief Financial Officer of the Company (Key Managerial Personnel) w.e.f. April 1, 2024.

### Re-appointment of Director(s) retiring by rotation

In accordance with the provisions of Section 152 of the Act, read with rules made thereunder and Articles of Association of your Company, Mr Gautam S. Adani (DIN: 00006273) is liable to retire by rotation at the ensuing AGM and being eligible, offers himself for re-appointment.

The Board recommends the re-appointment of Mr Gautam S. Adani as Director for your approval. Brief details as required under Secretarial Standard-2 and Regulation 36 of SEBI Listing Regulations, are provided in the Notice of AGM.

### Re-appointment of Independent Director

The tenure of Mrs Lisa Caroline MacCallum (DIN: 09064230) as Independent Director of the Company is due for renewal w.e.f. November 30, 2024. The Nomination and Remuneration Committee (NRC) and the Board of Directors at their respective meetings held on April 30, 2024 recommended and approved the re-appointment of Mrs Lisa Caroline MacCallum as an Independent Director of the Company for the second term of 3 (Three) years w.e.f. November 30, 2024, subject to approval of Members at the ensuing AGM.

Terms and conditions for her re-appointment are contained in the Explanatory Statement forming part of the Notice of the ensuing AGM.

### Declaration from Independent Directors

Your Company has received declarations from all the Independent Directors of your Company confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1) (b) of the SEBI Listing Regulations and there has been no change in the circumstances which may affect their status as an Independent Director. The Independent Directors have also given declaration of compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to their name appearing in the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs.

### Key Managerial Personnel:

As on the date of this report, the following are Key Managerial Personnel ("KMPs") of your Company as per Sections 2(51) and 203 of the Act:

- Mr Anil Sardana, Managing Director
- Mr Kandarp Patel, Chief Executive Officer
- Mr Kunjal Mehta, Chief Financial Officer (w.e.f. April 1, 2024)
- Mr Jaladhi Shukla, Company Secretary

## Committees of Board

As required under the Act and the SEBI Listing Regulations, the Company has constituted various Statutory Committees. Additionally, the Board has formed other governance committees and sub-committees to review specific business operations and governance matters including any specific items that the Board may decide to delegate. As on March 31, 2024, the Board has constituted the following committees / sub-committees.

### Statutory Committees:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship Committee
- Risk Management Committee
- Corporate Social Responsibility Committee

### Governance Committees:

- Corporate Responsibility Committee
- Information Technology & Data Security Committee
- Legal, Regulatory & Tax Committee
- Reputation Risk Committee
- Mergers and Acquisitions Committee
- Public Consumer Committee

Details of all the committees such as terms of reference, composition, and meetings held during the year under review are disclosed in the Corporate Governance Report, which forms part of this Integrated Annual Report.

## Number of meetings of the Board

The Board met 6 (six) times during the year under review. The intervening gap between two consecutive board meetings did not exceed 120 days, as prescribed under the Act and SEBI Listing Regulations. The details of board meetings and the attendance of the Directors are provided in the Corporate Governance Report, which forms part of this Integrated Annual Report.

## Independent Directors' Meeting

The Independent Directors met on March 20, 2024, without the attendance of Non-Independent Directors and members of the management. The Independent Directors reviewed the performance of Non-Independent Directors, the Committees and the Board as a whole along with the performance of the Chairman of your Company, taking into account the views of Executive Directors and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between

the management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

## Board Evaluation

The Board adopted a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board and Committees, experience and competencies, performance of specific duties and obligations, contribution at the meetings and otherwise, independent judgment, governance issues etc.

At the Board Meeting that followed the above-mentioned meeting of the Independent Directors, the performance of the Board, its Committees, and individual Directors was also discussed. Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

## Board Familiarisation and Training Programme

The Board is regularly updated on changes in statutory provisions, as applicable to the Company. The Board is also updated on the operations, key trends and risk universe applicable to the Company's business. These updates help the Directors in keeping abreast of key changes and their impact on the Company. An annual strategy retreat is conducted by the Company where the Board provides its inputs on the business strategy and long-term sustainable growth for the Company. Additionally, the Directors also participate in various programmes /meetings where subject matter experts apprise the Directors on key global trends. The details of such programmes are provided in the Corporate Governance Report, which forms part of this Integrated Annual Report.

## Policy on Directors' appointment and remuneration

Pursuant to Section 178(3) of the Act, the Company has framed a policy on Directors' appointment and remuneration and other matters ("Remuneration Policy") which is available on the website of your Company at <https://www.adanienergysolutions.com/investors/corporate-governance>.

The Remuneration Policy for selection of Directors and determining Directors' independence sets out the guiding principles for the NRC for identifying the persons who are qualified to become the Directors. Your Company's Remuneration Policy is directed towards rewarding performance based on review of achievements.



The Remuneration Policy is in consonance with existing industry practice.

We affirm that the remuneration paid to the Directors is as per the terms laid out in the Remuneration Policy.

### Board Diversity

Your Company recognizes and embraces the importance of a diverse board in its success. The Board has adopted the Board Diversity Policy which sets out the approach to the diversity of the Board of Directors. The said Policy is available on your Company's website and link for the same is given in **Annexure-A** of this report.

### Succession Plan

Your Company has an effective mechanism for succession planning which focuses on orderly succession of Directors, Key Management Personnel and Senior Management. The Nomination and Remuneration Committee (NRC) implements this mechanism in concurrence with the Board.

### Directors' Responsibility Statement

Pursuant to Section 134(5) of the Act, the Board, to the best of their knowledge and based on the information and explanations received from the management of your Company, confirm that:

- a. in the preparation of the Annual Financial Statements, the applicable accounting standards have been followed and there are no material departures;
- b. they have selected such accounting policies and applied them consistently and judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- c. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the annual financial statements have been prepared on a going concern basis;
- e. they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively;
- f. proper systems have been devised to ensure compliance with the provisions of all applicable

laws and that such systems are adequate and operating effectively.

### Internal Financial control system and their adequacy

The details in respect of internal financial controls and their adequacy are included in the Management Discussion and Analysis Report, which forms part of this Integrated Annual Report.

### Risk Management

The Company has a structured Risk Management Framework, designed to identify, assess and mitigate risks appropriately. The Board has formed a Risk Management Committee (RMC) to frame, implement and monitor the risk management plan for the Company. The RMC is responsible for reviewing the risk management plan and ensuring its effectiveness. The Audit Committee has additional oversight in the area of financial risks and controls. The major risks identified by the businesses are systematically addressed through mitigation actions on a continual basis. Further details on the Risk Management activities, including the implementation of risk management policy, key risks identified and their mitigations are covered in Management Discussion and Analysis section, which forms part of this Integrated Annual Report.

### Board Policies

The details of various policies approved and adopted by the Board as required under the Act and SEBI Listing Regulations are provided in **Annexure - A** to this report.

### Corporate Social Responsibility (CSR)

The details of the CSR Committee are provided in the Corporate Governance Report, which forms part of this Integrated Annual Report. The CSR policy is available on the website of your Company at <https://www.adanienergysolutions.com/investors/corporate-governance>. The Annual Report on CSR activities is annexed and forms part of this report. The Company has spent more than 2% of the average net profits of the Company, during the three years immediately preceding financial year.

The Chief Financial Officer of your Company has certified that CSR spends of your Company for FY 2023-24 have been utilized for the purpose and in the manner approved by the Board of the Company.

### Management Discussion and Analysis

The Management Discussion and Analysis Report for the year under review, as stipulated under the SEBI Listing

Regulations, is presented in a section forming part of this Integrated Annual Report.

## Corporate Governance Report

Your Company is committed to maintain highest standards of corporate governance practices. The Corporate Governance Report, as stipulated by SEBI Listing Regulations, forms part of this Integrated Annual Report along with the required certificate from a Practicing Company Secretary, regarding compliance of the conditions of corporate governance, as stipulated.

In compliance with corporate governance requirements as per the SEBI Listing Regulations, your Company has formulated and implemented a Code of Conduct for all Board members and senior management personnel of your Company ("Code of Conduct"), who have affirmed the compliance thereto. The Code of Conduct is available on the website of your Company at <https://www.adanienergysolutions.com/-/media/Project/Transmission/Investor/documents/Policies/A29-ATL-Code-of-Conduct-for-Board-and-Senior-Management--dtd-04012020.pdf>

## Business Responsibility & Sustainability Report (BRSR)

In accordance with the SEBI Listing Regulations, the BRSR for the FY 2023-24, describing the initiatives taken by your Company from an Environment, Social and Governance (ESG) perspective, forms part of this Integrated Annual Report. In addition to BRSR, the Integrated Annual Report of the Company provides an insight on various ESG initiatives adopted by the Company. The ESG disclosures including BRSR Core have been independently assured by M/s. TUV India Private Limited.

## Annual Return

Pursuant to Section 134(3)(a) of the Act, the draft annual return as on March 31, 2024 prepared in accordance with Section 92(3) of the Act is made available on the website of your Company and can be accessed using the <https://www.adanienergysolutions.com/-/media/Project/Transmission/Investor/documents/Annual-Return/AESL-FormMGT7--JS-fnl--31032024.pdf>.

## Transactions with Related Parties

All transactions with related parties are placed before the Audit Committee for its approval. An omnibus approval from Audit Committee is obtained for the related party transactions which are repetitive in nature.

All transactions with related parties entered into during the year under review were at arm's length basis and in the ordinary course of business and in accordance with the provisions of the Act and the rules made thereunder, the SEBI Listing Regulations and your Company's Policy on Related Party Transactions.

The Audit Committee comprise solely of the Independent Directors of your Company. The members of the Audit Committee abstained from discussing and voting in the transaction(s) in which they were interested.

During FY 2023-24, your Company has not entered into any transactions with related parties which could be considered material in terms of Section 188 of the Act. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Act, in Form AOC 2, is not applicable.

Your Company did not enter into any related party transactions during the year under review, which could be prejudicial to the interest of minority shareholders.

The Policy on Related Party Transactions is available on your Company's website and can be accessed using the link <https://www.adanienergysolutions.com/investors/corporate-governance>.

Pursuant to the provisions of Regulation 23 of the SEBI Listing Regulations, your Company has filed half yearly reports to the stock exchanges, for the related party transactions.

## Statutory Auditors & Auditors' Report

Pursuant to Section 139 of the Act read with rules made thereunder, as amended, M/s. Walker Chandiok & Co. LLP, Chartered Accountants (Firm Registration No 001076N/N500013) were appointed as the Statutory Auditors of your Company, for the first term of five years till the conclusion of 15<sup>th</sup> AGM of your Company to be held in the year 2028.

The Statutory Auditors have confirmed that they are not disqualified to continue as Statutory Auditors and are eligible to hold office as Statutory Auditors of your Company.

Representative of Statutory Auditors of your Company attended the previous AGM of your Company held on July 19, 2023.

The Notes to the financial statements referred in the Auditors' Report are self-explanatory. The Auditors' Report is enclosed with the financial statements forming part of this Annual Report.

### Explanation to Auditors' Comment:

The Auditors' Qualification has been appropriately dealt with in Note No. 52 to the Standalone Financial Statement and Note No. 64 to the Consolidated Financial Statement.

### Secretarial Audit Report

Pursuant to the provisions of Section 204 of the Act, read with the rules made thereunder, the Board has re-appointed M/s. Chirag Shah & Associates, Company Secretaries, to undertake the Secretarial Audit of your Company for FY 2023-24. The Secretarial Audit Report for the year under review is provided as **Annexure-B** of this report.

### Secretarial Audit of Material Unlisted Indian Subsidiary

As per the requirements of SEBI Listing Regulations, the Practicing Company Secretaries appointed by respective material subsidiaries of the Company undertook secretarial audit of these subsidiaries for FY 2023-24. Each secretarial audit report confirms that the relevant material subsidiary has complied with the provisions of the Act, rules, regulations and guidelines and that there were no deviations or non-compliances. The secretarial audit reports of each material subsidiary forms part of this Integrated Annual Report.

### Secretarial Standards

During the year under review, your Company has complied with all the applicable provisions of Secretarial Standard-1 and Secretarial Standard-2 issued by the Institute of Company Secretaries of India.

### Reporting of frauds by Auditors

During the year under review, the Statutory Auditors and Secretarial Auditor of your Company have not reported any instances of fraud committed in your Company by Company's officers or employees, to the Audit Committee, as required under Section 143(12) of the Act.

### Particulars of Employees

Your Company had 4,959 (consolidated basis) employees as of March 31, 2024.

The information required under Section 197 of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, relating to percentage increase in remuneration, ratio of remuneration of each Director and Key Managerial Personnel (KMP) to the median of employees' remuneration are provided in **Annexure-C** of this report.

The statement containing particulars of employees, as required under Section 197 of the Act, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this report. However, in terms of Section 136 of the Act, the Integrated Annual Report is being sent to the shareholders and others entitled thereto, excluding the said annexure, which is available for inspection by the shareholders at the Registered Office of your Company during business hours on working days of your Company. If any shareholder is interested in obtaining a copy thereof, such shareholder may write to the Company Secretary in this regard.

### Prevention of Sexual Harassment at Workplace

As per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and rules made thereunder, your Company has laid down a Prevention of Sexual Harassment (POSH) Policy and has constituted Internal Complaints Committees (ICs), at all relevant locations across India to consider and resolve the complaints related to sexual harassment. The ICs includes external members with relevant experience. The ICs, presided by senior women, conduct the investigations and make decisions at the respective locations. The Company has zero tolerance on sexual harassment at the workplace. The ICs also work extensively on creating awareness on relevance of sexual harassment issues, including while working remotely. The employees are required to undergo a mandatory training/ certification on POSH to sensitize themselves and strengthen their awareness.

During the year under review, one complaint pertaining to POSH was received and redressed.

All new employees go through a detailed personal orientation on anti-sexual harassment policy adopted by your Company.

### Vigil Mechanism

Your Company has adopted a whistle blower policy and has established the necessary vigil mechanism for directors and employees in confirmation with Section 177 of the Act and Regulation 22 of SEBI Listing Regulations, to facilitate reporting of the genuine concerns about unethical or improper activity, without fear of retaliation.

The vigil mechanism of your Company provides for adequate safeguards against victimization of whistle blowers who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee in exceptional cases.

No person has been denied access to the Chairman of the Audit Committee. The said policy is uploaded



on the website of your Company at <https://www.adanienergysolutions.com/-/media/Project/Transmission/Investor/documents/Policies/A13-ATL-Whistle-Blower-Policy-dtd-04012020.pdf>

During the year under review, your Company had received & resolved 1 (One) whistle blower complaint.

## Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014, as amended is provided as **Annexure-D** of this report.

## Cyber Security

In view of increased cyber attack scenarios, the cyber security maturity is reviewed periodically and the processes, technology controls are being enhanced in-line with the threat scenarios. Your Company's technology environment is enabled with real time security monitoring with requisite controls at various layers starting from end user machines to network, application and the data.

## Code for prevention of insider trading

Your Company has adopted a Code of Conduct ("Code") to regulate, monitor and report trading in Company's shares by Company's designated persons and their immediate relatives as per the requirements under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. The Code, inter alia, lays down the procedures to be followed by designated persons while trading/ dealing in Company's shares and sharing Unpublished Price Sensitive Information ("UPSI"). The Code covers Company's obligation to maintain a digital database, mechanism for prevention of insider trading and handling of UPSI, and the process to familiarize with the sensitivity of UPSI. Further, it also includes code for practices and procedures for fair disclosure of unpublished price sensitive information which has been made available on the Company's website and link for the same is given in **Annexure-A** of this report.

The employees are required to undergo a mandatory training / certification on this Code to sensitize themselves and strengthen their awareness.

## General Disclosures

Your Directors state that no disclosure or reporting is required in respect of the following items, as there were no transactions/events of these nature during the year under review:

1. Issue of equity shares with differential rights as to dividend, voting or otherwise.
2. Issue of Shares (Including Sweat Equity Shares) to employees of your Company under any scheme.
3. Significant or material orders passed by the Regulators or Courts or Tribunals which impact the going concern status and your Company's operation in future.
4. Voting rights which are not directly exercised by the employees in respect of shares for the subscription/ purchase of which loan was given by your Company (as there is no scheme pursuant to which such persons can beneficially hold shares as envisaged under Section 67(3)(c) of the Act).
5. Application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016.
6. One time settlement of loan obtained from the Banks or Financial Institutions.
7. Revision of financial statements and Directors' Report of your Company.

## Acknowledgement

Your Directors are highly grateful for all the guidance, support and assistance received from the Government of India, Governments of various states in India, concerned Government Departments, Financial Institutions and Banks. Your Directors thank all the esteemed shareholders, customers, suppliers and business associates for their faith, trust and confidence reposed in your Company.

Your Directors wish to place on record their sincere appreciation for the dedicated efforts and consistent contribution made by the employees at all levels, to ensure that your Company continues to grow and excel.

For and on behalf of the Board of Directors

**Gautam S. Adani**  
Chairman  
(DIN: 00006273)

Date: April 30, 2024  
Place: Ahmedabad

## Annexure- A to the Directors' Report

Sr. No.	Policy Name	Web-link
1	Vigil Mechanism / Whistle Blower Policy [Regulation 22 of SEBI Listing Regulations and as defined under Section 177 of the Act]	<a href="https://www.adanienergysolutions.com/Investors/Corporate-Governance">https://www.adanienergysolutions.com/Investors/Corporate-Governance</a>
2	Policy for procedure of inquiry in case of leak or suspected leak of unpublished price sensitive information [Regulation 9A of SEBI (Prohibition of Insider Trading) Regulations]	
3	Code of Practices and Procedures for Fair disclosure of unpublished price sensitive information [Regulation 8 of SEBI (Prohibition of Insider Trading) Regulations]	
4	Terms of Appointment of Independent Directors [Regulation 46 of SEBI Listing Regulations and Section 149 read with Schedule IV to the Act]	
5	Familiarization Programs [Regulations 25(7) and 46 of SEBI Listing Regulations]	
6	Related party transactions [Regulation 23 of SEBI Listing Regulations and as defined under the Act]	
7	Policy on Material Subsidiary [Regulation 24 of the SEBI Listing Regulations]	
8	Material Events Policy [Regulation 30 of SEBI Listing Regulations]	
9	Website content Archival Policy [SEBI Listing Regulations]	
10	Policy on Preservation of Documents [Regulation 9 of SEBI Listing Regulations]	
11	Nomination and Remuneration Policy of Directors, KMP and other Employees [Regulation 19 of the SEBI Listing Regulations and as defined under Section 178 of the Act]	
12	CSR Policy [Section 135 of the Act]	
13	Dividend Distribution and Shareholder Return Policy [Regulation 43A of the SEBI Listing Regulations]	
14	Code of Conduct [Regulation 17 of the SEBI Listing Regulations]	
15	Policy on Board Diversity [Regulation 19 of the SEBI Listing Regulations]	
16	Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders [Regulation 8 of the SEBI (Prohibition of Insider Trading) Regulations]	

## Annexure- B to the Directors' Report

Form No. MR-3

### Secretarial Audit Report

for the financial year ended on March 31, 2024

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To

The Members,

**Adani Energy Solutions Limited**

(formerly known as Adani Transmission Limited)

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **ADANI ENERGY SOLUTIONS LIMITED** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit by using appropriate Information technology tools, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2024, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2024 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made hereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (Not Applicable to the Company during the Audit Period);
  - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (Not Applicable to the Company during the audit period); and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, Regulations 2018 (Not Applicable to the Company during the Audit Period);
- (i) SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015;
- (vi) Laws specifically applicable to the industry to which the Company belongs, as identified by the management, that is to say:
  - (a) The Electricity Act, 2003
  - (b) The Grid Code, the grid connectivity standards applicable to the Transmission Line and the sub-station as per the Central Electricity Authority (Technical Standards for Connectivity to the Grid) Regulations, 2007, Central Electricity Authority (Technical Standards for Construction of Electrical Plants and Electric Lines) Regulations, 2010.



We have also examined compliance with the applicable clauses of the following:

- (a) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (b) The Listing Agreements entered into by the Company with Stock Exchanges.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above. Circular Resolutions passed by the Board of Directors were noted / ratified by the Board of Directors at its subsequent meetings in accordance with the statutory provisions.

**We further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size

and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the year under review, the Company has passed following special resolutions.

1. To raise capital by way of a qualified institutions placement to eligible investors through an issuance of equity shares and/or other eligible securities.
2. To consider, and, if thought fit, approve the change of name of the Company from "Adani Transmission Limited" to "Adani Energy Solutions Limited" or such other name as may be approved by the Authority.
3. To consider and, if thought fit, approve re-appointment of Mr Anil Sardana (DIN: 00006867) as Managing Director of the Company.
4. To approve amendment to the Articles of Association of the Company.

**Chirag Shah**

Partner Chirag Shah and Associates

FCS No. 5545

CP No.: 3498

Place: Ahmedabad

UDIN : F005545F000240043

Date: April 30, 2024

Peer Review Cer. No.704/2020

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

## Annexure - A to the Secretarial Audit Report

To

The Members

**Adani Energy Solutions Limited**

(formerly known as Adani Transmission Limited)

Our Secretarial Audit Report of even date is to be read along with this letter.

### Management's Responsibility

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

### Auditor's Responsibility

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.

### Disclaimer

5. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Ahmedabad  
Date: April 30, 2024

**Chirag Shah**  
Partner Chirag Shah and Associates  
FCS No. 5545  
CP No.: 3498  
UDIN : F005545F000240043  
Peer Review Cer. No.704/2020

## Secretarial Audit Report

**Form No. MR-3**

**for the financial year ended on March 31, 2024**

[Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule No. 09 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To

**The Members,**

**ADANI ELECTRICITY MUMBAI LIMITED**

Adani Corporate House, Shantigram,  
Near Vaishno Devi Circle, S. G. Highway,  
Khodiyar Ahmedabad 382421, Gujrat, India

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Adani Electricity Mumbai Limited** (hereinafter called "the company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of **Adani Electricity Mumbai Limited's** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the year ended March 31, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the year ended March 31, 2024 according to the provisions of:-

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder- Not applicable;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')- Not applicable;
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with the client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulation, 2009; and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
6. Other laws specifically applicable to the company:-
  - (a) The Electricity Act, 2003 and the rules & regulations made thereunder;

The adequate systems and processes are in place to monitor and ensure compliance with general laws like labour laws, environmental laws etc. to the extent of their applicability to the Company.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.



**We further report that,** the Board of Directors of the Company is duly constituted with proper balance of Non-Executive Directors, Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provision of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings are carried out unanimously as recorded in the minutes of the meetings of Board of Directors.

**We further report that,** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliances with applicable laws, rules, regulations and guidelines.

**We further report that,** during the audit period no Special Resolution were passed.

**We further report that,** during the audit period Circular Resolutions were passed on 21.07.2023 for approval of Audited Special Purpose combined Financial Statements of "The Obligor Group", comprising of the Company and PDSL for the year ended March 31, 2023.

For **Ashita Kaul & Associates**  
Company Secretaries

Proprietor

Date: April 18, 2024

FCS 6988/ CP 6529

Place: Thane

UDIN: F006988E000457341

Note: This report is to be read with our letter of even date which is annexed as 'Annexure A' and forms an integral part of this report.

## Annexure - A to the Secretarial Audit Report

To,

**ADANI ELECTRICITY MUMBAI LIMITED**

Adani Corporate House, Shantigram, Near Vaishno Devi Circle,

S. G. Highway, Khodiyar Ahmedabad 382421, Gujrat, India

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial record. The verification was done on test basis to ensure that the correct facts are reflected in secretarial records. I believe that the practices and processes, I followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, I obtained management representation about the compliance of laws, rules, regulations, norms and standards and happening of events.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, norms and standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Ashita Kaul & Associates**  
Practicing Company Secretaries

Place:Thane  
Date: April 18, 2024

Proprietor  
FCS 6988/CP 6529  
Peer Review: 1718/2022  
UDIN: F006988E000457341

## Secretarial Audit Report

### Form No. MR-3

#### for the financial year ended on March 31, 2024

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To

The Members,

**Maharashtra Eastern Grid Power Transmission Company Limited**

Adani Corporate House, Shantigram,

Near Vaishno Devi Circle, S. G. Highway,

Khodiyar Ahmedabad 382421, Gujrat, India

I have conducted the secretarial audit of the compliance of the applicable statutory provisions and the adherence to good corporate practices by **Maharashtra Eastern Grid Power Transmission Company Limited** (CIN: U40100GJ2010PLC059593) (hereinafter called the Company). Secretarial Audit (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31.03.2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2024 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under; not applicable
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; applicable
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas

Direct Investment and External Commercial Borrowings; not applicable

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **not applicable**
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; **not applicable**
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **not applicable**
- (d) The Securities and Exchange Board of India (Share Based Employee Benefit) Regulation, 2014 (Not Applicable to the Company during the Audit Period); **not applicable**
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **not applicable**
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **not applicable**
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **not applicable** and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 and The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018, as applicable. **not applicable**

I have also examined compliance with the applicable clauses of the followings:

- i Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii. The Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015. Not applicable



Other legislation:

1. The Electricity Act, 2003
2. The Grid Code, the grid connectivity standards applicable to the Transmission Line and the sub-station as per the Central Electricity Authority (Technical Standards for Connectivity to the Grid) Regulations, 2007, Central Electricity Authority (Technical Standards for Construction of Electrical Plants and Electric Lines) Regulations, 2010.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to filing of certain e-forms with additional fees.

**I further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes. I further report that based on review of compliance mechanism established by the Company and representation given by the Company, we are of the opinion that there are adequate systems and processes in place in the Company which is commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines;

I further report that during the audit period the Company has no specific events/actions having a major bearing on the company's affairs in pursuance to the above-mentioned laws, rules, regulations, guidelines, standard etc.

Note: This Report is to be read with our letter of even date which is annexed herewith and forms an integral part of the Report

For **Vishal Thawani & Associates**  
Company Secretaries

**Vishal Thawani**

Proprietor Membership No.: 43938  
C.P. No.: 17377

Place : Ahmedabad UDIN: A043938F000234733  
Date : April 29, 2024 Peer Review No. S2016GJ435600

## Annexure to Secretarial Audit Report

To

**The Members,**

**Maharashtra Eastern Grid Power Transmission Company Limited**

Adani Corporate House,

Shantigram Near Vaishno Devi Circle,

S. G. Highway, Khodiyar Ahmedabad - 382421

### **Management's Responsibility:**

It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

### **Auditor's Responsibility:**

Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.

We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.

Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

### **Disclaimer:**

The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion. We have not verified the correctness and appropriateness of financial records and books of account of the Company.

The relevant records have been examined through or received by electronic mode and physical records were not inspected. However, necessary confirmation for the authenticity of the records received has been provided by the Company.

For **Vishal Thawani & Associates**  
Company Secretaries

**Vishal Thawani**

Proprietor Membership No.: 43938

C.P. No.: 17377

UDIN: A043938F000234733

Peer Review No. S2016GJ435600

Place : Ahmedabad

Date : April 29, 2024

## Secretarial Audit Report

### Form No. MR-3

#### for the financial year ended on March 31, 2024

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To  
The Members,

#### ADANI TRANSMISSION (INDIA) LIMITED

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by ADANI TRANSMISSION (INDIA) LIMITED (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit by using appropriate Information technology tools like virtual data sharing by way of data room and remote desktop access tools, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2024, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made herein after. The physical Inspection or Verification of documents and records were taken to the extent possible.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2024 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018 and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') (Not Applicable to the company during the Audit period):-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - d. Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014
  - e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018
  - i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (vi) Laws specifically applicable to the industry to which the company belongs, as identified by the management, that is to say:
  - (a) The Electricity Act, 2003
  - (b) The Grid Code, the grid connectivity standards applicable to the Transmission Line and the sub-station as per the Central Electricity Authority (Technical Standards for Connectivity



to the Grid) Regulations, 2007, Central Electricity Authority (Technical Standards for Construction of Electrical Plants and Electric Lines) Regulations, 2010.

We have also examined compliance with the applicable clauses of the following:

- (a) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (b) The Listing Agreements entered into by the Company with Stock Exchange(s);

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**We further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period there were no specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

We further report that during the year under review, the Company has passed following special resolution;

1. To issue Optionally Convertible Redeemable Preference Shares as Bonus Shares

For **Chirag Shah & Associates**

**Raimeen Maradiya**

Partner

FCS No: 11283

C P No: 17554

Place: Ahmedabad

UDIN: F011283F000236519

Date: April 29, 2024

Peer Review Cer. No. 704/2020

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

## Annexure - A to the Secretarial Audit Report

To  
The Members,  
**ADANI TRANSMISSION (INDIA) LIMITED**

Our Secretarial Audit Report of even date is to be read along with this letter.

### Management's Responsibility

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

### Auditor's Responsibility

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We believe that audit evidence and information obtain from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.

### Disclaimer

5. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Chirag Shah & Associates**

**Raimeen Maradiya**

Partner

FCS No: 11283

UDIN: F011283F000236519

C P No: 17554

Place: Ahmedabad  
Date: April 29, 2024

## Annexure- C to the Directors' Report

Information pursuant to Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- i) **The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2023-24 and the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the financial year 2023-24:**

Name of Directors/KMP	Ratio of remuneration to median remuneration of employees	% increase in remuneration in the financial year
<b>Executive Directors:</b>		
Mr Gautam S. Adani, Chairman	N.A.	N.A.
Mr Rajesh S. Adani, Director	N.A.	N.A.
Mr Anil Kumar Sardana, Managing Director	N.A.	N.A.
<b>Non-Executive &amp; Independent Directors:</b>		
Mr K. Jairaj <sup>1</sup>	2.68:1	-
Mrs Meera Shankar <sup>1</sup>	2.37:1	-
Dr Ravindra H. Dholakia <sup>1</sup>	2.68:1	-
Mrs Lisa Caroline MacCallum	1.95:1	-
<b>Key Managerial Personnel:</b>		
Mr Rohit Soni, CFO <sup>2</sup>	N.A.	N.A.
Mr Kandarp Patel, CEO <sup>3</sup>	N.A. <sup>5</sup>	N.A.
Mr Bimal Dayal, CEO (Transmission) <sup>4</sup>	N.A.	N.A.
Mr Jaladhi Shukla, CS	N.A.	N.A.

<sup>1</sup> Reflects Directors' Directors Commission and Sitting Fees.

<sup>2</sup> Resigned w.e.f. March 31, 2024.

<sup>3</sup> Mr Kandarp Patel was redesignated as Chief Executive Officer of the Company w.e.f. December 8, 2023.

<sup>4</sup> Mr Bimal Dayal resigned as Chief Executive Officer – Transmission Business and KMP of the Company w.e.f. December 8, 2023 due to another compelling and growing infrastructure execution role at Adani portfolio company, as CEO.

<sup>5</sup> Median calculated on the basis of remuneration drawn on consolidated basis: 64.92:1.

- ii) **The percentage increase in the median remuneration of employees in the financial year:** 8%
- iii) **The number of permanent employees on the rolls of Company as on March 31, 2024 :** 4,959 permanent employees on consolidated basis as on March 31, 2024.
- iv) **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**
- Average increase in remuneration of employees excluding KMPs: 10.76%
  - Average increase in remuneration of KMPs: Not Applicable
- v) **Affirmation that the remuneration is as per the Remuneration Policy of the Company:** The Company affirms remuneration is as per the Remuneration Policy of the Company.

## Annexure- D to the Directors' Report

### Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

Information as required under Section 134(3)(m) of the Companies Act, 2013 read with rule 8(3) of the Companies (Accounts) Rules, 2014 are set out as under:

#### A. Conservation of Energy

##### I) Steps taken or impact on conservation of energy.

- Mandate for use of LED lights at all new sites.
- Fixing of A.C. temperatures at 24 Degree Celsius to maintain balance of cooling without extra unnecessary consumption.
- Switching of space heaters in Marshalling boxes, BMK etc. during winters.
- Awareness and training of the staffs to avoid Energy wastage.
- High efficiency lighting control, motors, pumps, fans & ACs installed with BEE Rating/Five star to reduce the Auxiliary Power Consumption
- In Unit-2, BFA-2A hydraulic coupling replacement done with modified gear ratio and slip losses were reduced by 425 KW.
- Fan Loading was reduced by @ 950 KW by replacement of APH Seals and R&M of Flue gas duct leakages in unit-2.
- In Unit-2 High Pressure and Low Pressure turbine servicing was carried out to maintain all interstage clearance and seal leakages were attended resulting in Unit Heat rate improved by @ 20 Kcal/KWh

##### II) Steps taken by the Company for utilizing alternate sources of energy.

Renewable Power in procurement mix increased from 30.04% to 34.35%.

##### III) Capital investment on energy conservation equipment.

Approx. ₹ 2.88 crore.

#### B. Technology Absorption

##### O&M:

- Adopting the best technologies in our business is essential in ensuring and maintaining global benchmarks in performance. We ensure this through our in house engineering and adopting best technologies available in the market.
- Control Switching Device installation on EHV circuit breakers to reduce switching transients and thereby help in asset longevity.
- New 220 KV bus-bar differential protection for improved reliability of protection system for critical electrical system
- Digital drive panel for improved reliability & availability of Stacker Reclaimer.
- The latest technology Numerical relays with self-diagnosis features such as disturbance & event recording, for better analysis of faults & corrective / preventive actions
- Digital flame scanner for Better Monitoring & Control, Ease of Calibration, and Improved performance in this new regime of Flexible operation
- Latest Digital technology for EHTC (Electrohydraulic Turbine controls), TSI (Turbine supervisory instruments) & HPBP System & raw coal Feeder control panels for improved accuracy, Better Monitoring & Control, Ease of Calibration, and Improved environment performance
- Continuous Lightning Arrestor health monitoring using real-time based Digital third harmonic leakage current measurement with remote monitoring.



**CQA:**

- Android based QA observation application development is in process to capture, analyze & monitor real time quality observations. This initiative is merged with IPMS module.
- Drone/ UAV deployment is a continuous process & currently in progress at WKTL SPV for stringing final checking.

**HSE:**

- Monitoring of Vehicular safety through Digital solution.
- Monitoring of Safety aspects through smart wearables – WIP.

**IT:**

- 05 MIS Automation projects completed.
- 03 Projects related to Projects Management and Engineering Drawing. Completed
- 16 Location MPLS connectivity at new / existing site locations. Completed.

**C. Foreign Exchange Earnings and Outgo**

The particulars relating to foreign exchange earnings and outgo during the year under review are as under:

Particulars	(₹ in core)	
	2023-24	2022-23
Foreign exchange earned	--	--
Foreign exchange outgo	5.04	297.18

## Annual Report on Corporate Social Responsibility (CSR) Activities to be included in Board's Report for Financial Year 2023-24

### 1. Brief outline on CSR Policy of the Company

The Company has framed Corporate Social Responsibility (CSR) Policy which encompasses its philosophy and guides its sustained efforts for undertaking and supporting socially useful programs for the welfare & sustainable development of the society.

The Company carried out/got implemented its CSR activities/projects through Adani Foundation and other such agencies. The Company has identified Education, Community Health, Sustainable Livelihood and Community Infrastructure as the core sectors for CSR activities.

### 2. Composition of the CSR Committee

Sr. No.	Name of Director	Designation	Number of meetings held during the year	Number of meetings attended
1	Mr K. Jairaj	Chairman	1	1
2	Dr Ravindra Dholakia	Member	1	1
2	Mrs Meera Shankar	Member	1	1
3	Mr Anil Sardana	Member	1	1

### 3. Web-link(s) where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company. –

The details are available at:  
<https://www.adanienergysolutions.com/investors/corporate-governance>

### 4. Executive summary along with web-links of Impact assessment of CSR projects carried out in pursuance of Sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable

Not Applicable during the year under review.

5. (a) Average net profit of the company as per Section 135(5): ₹ 4.44 crore
- (b) Two percent of average net profit of the company as per section 135(5): ₹ 0.09 crore
- (c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. Nil
- (d) Amount required to be set-off for the financial year, if any. Nil
- (e) Total CSR obligation for the financial year [(b)+ (c) - (d)] ₹ 0.09 crore
6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) ₹ 0.56 crore
- (b) Amount spent in Administrative Overheads Nil
- (c) Amount spent on Impact Assessment, if applicable Nil
- (d) Total amount spent for the Financial Year [(a)+ (b) + (c)] ₹ 0.56 crore
- (e) CSR amount spent or unspent for the Financial Year: -

Total Amount Spent for the Financial Year. (₹ In crore)	Amount Unspent				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
--	--	--	--	--	--

(f) Excess amount for set off, if any -

SI No	Particulars	Amount (₹ In crore)
(i)	Two percentage of average net profit of the company as per Section 135(5)	0.09
(ii)	Total amount spent during the Financial Year	0.56
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	0.47
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	--
(v)	Amount available for set off in the succeeding Financial Years [(iii)-(iv)]	0.47

**7. Details of unspent Corporate Social Responsibility amount for the preceding three Financial Years:**

1	2	3	4	5	6		7	8
SI No	Preceding Financial Year(s)	Amount transferred to unspent CSR Account under Section 135(6) (in ₹)	Balance Amount in Unspent CSR Account under Section 135(6) (in ₹)	Amount spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to Section 135(5), if any		Amount remaining to be spent in succeeding Financial Years (in ₹).	Deficiency, if any
					Amount (in ₹)	Date of Transfer		
1	2022-23				NIL			
2	2021-22							
3	2020-21							

**8. Whether any capital asset have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:**

☐ Yes ☒ No

If yes, enter the number of capital assets created/ acquired:

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
--	--	--	--	--	CSR Registration Number, if applicable	Name	Registered address
Not Applicable							

**9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub section (5) of section 135: Not Applicable**

**Anil Sardana**

Managing Director  
DIN: 00006867

**K Jairaj**

Independent Director & Chairman of CSR Committee  
DIN: 01875126

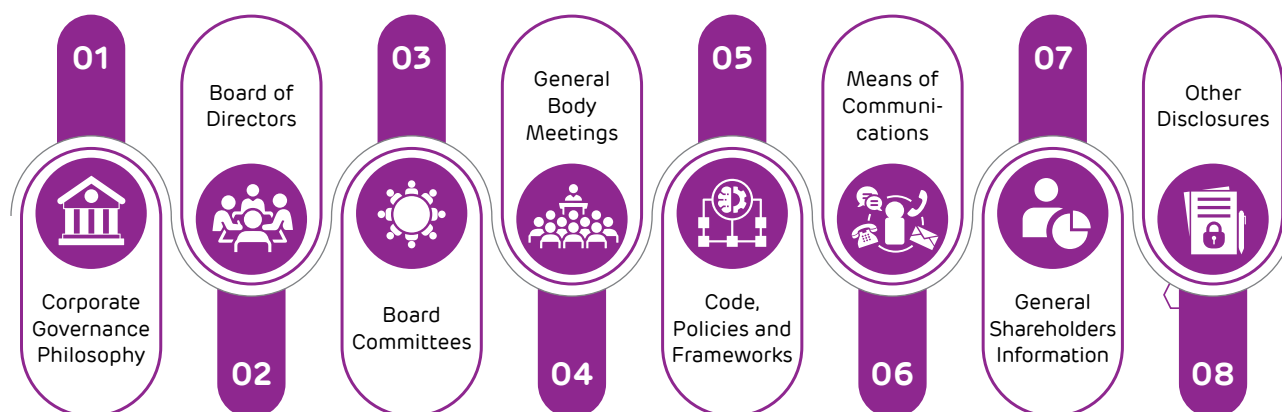
Date : April 30, 2024

Place : Ahmedabad

# Corporate Governance Report

Corporate Governance is about meeting our strategic goals responsibly and transparently, while being accountable to our stakeholders. The Company is equipped with a robust framework of corporate governance that considers the long-term interest of every stakeholder as we operate with a commitment to integrity, fairness, equity, transparency, accountability and commitment to values. Our robust corporate governance structure is based on well-structured policies and procedures that are the backbone of our governance philosophy. Our policies are formulated to ensure business continuity and to maintain a high quality throughout our operations.

**This report is divided into following sections:**



## Corporate Governance Philosophy

**Courage, Trust and Commitment** are the main tenants of our Corporate Governance Philosophy -

- **Courage:** we shall embrace new ideas and businesses.
- **Trust:** we shall believe in our employees and other stakeholders.
- **Commitment:** we shall stand by our promises and adhere to high standards of business.

The Company believes that sustainable and long-term growth of every stakeholder depends upon the judicious and effective use of available resources and consistent endeavour to achieve excellence in business along with active participation in the growth of society, building of environmental balances and significant contribution in economic growth. The cardinal principles such as independence, accountability, responsibility, transparency, fair and timely disclosures, credibility, sustainability, etc. serve as the means for implementing the philosophy of corporate governance in letter and in spirit.

## Governance principles

At the heart of the Company, governance commitment is a one tier Board system with Board of Directors possessing a disciplined orientation and distinctive priorities.

**Ethics and integrity:** The Boards of the Company are committed to the highest integrity standards. Directors commit to abide by the 'Code of Conduct', regulations and policies under oath, endeavoring to demonstrate intent and actions consistent with stated values.

**Responsible conduct:** The Boards emphasize the Company's role in contributing to neighborhoods, terrains, communities and societies. In line with this, the Company is accountable for its environment and societal impact, corresponded by compliance with laws and regulations. As a mark of responsibility, the Company's business extends beyond minimum requirements with the objective of emerging as a responsible corporate.

**Accountability and transparency:** The Boards engage in comprehensive financial and non-financial reporting, aligned to best practices relating to disclosures; it follows internal and/or external assurance and governance procedures.



## Key pillars of Corporate Governance Philosophy of the Company

- Accurate, uniform and timely dissemination of disclosures of corporate, financials and operational information to all stakeholders.
- Complete and timely disclosure of relevant financial and operational information to enable the Board to play an effective role in guiding strategies.
- Board Governance through specialised sub-committees in the areas of Audit, Risk Management, HR & Nomination, ESG, Corporate Social Responsibility and Stakeholders' Relationship etc.
- Compliance with all relevant laws in both form and substance.
- Effective and clear Governance structure with diverse Board, Board Committees and Senior Management.
- Robust risk management framework, strong foundation of Code of Conduct and business policies & procedures.
- Well-defined corporate structure that establishes checks, balances and delegation of authority at appropriate levels in the organisation.
- Transparent procedures, practices and decisions based on adequate information.
- Oversight of Board on Company's business strategy, major developments and key activities.

The Company is in compliance with the conditions of corporate governance as required under the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 ("**SEBI Listing Regulations**"), as applicable.

## Board of Directors

The Board of Directors ("**Board**"), is the highest authority for the governance and the custodian who push our businesses in the right direction and is responsible for the establishment of cultural, ethical, sustainable and accountable growth of the Company. The Board is constituted with a high level of integrated, knowledgeable and committed professionals. The Board provides strategic guidance and independent views to the Company's senior management while discharging its fiduciary responsibilities. The Board also provides direction and exercises appropriate control to ensure that the Company is managed in a manner that fulfils stakeholders' aspirations and societal expectations.

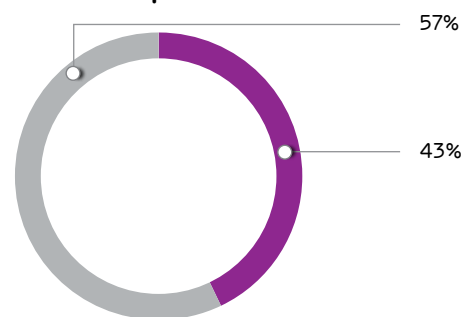
## Size and Composition

The Board of your Company comprises highly experienced persons of repute, eminence and has a good and diverse mix of Executive and Non-Executive Directors with 57% of the Board members comprising Independent Directors including two Independent Woman Directors. The Board composition is in conformity with the applicable provisions of Companies Act, 2013 ("**Act**"), SEBI Listing Regulations, as amended from time to time and other applicable statutory provisions.

As on March 31, 2024, the Board consists of Seven (07) Directors as follows:

S. No.	Category	Name of Director	% of Total Board size
1	Promoter Directors	i. Mr Gautam S. Adani, Chairman ii. Mr Rajesh S. Adani	29%
2	Executive Director	i. Mr Anil Sardana, Managing Director	14%
3	Non-Executive Independent Directors	i. Mr K. Jairaj ii. Dr Ravindra H. Dholakia iii. Mrs Meera Shankar iv. Mrs Lisa Caroline MacCallum	57%

### Board Composition



■ Executive Directors  
■ Non-Executive Independent Directors

### Board Gender Diversity



■ Men  
■ Women

The present strength of the Board reflects judicious mix of professionalism, competence and sound knowledge which enables the Board to provide effective leadership to the Company.

No Director is related to each other except Mr Gautam S. Adani and Mr Rajesh S. Adani, who are related to each other as brothers.

### Profile of Board of Directors

The profile of the Directors of the Company as on March 31, 2024 are as under:

#### Mr Gautam S. Adani (DIN: 00006273) (Chairman and Promoter Director)

Mr Gautam S. Adani, is a Promoter Director of the Company since June 17, 2015. He is the Chairman and Founder of the Adani Group. Under his leadership, Adani Group has emerged as a global integrated infrastructure player with interest across Resources, Logistics and Energy verticals. His journey has been marked by his ambitious and entrepreneurial vision, coupled with great vigour and hard work. This has not only enabled the Group to achieve numerous milestones with speed and scale but also resulted in the creation of a robust business model which is contributing towards building sound infrastructure in India.

Mr Gautam S. Adani holds 1 (one) Equity Share of the Company as on March 31, 2024 in his individual capacity.

Mr Gautam S. Adani is on the Board of the following public companies (other than the Company):

Listed Public Companies (Category of Directorship)	Other Public Companies (Category of Directorship)
Adani Enterprises Limited	Nil
Adani Ports and Special Economic Zone Limited	
Adani Power Limited	
Adani Total Gas Limited	
Ambuja Cements Limited	
Adani Green Energy Limited	

#### Mr Rajesh S. Adani (DIN: 00006322) (Promoter Director)

Mr Rajesh S. Adani, is a Promoter Director of the Company since June 17, 2015. He has been associated with Adani Group since its inception. He is in charge of the operations of the Group and has been responsible for developing its business relationships. His proactive, personalised approach to the business and competitive spirit have helped towards the growth of the Group and its various businesses.

Mr Rajesh S. Adani holds 1 (one) Equity Share of the Company as on March 31, 2024 in his individual capacity.

Mr Rajesh S. Adani is on the Board of the following public companies (other than the Company):

Listed Public Companies (Category of Directorship)	Other Public Companies (Category of Directorship)
Adani Ports and Special Economic Zone Limited	Adani Welspun Exploration Limited
Adani Enterprises Limited	---
Adani Power Limited	---
Adani Green Energy Limited	---

#### Mr Anil Sardana (DIN: 00006867) (Managing Director)

Mr Anil Sardana, is the Managing Director of the Company since May 10, 2018.

Mr Anil Sardana got additional responsibility of Adani Power Limited w.e.f. July 2020. Till April 30, 2018, he was the CEO & Managing Director of Tata Power for over seven years. Till January 31, 2011 (beginning August 2007), he was the Managing Director & CEO of Tata Teleservices.

Prior to telecom stint, Mr Anil Sardana was Executive Director on the Board of Tata Power. He was also the founding CEO & Managing Director of Tata Power Delhi Distribution Limited (TPDDL/NDPL) having taken over as founding chief when the company was set up in 2002 to takeover from state owned Discom. Mr Anil Sardana is credited with having spearheaded the dramatic turnaround of Tata Power Delhi Distribution, having achieved benchmark performance standards-including world record Reduction of Aggregate Technical and Commercial Losses and making discoverable changes in deliverables to customers. Tata Power Delhi Distribution was also bestowed the prestigious 'Silver National Award for Meritorious Performance' for two consecutive years 2004-2005 and 2005-2006 in Power Distribution by the Prime Minister.

Mr Anil Sardana spearheaded two major M&A's namely with NTT DOCOMO of Japan and a reverse equity swap & merger to create most valuable Telecom-Tower Infrastructure company VIOM with the highest tenancy in the industry. Mr Anil Sardana led the transition of Tata Tele by launch of very successful Tata DOCOMO & Tata Photon brands. These brands achieved stupendous off take. He also launched several innovative schemes including Pay per-use & per-second billing.

Mr Anil Sardana has more than 40 years of experience in the infrastructure space, particularly in the Energy and Telecom sectors having managed complex transitions, developments & operations as well as Engineering, Procurement and Construction assignments. He had also worked at NTPC (14 years) and BSES (7 years) prior to joining Tata Group where he spent 18 years. He held Chairman's position at CII National Committee on Power from 2012 onwards till April 2018, whereafter he is now National Co-Chair on CII's Infra Council.

Mr Anil Sardana holds a degree of Bachelors in Engineering from Delhi College of Engineering. He also holds a Post-Graduate degree in Cost Accountancy (ICWAI) and a Post-Graduate Diploma in Management and has attended Top Management Program at the Indian Institute of Management, Ahmedabad. He received several recognitions from Indian & International fora's and was also conferred with "Global Alumni Excellence Award" by his alma-mater Delhi College of Engineering in 2012. Mr Anil Sardana did his schooling from Sardar Patel Vidyalaya, New Delhi.

Mr Anil Sardana does not hold any Equity Share of the Company as on March 31, 2024.

Mr Anil Sardana is on the Board of the following public companies (other than the Company):

Listed Public Companies (Category of Directorship)	Other Public Companies (Category of Directorship)
Adani Power Limited	Adani Electricity Mumbai Limited
---	AEML SEEPZ Limited
---	Adani Electricity Mumbai Infra Limited
---	Adani Data Networks Limited
---	Adani Electricity Navi Mumbai Limited

#### Mr K. Jairaj (DIN: 01875126) (Non-Executive Independent Director)

Mr K. Jairaj, is a Non-Executive Independent Director of the Company since June 17, 2015.

Mr K. Jairaj, a member of the 1976 batch of the Indian Administrative Service, has held distinguished appointments in the infrastructure, energy, transport and urban development sectors, including a role as Additional Chief Secretary, Energy Department and Chairman, BESCO, Managing Director, Bangalore International Airport Ltd; Managing Director, Karnataka State Road Transport Corporation; Commissioner, Bangalore City Corporation for two terms; Commissioner for Commercial Taxes and Principal Secretary to the Chief Minister. With N.R. Narayanamurthy, Chairman Emeritus of Infosys, Mr K. Jairaj established the Bangalore International Airport Limited, India's first greenfield airport on public private partnership basis with Siemens, Germany.

Mr K. Jairaj served with the World Bank, Washington D.C. USA, as senior public sector management specialist in the Africa region between 2004-2006. Mr K. Jairaj has academic background in economics, public policy and management. He has a Bachelor of Arts (Honours) degree from Bangalore University, Master of Arts degree in Economics from the Delhi School of Economics, M.P.A. Woodrow Wilson School of Public and International Affairs, Princeton University and M.P.A, Kennedy School of Government, Harvard University, U.S.A, where he was Edward's Mason Fellow. Mr K. Jairaj is active in the National Management Movement and served as President, All India Management Association (AIMA), the only IAS officer to have done so; Past President Bangalore Management Association; currently on the Board of Governors, Indian Institute of Management, Kashipur.

He was on the Board of Governors of Indian Institute of Management, Bangalore from 2000 to 2004. He is associated with several educational and not-for-profit institutions.

Mr K. Jairaj does not hold any Equity Share of the Company as on March 31, 2024.

Mr K. Jairaj is on the Board of the following public companies (other than the Company):

Listed Public Companies (Category of Directorship)	Other Public Companies (Category of Directorship)
RPSG Ventures Limited	Maharashtra Eastern Grid Power Transmission Company Limited
PCBL Limited	Adani Electricity Mumbai Limited
---	Mumbai International Airport Limited
---	Green Infra Wind Energy Limited
---	SEIL Energy India Limited

**Dr Ravindra H. Dholakia (DIN: 00069396) (Non-Executive Independent Director)**

Dr Ravindra H. Dholakia, is a Non-Executive Independent Director of the Company since May 26, 2016.

Dr Ravindra H. Dholakia, a retired Professor of IIM, Ahmedabad, has more than 38 years of experience in regional economic development, economic analysis and policy, international economics and health economics. He holds a post-doctoral research fellowship from the University of Toronto and a PhD in Economics from M S University, Baroda. Earlier, he has served as a consultant to State and Central governments, private sector institutions and international organizations such as WHO, UNICEF, ADB and World Bank. He has also been a member of various committees appointed by the Government and has more than 140 research papers and 22 books to his credit

Dr Ravindra H. Dholakia does not hold any Equity Share of the Company as on March 31, 2024.

Dr Ravindra H. Dholakia is on the Board of the following public companies (other than the Company):

Listed Public Companies (Category of Directorship)	Other Public Companies (Category of Directorship)
Gujarat Industries Power Company Limited	Adani Transmission (India) Limited
Gujarat State Fertilizers & Chemicals Limited	Gujarat State Petroleum Corporation Limited

**Mrs Meera Shankar (DIN: 06374957) (Non-Executive Independent Director)**

Mrs Meera Shankar, is a Non-Executive Independent Director of the Company since June 17, 2015.

Mrs Meera Shankar joined the Indian Foreign Service in 1973 and had an illustrious career spanning 38 years. She served in the Prime Minister's Office for six years, from 1985 to 1991 working on foreign policy and security matters. Thereafter, she led the Commercial Wing in the Indian Embassy in Washington as Minister (Commerce) till 1995. She returned as Director General of the Indian Council of Cultural Relations overseeing India's cultural diplomacy. She has had extensive experience in South Asia having worked on Bangladesh, Sri Lanka and Maldives as Under Secretary and Deputy Secretary in the Ministry of External Affairs. Later, as Joint Secretary she headed divisions dealing with neighbours, Nepal and Bhutan, and the South Asian Association of Regional Cooperation (SAARC). As Additional Secretary, she handled the UN and international security issues. She served as Ambassador of India to Germany from 2005 to 2009 and then to the United States from 2009 to 2011.

Mrs Meera Shankar does not hold any Equity Share of the Company as on March 31, 2024.

Mrs Meera Shankar is on the Board of the following public companies (other than the Company):

Listed Public Companies (Category of Directorship)	Other Public Companies (Category of Directorship)
ITC Limited	---
JK Tyre & Industries Limited	---
Pidilite Industries Limited	---

**Mrs Lisa Caroline MacCallum (DIN: 09064230) (Non-Executive Independent Director)**

Mrs Lisa Caroline MacCallum, an Australian citizen, is a Non-Executive Independent Director of the Company since November 30, 2021.

Mrs Lisa Caroline MacCallum began her professional life in Accounting, Finance and Consulting with KPMG in Australia and the USA. She enjoyed a long career at NIKE Inc (2001-2014) based in the USA, serving on the executive leadership team in commercial and brand strategy roles and as Vice President of NIKE's Corporate Philanthropy and Global Community Investments. Prior to joining NIKE, Lisa co-founded a Tokyo-based multi-media and executive education company, Business Breakthrough, Inc. She currently serves as an ESG Advisory Board member of KAO Corporation Japan and is an independent non-executive Director of Bond University Australia Limited and Seattle based employee experience company Limeade Limited.

Mrs Lisa Caroline MacCallum does not hold any Equity Share of the Company as on March 31, 2024.

Mrs Lisa Caroline MacCallum is not on the Board of the any other public companies.



**Board Age Profile**

■ 36-55 years    ■ 56-75 years

**Board Experience**

■ < 25 years    ■ > 25 years

**Board Age profile and Board Experience is as under: Skills / expertise competencies of the Board of Directors:**

The following is the list of core skills / competencies identified by the Board of Directors as required in the context of the Company's business and that the said skills are available within the Board Members:

**Business Leadership**

Leadership experience including in areas of business development, strategic planning, driving change and long-term growth and guiding the Company and its senior management towards its vision and values.

**Financial Expertise**

Knowledge and skills in accounting, finance, treasury management, tax, and financial management of large corporations with understanding of capital allocation, funding and financial reporting processes.

**Risk Management**

Ability to understand and assess the key risks to the organization, legal compliances and ensure that appropriate policies and procedures are in place to effectively manage risk.

**Global Experiences**

Global mindset and staying updated on global market opportunities, competition experience in driving business success around the world with an understanding of diverse business environments, economic conditions and regulatory frameworks

**Merger & Acquisition**

Ability to assess 'build or buy' & timing of decisions, analyze the fit of a target with the company's strategy and evaluate operational integration plans.

**Corporate Governance & ESG**

Experience in implementing good corporate governance practices, reviewing compliance and governance practices for a sustainable growth of the company and protecting stakeholder's interest.

**Technology & Innovations**

Experience or knowledge of emerging areas of technology such as digital, artificial intelligence, cyber security, datacentre, data security etc.

**Industry and Sector Experience**

Knowledge and experience in the business sector to provide strategic guidance to the management in fast changing environment.

Name of Director	Areas of Skills/ Expertise						
	Business Leadership	Financial Expertise	Risk Management	Global Experience	Corporate Governance & ESG	Merger & Acquisition	Technology & Innovation
Mr Gautam S. Adani	✓	✓	✓	✓	✓	✓	✓
Mr Rajesh S. Adani	✓	✓	✓	✓	✓	✓	✓
Mr Anil Sardana	✓	✓	✓	✓	✓	✓	✓
Mr K. Jairaj	-	✓	✓	✓	✓	✓	✓
Dr Ravindra H. Dholakia	-	✓	✓	-	✓	✓	✓
Mrs Meera Shankar	-	✓	✓	✓	✓	✓	✓
Mrs Lisa Caroline MacCallum	✓	✓	✓	✓	✓	✓	✓

Note - Each Director may possess varied combinations of skills/ expertise within the described set of parameters and it is not necessary that all Directors possess all skills/ expertise listed therein.

### Directors' selection, appointment and tenure:

The Directors of the Company are appointed / re-appointed by the Board on the recommendation of the Nomination and Remuneration Committee and approval of the Shareholders at the General Meeting(s) or through means of Postal Ballot. In accordance with the Articles of Association of the Company and provisions of the Act, all the Directors, except Independent Directors, of the Company, are liable to retire by rotation at the Annual General Meeting ("AGM") each year and, if eligible, offer their candidature for re-appointment. The Executive Directors on the Board have been appointed as per the provisions of the Act and serve in accordance with the terms of employment with the Company.

As regards the appointment and tenure of Independent Directors, following is the policy adopted by the Board:

- The Company has adopted the provisions with respect to appointment and tenure of Independent Directors which are consistent with the Act and SEBI Listing Regulations.
- In keeping with progressive governance practices, it has resolved to appoint all new Independent Directors for a maximum term of up to 3 (three) years for up to 2 (two) such terms. Further, terms of appointment of other Non-Executive Directors shall also be subject to approval of shareholders at their meeting held at every 5 (five) years.

None of the Independent Director(s) of the Company resigned during the year before the expiry of their tenure.

In compliance with Regulation 26 of the SEBI Listing Regulations, none of the Directors is a Director of more than 10 (ten) committees or acts as an independent director in more than 7 (seven) listed companies. Further, none of the Directors on the Company's Board is a member of more than 10 (ten) committees

and chairperson of more than 5 (five) committees (committees being, audit committee and stakeholders' relationship committee) across all the companies in which he/she is a director. All the Directors have made necessary disclosures regarding committee positions held by them in other companies.

Any person who becomes Director or Officer, including an employee who is acting in a managerial or supervisory capacity, shall be covered under Directors' and Officers' Liability Insurance Policy. The Policy shall also covers those who serve as a Director, Officer or equivalent of subsidiaries / joint ventures / associates at Company's request. The Company has provided insurance cover in respect of legal action against its Directors under the Directors' and Officers' Liability Insurance.

### Independent Directors

The Independent Directors are the Board members who are required to meet baseline definition and criteria on 'independence' as set out in Regulation 16 of SEBI Listing Regulations, Section 149(6) of the Companies Act, 2013 read with rules and Schedule IV thereto and other applicable regulations. In terms of Regulation 25(8) of SEBI Listing Regulations, Independent Directors of the Company have confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties.

Accordingly, based on the declarations received from all Independent Directors, the Board of Directors has confirmed that Independent Directors of the Company fulfill the conditions specified in the Companies Act, 2013 and SEBI Listing Regulations and are independent of the management. Further, the Independent Directors confirmed that they have enrolled themselves in the Independent Directors' Databank maintained by the Indian Institute of Corporate Affairs. As mentioned earlier

in this report, the Board includes 4 (four) Independent Directors as on March 31, 2024.

The Company issues formal letter of appointment to the Independent Directors at the time of their appointment / re-appointment. The terms and conditions of the appointment of Independent Directors are available on the Company's website at [www.adanienergysolutions.com](http://www.adanienergysolutions.com).

### Changes in the Board during the FY 2023-24

1. Mr Gautam S. Adani (DIN: 00006273), Director is retiring at the ensuing AGM and being eligible, offers himself for re-appointment.
2. Mr Anil Sardana (DIN: 00006867) was re-appointed as a Managing Director of the Company for a period of 5 (five) years effective from May 10, 2023, at the last AGM of the Company held on July 19, 2023.

### Changes in the Board subsequent to the FY 2023-24:

On the recommendation of Nomination & Remuneration Committee, Mrs Lisa Caroline MacCallum (DIN: 09064230) is proposed to be re-appointed as an Independent Director by the Board for the second terms of 3 (three) years w.e.f. November 30, 2024 up to November 30, 2027, subject to approval of Members.

Brief resume(s) of the Directors proposed to be appointed / re-appointed are given in the Explanatory Statement annexed to the Notice convening the 11<sup>th</sup> Annual General Meeting.

## Board Meetings and Procedure

### Meetings Schedule and Agenda

The schedule of the Board meetings and Board Committee meetings are finalised in consultation with the Board members and communicated to them in advance. The Board Calendar for the financial year 2024-25 has been disclosed later in this report and has also been uploaded on the Company's website. Additional meetings are called, when necessary, to consider the urgent business matters.

The Audit Committee Meetings for deliberation on the financial performance of the Company, are held on the same dates as Board meetings. To ensure an immediate update to the Board, the Chairperson of the respective committee briefs the Board in detail about the proceedings of the respective committee meetings. All committee recommendations placed before the Board during the year under review were unanimously accepted by the Board.

The Board devotes its significant time in evaluation of current and potential strategic issues and reviews Company's business plans, corporate strategy and risk

management issues based on the markets it operates in and in light of global industry trends and developments to help achieve its strategic goals.

The Chief Financial Officer and other Senior Management members are invited to the Board and Committee meetings to present updates on the items being discussed at the meeting. In addition, the functional heads of various business segments/ functions are also invited at regular intervals to present updates on the respective business functions.

### Availability of information to the Board

The Board has complete and unfettered access to all relevant information within the Company, to the Senior Management and all the auditors of the Company. Board Meetings are governed by structured agenda. All major agenda items are backed by comprehensive background information to enable the Board to take informed decisions. The Company Secretary in consultation with the Senior Management prepares the detailed agenda for the meetings.

Agenda papers and Notes on Agenda are circulated to the Directors, in advance, in the defined Agenda format. All material information is circulated along with Agenda papers for facilitating meaningful and focused discussions at the meeting. Where it is not practicable to attach any document to the Agenda, the same is tabled before the meeting with specific reference to this effect in the Agenda. In special and exceptional circumstances, additional or supplementary item(s) on the Agenda are permitted. In order to transact some urgent business, which may come up after circulation of agenda papers, the same is placed before the Board by way of Table Agenda or Chairman's Agenda. Frequent and detailed deliberation on the agenda provides the strategic roadmap for the future growth of the Company.

Minimum 4 (four) pre-scheduled Board meetings are held every year. Apart from the above, additional Board meetings are convened by giving appropriate notice to address the specific needs of the Company. In case of business exigencies or urgency of matters, resolutions are also passed by way of circulation.

Detailed presentations are made at the Board / Committee meetings covering Finance and operations of the Company, terms of reference of the Committees, business environment, all business areas of the Company including business opportunities, business strategy and the risk management practices before taking on record the quarterly / half yearly / annual financial results of the Company.

The required information as enumerated in Part A of Schedule II to SEBI Listing Regulations is made available to the Board of Directors for discussions and consideration at every Board Meeting. The Board periodically reviews compliance reports of all laws applicable to the Company as required under Regulation 17(3) of the SEBI Listing Regulations.

The important decisions taken at the Board / Committee meetings are communicated to the departments concerned promptly. Action taken report on the decisions taken at the meeting(s) is placed at the immediately succeeding meeting of the Board / Committee for noting by the Board / Committee.

During the year under review, the Board met 6 (six) times on:

01 May 13, 2023

02 May 29, 2023

03 July 31, 2023



















































04 November 06, 2023

05 December 08, 2023


06 January 29, 2024

The Board meets at least once in every quarter to review the Company's operations and financial performance. The maximum gap between two meetings is not more than 120 days. The necessary quorum was present in all the meetings.

The attendance of the Board members at the Board meetings and the Annual General Meeting of the Company held during FY 2023-24, is as follows:

Name of Director	AGM held on July 19, 2023	Board Meetings						Total Board meetings held during the year	No. of Board meetings attended	% of attendance
		1	2	3	4	5	6			
Mr Gautam S. Adani 								06	06	100%
Mr Rajesh S. Adani								06	06	100%
Mr Anil Sardana								06	06	100%
Mr K. Jairaj								06	06	100%
Dr Ravindra H. Dholakia								06	06	100%
Mrs Meera Shankar								06	05	83%
Mrs Lisa Caroline MacCallum								06	06	100%

 Attended through video conference

 Leave of absence

 Attended in Person

 Chairman

During the year, the Board of Directors accepted all recommendations of the Committees of the Board, which were statutory in nature and required to be recommended by the Committee and approved by the Board of Directors. Hence, the Company is in compliance of condition of clause 10 (j) of schedule V of the SEBI Listing Regulations.

#### Meeting of Independent Directors:

The Independent Directors meet at least once in a year, without the presence of Executive Directors or Management representatives. They also have separate meeting(s) with the Chairman of the Board, to discuss issues and concerns, if any. The Independent Directors met one time during the Financial Year 2023-24, on March 20, 2024. The Independent Directors inter alia discuss the issues arising out of the Committee Meetings and Board discussion including the quality, quantity and timely flow of information between the Company Management and the Board that is necessary

for the Board to effectively and reasonably perform its duties. In addition to these formal meetings, interactions outside the Board Meetings also take place between the Chairman and Independent Directors.

Statutory Auditors also have independent access to the members of the Audit Committee to discuss internal audit effectiveness, control environment and their general feedback. The Independent Directors also have access to Secretarial Auditor, Cost Auditor and the management for discussions and questions, if any.

#### Directors' Induction and Familiarisation

The Board Familiarisation Programme comprises of the following:

- Induction Programme for Directors including Non-Executive Directors
- Immersion sessions on business and functions; and
- Strategy sessions



All new directors are taken through a detailed induction and familiarization program when they join the Board of the Company. The induction program is an exhaustive one that covers the history and culture of Adani portfolio of Companies, background of the Company and its growth, various milestones in the Company's existence since its incorporation, the present structure and an overview of the businesses and functions.

Deep dives and immersion sessions are conducted by senior executives on their respective functions. Key aspects that are covered in these sessions include:

- Industry / market trends
- Company's operations including those of major subsidiaries
- Growth Strategy
- ESG Strategy and performance

During the Financial Year 2023-24, 6 (six) events of Board engagement and education series were conducted on May 13, May 29, July 31, November 6, December 8 and January 29. As part of these events, the Board was apprised about the Global trends in the domain of ESG, Capital Markets and Risk Management. Additionally the Board was further apprised of overall Adani portfolio entities. The details of these sessions are available on the website at [www.adanienergysolutions.com](http://www.adanienergysolutions.com).

As part of familiarization program, the Company conducts Directors' Engagement Series where the Board is apprised about critical topics such as global trends in the domain of ESG, Capital Market, Risk Management, Credit Profile, Financial Controls beside general awareness about other Adani portfolio companies and key developments. During the year 4 (four) such events were conducted on August 25, 2023, September 29, 2023, November 24, 2023 and February 23, 2024. Each event has a minimum of two sessions of two hours each followed by Q&A session of one hour. Site visits are also organized during one or two such events.

Apart from the above, the Company also organizes an annual strategy meet with the Board to deliberate on various topics related to strategic planning, progress of ongoing strategic initiatives, risks to strategy execution and the need for new strategic programs to achieve the Company's long-term objectives. This serves the dual purpose of providing the Board members a platform to bring their expertise to various strategic initiatives, while also providing an opportunity for them to understand detailed aspects of execution and challenges relating to the specific theme.

In summary, through above events/meetings, members of the Board get a comprehensive and balanced perspective on the strategic issues facing the Company, the competitive differentiation being pursued by the Company, and an overview of the execution plan. In addition, this event allows the members of the Board to interact closely with the senior leadership of the Company.

### Remuneration Policy:

The Remuneration Policy of the Company is directed towards rewarding performance, based on review of achievements on a periodic basis. The Company endeavors to attract, retain, develop and motivate the high-caliber executives and to incentivize them to develop and implement the Group's Strategy, thereby enhancing the business value and maintain a high-performance workforce. The Policy ensures that the level and composition of remuneration of the Directors is optimum.

#### i) Remuneration to Non-Executive Directors:

The Members at the Annual General Meeting held on July 19, 2023 approved the payment of remuneration by way of commission to the Non-Executive Directors of the Company, of a sum not exceeding 1% per annum of the net profits of the Company, calculated in accordance with the provisions of the Act for a period of 3 years commencing from April 01, 2023. Pursuant to this, the remuneration by way of commission to the Non-Executive Directors is decided by the Board of Directors. In addition to commission, the Non-Executive Directors are paid sitting fees of ₹ 50,000/- for attending Board and Audit Committee meetings and ₹ 25,000/- for attending other committees along with actual reimbursement of expenses, incurred for attending each meeting of the Board and Committees.

The Company has taken a Directors' & Officers' Liability Insurance Policy.

#### ii) Performance Evaluation Criteria for Independent Directors:

The performance evaluation criteria for Independent Directors are determined by the Nomination and Remuneration Committee. An indicative list of factors that may be evaluated include participation and contribution by a Director, commitment, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of behaviour and judgement.

**iii) Remuneration to Executive Directors:**

The remuneration of the Executive Directors is recommended by the Nomination and Remuneration Committee to the Board based on criteria such as industry benchmarks, the Company's performance vis-à-vis the industry, responsibilities shouldered, performance/track record, macro-economic review on remuneration packages of heads of other organisations. The pay structure of Executive Directors has appropriate success and sustainability metrics built in.

The Executive Directors are not being paid sitting fees for attending meetings of the Board of Directors and its Committee.

**Details of Remuneration:**

**i) Non-Executive Directors:**

The details of sitting fees and commission paid to Non-Executive Directors during the financial year 2023-24 are as under:

(in ₹)

Name	Commission	Sitting Fees	Total
Dr Ravindra H. Dholakia	20,00,000	12,25,000	32,25,000
Mr K. Jairaj	20,00,000	12,25,000	32,25,000
Mrs Meera Shankar	20,00,000	8,50,000	28,50,000
Mrs Lisa Caroline MacCallum	20,00,000	3,50,000	23,50,000

Other than sitting fees and commission paid to Non-Executive Directors, there were no pecuniary relationships or transactions by the Company with any of the Non-Executive Directors of the Company. The Company has not granted stock options to Non-Executive Directors.

**ii) Executive Directors:**

No remuneration was paid/payable to Managing Director and Executive Directors during the financial year 2023-24.

**iii) Details of shares of the Company held by Directors as on March 31, 2024 are as under:**

Name	No. of shares held
Mr Gautam S. Adani	1
Mr Rajesh S. Adani	1
Mr Gautam S. Adani / Mr Rajesh S. Adani (on behalf of S. B. Adani Family Trust)	60,16,34,660

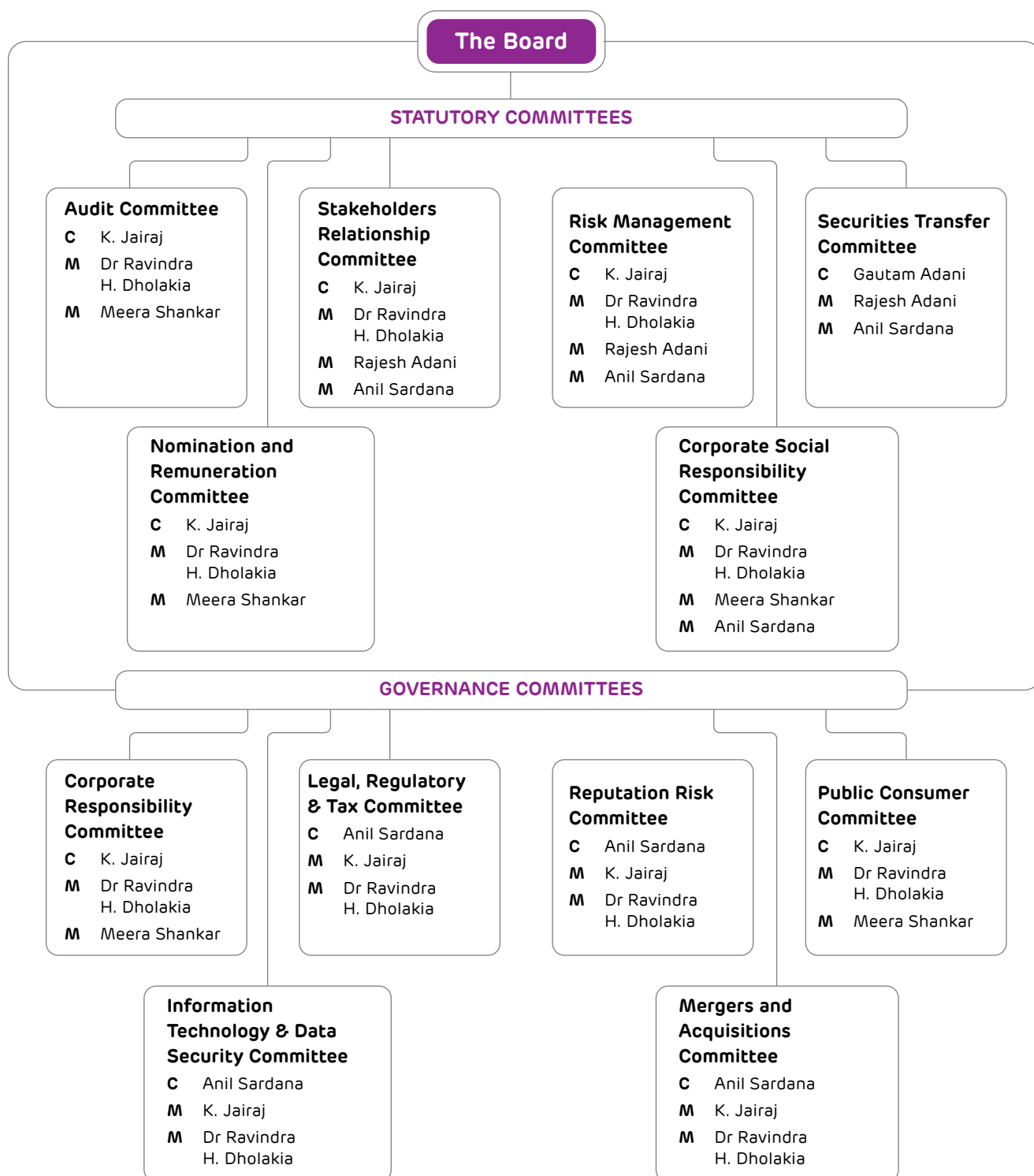
Except above, none of Directors of the Company holds equity shares of the Company. The Company does not have any Employees' Stock Option Scheme and there is no separate provision for payment of Severance Fees.

**Board Committees**

The Board Committees play a vital role in ensuring sound Corporate Governance practices. The Committees are constituted to handle specific activities and ensure speedy resolution of the diverse matters. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles under which are considered to be performed by members of the Board, as a part of good governance practice. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. The minutes of the meetings of all the Committees are placed before the Board for review.

As on March 31, 2024, the Board has constituted the following committees / Sub-committees:

## Board committees as on March 31, 2024



C – Chairperson

M – Member

## Statutory Committees

















### Audit Committee

The Audit Committee acts as a link among the Management, the Statutory Auditors, Internal Auditors and the Board of Directors to oversee the financial reporting process of the Company. The Audit Committee's purpose is to oversee the quality and integrity of accounting, auditing and financial reporting process including review of the internal audit reports and action taken report. A detailed charter of the Audit Committee is available on the website of the Company at <https://www.adanienergysolutions.com/investors/board-and-committee-charters>























The Audit Committee comprise solely of Independent and Nominee Directors to enable independent and transparent review of financial reporting process and internal control mechanism with an objective to further strengthen the confidence of all stakeholders.

#### Terms of Reference:

The powers, role and terms of reference of the Audit Committee covers the areas as contemplated under SEBI Listing Regulations and Section 177 of the Act. The brief terms of reference of Audit Committee are as under:

Sr. No.	Terms of Reference	Frequency
1.	To oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible	
2.	To recommend for appointment, remuneration and terms of appointment of statutory and internal auditors of the company	
3.	To approve availing of the permitted non-audit services rendered by the Statutory Auditors and payment of fees thereof	
4.	To review, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:	
5.	Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Section 134(3)(c) of the Companies Act, 2013	
	■ Changes, if any, in accounting policies and practices and reasons for the same	
	■ Major accounting entries involving estimates based on the exercise of judgment by the management	
	■ Significant adjustments made in the financial statements arising out of audit findings	
	■ Compliance with listing and other legal requirements relating to financial statements	
	■ Disclosure of any related party transactions	
	■ Modified opinion(s) in the draft audit report	
6.	To review, with the management, the quarterly financial statements before submission to the board for approval	
7.	To review, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus/ notice and the report submitted by the monitoring agency, monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter	
8.	To review and monitor the Auditor's independence and performance, and effectiveness of audit process	
9.	To approve or any subsequent modification of transactions of the company with related parties	
10.	To scrutinise inter-corporate loans and investments	
11.	To undertake valuation of undertakings or assets of the company, wherever it is necessary	



Sr. No.	Terms of Reference	Frequency
12.	To evaluate internal financial controls and risk management systems	
13.	To review, with the management, the performance of statutory and internal auditors, adequacy of the internal control systems	
14.	To review the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit	
15.	To discuss with internal auditors of any significant findings and follow up there on	
16.	To review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board	
17.	To discuss with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern	
18.	To look into the reasons for substantial defaults, if any, in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors	
19.	To review the functioning of the Whistle Blower mechanism	
20.	To approve appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate	
21.	To review financial statements, in particular the investments made by the Company's unlisted subsidiaries	
22.	To review compliance with the provisions of SEBI Insider Trading Regulations and verify that the systems for internal control are adequate and are operating effectively	
23.	To review the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments	
24.	To oversee the company's disclosures and compliance risks, including those related to climate	
25.	To consider and comment on rationale, cost benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders	
26.	To review key significant issues, tax and regulatory / legal report which is likely to have significant impact on financial statements and management's report on actions taken thereon	
27.	To discuss with the management regarding pending technical and regulatory matters that could affect the financial statements and updates on management's plans to implement new technical or regulatory guidelines	
28.	To review and recommend to the Board for approval – Business plan, Budget for the year and revised estimates	
29.	To review Company's financial policies, strategies and capital structure, working capital and cash flow management	
30.	To ensure the Internal Auditor has direct access to the Committee chair, providing independence from the executive and accountability to the committee	-
31.	To review the treasury policy & performance of the Company, including investment of surplus funds and foreign currency operations	
32.	To review management discussion and analysis of financial condition and results of operations	
33.	To review, examine and deliberate on all the concerns raised by an out-going auditors and to provide views to the Management and Auditors	
34.	To carry out any other function mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable	

## Frequency



Annually



Half yearly



Quarterly



Periodically

### Meetings, Attendance & Composition of the Audit Committee:




















The Audit Committee met 6 (Six) times during the Financial Year 2023-24 on:





01 April 25, 2023	02 May 29, 2023	03 July 31, 2023	04 November 06, 2023
05 January 29, 2024	06 March 20, 2024		

The intervening gap between two meetings did not exceed 120 days.

The composition of Audit Committee and details of attendance of the members during FY 2023-24 are given below:

100% Independence	6 Meetings	3 Members	100% Average Attendance
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Name of the Director	Audit Committee Meetings						Held during the year	Total Attended	% of attendance
	1	2	3	4	5	6			
Mr K. Jairaj 							6	6	100
Dr Ravindra H. Dholakia							6	6	100
Mrs Meera Shankar							6	6	100
<b>Attendance (%)</b>	100	100	100	100	100	100	-	-	-

 Attended through video conference     Leave of absence     Attended in Person     Chairman

All members of the Audit Committee have accounting and financial management knowledge and expertise / exposure. The meetings of Audit Committee are also attended by the Chief Financial Officer, Statutory Auditors, Finance Controller and Internal Auditor as special invitees. The Company Secretary acts as the Secretary to the Committee. The minutes of each Audit Committee meeting are placed in the next meeting of the Board. The Audit Committee also meets the Internal and Statutory Auditors separately, without the presence of Management representatives.

Chairman of the Audit Committee attended the last AGM held on July 19, 2023 to answer the shareholders' queries.




### Nomination and Remuneration Committee

All the members of the Nomination and Remuneration Committee ("NRC") are Independent Directors. A detailed charter of the NRC is available on the website of the Company at:

<https://www.adanienergysolutions.com/investors/board-and-committee-charters>

### Terms of reference:

The powers, role and terms of reference of Committee covers the areas as contemplated under the SEBI Listing Regulations and Section 178 of the Act. The brief terms of reference of Nomination and Remuneration Committee are as under:

Sr. No.	Terms of Reference	Frequency
1.	To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees	
2.	To formulate criteria for & mechanism of evaluation of Independent Directors and the Board of directors	
3.	To specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance	

Sr. No.	Terms of Reference	Frequency
4.	To devise a policy on diversity of Board of Directors	
5.	To Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal	
6.	To extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors	
7.	To review and recommend remuneration of the Managing Director(s) / Whole-time Director(s) based on their performance	
8.	To recommend to the Board, all remuneration, in whatever form, payable to senior management	
9.	To review, amend and approve all Human Resources related policies	
10.	To ensure that the management has in place appropriate programs to achieve maximum leverage from leadership, employee engagement, change management, training & development, performance management and supporting system	
11.	To oversee workplace safety goals, risks related to workforce and compensation practices	
12.	To oversee employee diversity programs	
13.	To oversee HR philosophy, people strategy and efficacy of HR practices including those for leadership development, rewards and recognition, talent management and succession planning (specifically for the Board, KMP and Senior Management)	
14.	To oversee familiarisation programme for Directors	
15.	To recommend the appointment of one of the Independent Directors of the Company on the Board of its Material Subsidiary	
16.	To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable	

## Frequency



Annually



Periodically

## Meeting, Attendance &amp; Composition of NRC:

NRC met 5 (Five) times during the Financial Year 2023-24 on:

01 May 27, 2023

02 July 28, 2023

03 November 06, 2023

04 December 08, 2023

05 March 20, 2024

The composition of NRC and details of attendance of the members during FY 2023-24 are given below:

100%  
Independence5  
Meetings3  
Members93.33%  
Average Attendance

Name of the Director	NRC Meetings					Held during the year	Total Attended	% of attendance
	1	2	3	4	5			
Mr K. Jairaj						5	5	100
Dr Ravindra H. Dholakia						5	5	100
Mrs Meera Shankar						5	4	80
Attendance (%)	100	100	100	66.67	100	-	-	-

Attended through video conference

Leave of absence

Attended in Person

Chairman

The Company Secretary acts as the Secretary to the NRC. The minutes of each NRC meeting are placed in the next meeting of the Board.

### Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee of Directors ("SRC") comprises of 4 (Four) members. A detailed charter of the SRC is available on the website of the Company at:

<https://www.adanienergysolutions.com/investors/board-and-committee-charters>.

### Terms of Reference:

The powers, role and terms of reference of SRC covers the areas as contemplated under the SEBI Listing Regulations and Section 178 of the Act. The brief terms of reference of SRC are as under:

Sr. No.	Terms of Reference	Frequency
1.	To look into various aspects of interest of shareholders, debenture holders and other security holders including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.	
2.	To review the measures taken for effective exercise of voting rights by shareholders	
3.	To review adherence to the service standards adopted in respect of various services being rendered by the Registrar & Share Transfer Agent	
4.	To review various measures and initiatives taken for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/ statutory notices by the shareholders of the Company	
5.	To review engagement programs with investors, proxy advisors, etc. and to oversee investors movement (share register)	
6.	To review engagement with rating agencies (Financial, ESG etc.)	
7.	To oversee statutory compliance relating to all the securities issued, including but not limited to dividend payments, transfer of unclaimed dividend amounts / unclaimed shares to the IEPF	
8.	To suggest and drive implementation of various investor-friendly initiatives	
9.	To approve and register transfer and / or transmission of securities, issuance of duplicate security certificates, issuance of certificate on rematerialization and to carry out other related activities	
10.	To carry out any other function as is referred by the Board from time to time or enforced by any statutory notification / amendment or modification as may be applicable	

**Frequency** | Annually Half yearly Quarterly Periodically

### Meeting, Attendance & Composition of the SRC:





















SRC met 4 (four) times during the Financial Year 2023-24 on:

**01** May 27, 2023    **02** July 28, 2023    **03** November 06, 2023    **04** January 29, 2024

The composition of SRC and details of attendance of the members during FY 2023-24 are given below:

<b>50%</b> Independence	<b>4</b> Meetings	<b>4</b> Members	<b>100%</b> Average Attendance
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Name of the Director	SRC Meetings				Held during the year	Total Attended	% of attendance
	1	2	3	4			
Mr K. Jairaj 					4	4	100
Mr Rajesh S. Adani 					4	4	100
Dr Ravindra H. Dholakia 					4	4	100
Mr Anil Sardana 					4	4	100
<b>Attendance (%)</b>	100	100	100	100	-	-	-



Attended through video conference



Leave of absence



Attended in Person



Chairman

The Company Secretary acts as the Secretary to the Committee. The minutes of each SRC meeting are placed in the next meeting of the Board.

### Compliance Officer

In terms of the requirement of SEBI Listing Regulations, Mr Jaladhi Shukla, Company Secretary is the Compliance Officer of the Company.

### Details of Investor Complaints

The Company and its Registrar and Share Transfer Agent address all complaints, suggestions and grievances expeditiously and replies are sent usually within 7-10 days except in case of dispute over facts or other legal impediments and procedural issues. The Company endeavors to implement suggestions as and when received from the investors.

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Complaints

During the Financial Year 2023-24, no investor complaint was received.







### Corporate Social Responsibility Committee

The Corporate Social Responsibility ("CSR") Committee comprise of 4 (four) members, with a majority of Independent Directors. A detailed charter of the CSR Committee is available on the website of the Company at:

<https://www.adanigreenenergy.com/investors/board-and-committee-charters>.

### Terms of reference:

The powers, role and terms of reference of CSR Committee covers the areas as contemplated under Section 135 of the Act. The brief terms of reference of CSR Committee are as under:

Sr. No.	Terms of Reference	Frequency
1.	To formulate and recommend to the Board, a Corporate Social Responsibility ("CSR") Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Companies Act, 2013 and rules made there under and review thereof	
2.	To formulate and recommend to the Board, an annual action plan in pursuance to CSR Policy	
3.	To recommend to the Board the amount of expenditure to be incurred on the CSR activities	
4.	To monitor the implementation of framework of CSR Policy	
5.	To review the performance of the Company in the areas of CSR	
6.	To institute a transparent monitoring mechanism for implementation of CSR projects/ activities undertaken by the company	

Sr. No.	Terms of Reference	Frequency
7.	To recommend extension of duration of existing project and classify it as on-going project or other than on-going project	
8.	To submit annual report of CSR activities to the Board	
9.	To consider and recommend appointment of agency / consultant for carrying out impact assessment for CSR projects, as applicable, to the Board	
10.	To review and monitor all CSR projects and impact assessment report	
11.	To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification as may be applicable or as may be necessary or appropriate for performance of its duties	

**Frequency** | Annually Half yearly Periodically

#### Meeting, Attendance & Composition of the CSR Committee:

CSR Committee met 1 (one) time during the Financial Year 2023-24 on:

**01** May 27, 2023

The composition of CSR Committee and details of attendance of the members during FY 2023-24 are given below:

<b>75%</b> Independence	<b>1</b> Meeting	<b>4</b> Members	<b>100%</b> Average Attendance
----------------------------	---------------------	---------------------	-----------------------------------

Name of the Director	CSR Meeting	Held during the year	Total Attended	% of attendance
	1			
Mr K. Jairaj		1	1	100
Dr Ravindra H. Dholakia		1	1	100
Mrs Meera Shankar		1	1	100
Mr Anil Sardana		1	1	100
<b>Attendance (%)</b>	100	-	-	-

Attended through video conference Leave of absence Attended in Person Chairman

The Company Secretary acts as the Secretary to the Committee. The minutes of each CSR meeting are placed in the next meeting of the Board.

#### Risk Management Committee

The Risk Management Committee ("**RMC**") comprises of 4 (Four) members, with a majority of Independent Directors. A detailed charter of the Risk Management Committee is available on the website of the Company at:

<https://www.adanienergysolutions.com/investors/board-and-committee-charters>
















The Board of Directors of the Company at its meeting held on October 29, 2021 constituted the following committees as Sub-committees of RMC as a part of good corporate governance practice –

- Mergers & Acquisitions Committee
- Legal, Regulatory & Tax Committee
- Reputation Risk Committee

Constitution, meetings and terms of reference and other details of above Sub-committees, are separately included as a part of this report.

### Terms of reference:

The powers, role and terms of reference of RMC covers the areas as contemplated under Regulation 21 of the SEBI Listing Regulations. The brief terms of reference of RMC are as under:

Sr. No.	Terms of Reference	Frequency
1.	To review the Company's risk governance structure, risk assessment and risk management policies, practices and guidelines and procedures, including the risk management plan	
2.	To review and approve the Enterprise Risk Management ('ERM') framework	
3.	To formulate a detailed risk management policy which shall include: <ul style="list-style-type: none"> <li>A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information technology, cyber security risks or any other risk as may be determined by the Committee</li> <li>Measures for risk mitigation including systems and processes for internal control of identified risks</li> <li>Business continuity plan, oversee of risks, such as strategic, financial, credit, market, liquidity, technology, security, property, IT, legal, regulatory, reputational, and other risks</li> <li>Oversee regulatory and policy risks related to climate change, including review of state and Central policies</li> </ul>	
4.	To ensure that appropriate methodology, processes and systems are in place to identify, monitor, evaluate and mitigate risks associated with the business of the Company	
5.	To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems	
6.	To review compliance with enterprise risk management policy, monitor breaches / trigger trips of risk tolerance limits and direct action	
7.	To periodically review the risk management policy, at least once in a year, including by considering the changing industry dynamics and evolving complexity	
8.	To consider appointment and removal of the Chief Risk Officer, if any, and review his terms of remuneration	
9.	To review and approve Company's risk appetite and tolerance with respect to line of business	
10.	To review and monitor the effectiveness and application of credit risk management policies, related standards and procedures to control the environment with respect to business decisions	
11.	To review and recommend to the Board various business proposals for their corresponding risks and opportunities	
12.	To obtain reasonable assurance from management that all known and emerging risks has been identified and mitigated and managed	
13.	To form and delegate authority to subcommittee(s), when appropriate	
14.	To oversee suppliers' diversity	
15.	To carry out any other function as is referred by the Board from time to time or enforced by any statutory notification/ amendment or modification as may be applicable	

### Frequency



Annually



Half yearly



Quarterly



Periodically

### Meeting, Attendance & Composition of the RMC:

RMC met 4 (four) times during the Financial Year 2023-24 on:

01 May 27, 2023


















02 July 28, 2023





03 November 06, 2023

04 March 20, 2024

The composition of RMC and details of attendance of the members during FY 2023-24 are given below:



Name of the Director	RMC Meetings				Held during the year	Total Attended	% of attendance
	1	2	3	4			
Mr K. Jairaj 					4	4	100
Dr Ravindra H. Dholakia					4	4	100
Mr Rajesh Adani					4	4	100
Mr Anil Sardana					4	4	100
<b>Attendance (%)</b>	100	100	100	100	-	-	-

 Attended through video conference     Leave of absence     Attended in Person     Chairman

The Company Secretary acts as the Secretary to the Committee. The minutes of each RMC meeting are placed in the next meeting of the Board.

The Company has a risk management framework to identify, monitor and minimize risks.

### Securities Transfer Committee:

In order to provide efficient and timely services to investors, the Board has delegated the power of approving transfer/ transmission of Company's securities, issue of duplicate share / debenture certificates, split up / sub division, and consolidation of shares, issue of new certificates on re-materialization, subdivision and other related formalities to the Securities Transfer Committee.

No requests for transfers of any securities are pending as on March 31, 2023 except those that are disputed and / or sub-judiced.

### Non-Statutory Committees















#### Corporate Responsibility Committee ("CRC Committee"):

The Corporate Responsibility Committee ("CRC Committee") comprise of 3 (three) members, with all members being Independent Directors. A detailed charter of the CRC is available on the website of the Company at:

<https://www.adanienergysolutions.com/investors/board-and-committee-charters>



## Terms of reference:

Sr. No.	Terms of Reference	Frequency
1.	To define the Company's corporate and social obligations as a responsible citizen and oversee its conduct in the context of those obligations	
2.	To approve a strategy for discharging the Company's corporate and social responsibilities in such a way as to provide an assurance to the Board and stakeholders	
3.	To oversee the creation of appropriate policies and supporting measures (including Public disclosure policy, Anti-money Laundering policy, Anti Bribery, Fraud & Corruption policies etc.) and map them to UNSDG and GRI disclosure standards	
4.	To identify and monitor those external developments which are likely to have a significant influence on Company's reputation and/or its ability to conduct its business appropriately as a good citizen and review how best to protect that reputation or that ability	
5.	To review the Company's stakeholder engagement plan (including vendors / supply chain)	
6.	To ensure that appropriate communications policies are in place and working effectively to build and protect the Company's reputation both internally and externally	
7.	To review the Integrated Annual Report of the Company	
8.	To review and direct for alignment of actions / initiatives of the Company with United Nations Sustainable Development Goals 2030 (UNSDG): <ol style="list-style-type: none"> <li>No poverty</li> <li>Zero hunger</li> <li>Good health &amp; well being</li> <li>Quality education</li> <li>Gender equality</li> <li>Clean water and sanitation</li> <li>Affordance and clean energy</li> <li>Decent work and economic growth</li> <li>Industry, Innovation and Infrastructure</li> <li>Reduced inequalities</li> <li>Sustainable cities and communities</li> <li>Responsible consumption and production</li> <li>Climate action</li> <li>Life below water</li> <li>Life on land</li> <li>Peace and justice strong intuitions</li> <li>Partnerships for goals</li> </ol>	
9.	To review sustainability and / or ESG and / or Climate reports or other disclosures such as ethical governance, environmental stewardship, safety performance, water and energy use etc. and similar communications to stakeholders on ESG initiatives and activities by the Company and ensure mapping of the same to GRI disclosure standards	
10.	To oversee strategies, activities and policies regarding sustainable organisation including environment, social, governance, health and safety, human talent management and related material issue and indicators in the global context and evolving statutory framework	
11.	To oversee ethical leadership, compliance with the Company's sustainability policy, sustainability actions and proposals and their tie-in with the Strategic Plan, interaction with different stakeholders and compliance with the ethics code	
12.	To oversee Company's initiatives to support innovation, technology, and sustainability	
13.	To oversee sustainability risks related to supply chain, climate disruption and public policy	
14.	To monitor Company's ESG ratings / scores from ESG rating agencies and improvement plan	

Sr. No.	Terms of Reference	Frequency
15.	To approve appointment of Chief Sustainability Officer after assessing the qualification, experience and background etc. of the candidate	
16.	To oversee the Company's: a. Vendor development and engagement programs; b. program for ESG guidance (including Climate) to stakeholders and to seek feedback on the same and make further improvement programs	
17.	To provide assurance to Board in relation to various responsibilities being discharged by the Committee	

**Frequency** | Annually Half yearly Quarterly Periodically

#### Meeting, Attendance & Composition of the CRC:

CRC met 4 (four) times during the Financial Year 2023-24 on:

<b>01</b> May 27, 2023	<b>02</b> July 28, 2023	<b>03</b> November 06, 2023	<b>04</b> March 20, 2024
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The composition of CRC and details of attendance of the members during FY 2023-24 are given below:

<b>100%</b> Independence	<b>4</b> Meetings	<b>3</b> Members	<b>100%</b> Average Attendance
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Name of the Director	CRC Meetings				Held during the year	Total Attended	% of attendance
	1	2	3	4			
Mr K. Jairaj					4	4	100
Dr Ravindra H. Dholakia					4	4	100
Mrs Meera Shankar					4	4	100
<b>Attendance (%)</b>	100	100	100	100	-	-	-

Attended through video conference Leave of absence Attended in Person Chairman

The Company Secretary acts as the Secretary to the Committee. The minutes of each CRC meeting are placed in the next meeting of the Board.

#### Chief Sustainability Officer

As on March 31, 2024, Mr Santosh Kumar Singh is the Chief Sustainability Officer of the Company.

#### Public Consumer Committee ("PC Committee"):

The Public Consumer Committee ("PC Committee") comprises of 3 (three) members, with all members being independent directors. A detailed charter of the PC Committee is available on the website of the Company at:

<https://www.adanienergysolutions.com/investors/board-and-committee-charters>

**Terms of reference:**

Sr. No.	Terms of Reference	Frequency
1.	To devise a policy on consumer services	
2.	To oversee consumer relationships management (approach, attitude and fair treatment) including the Company's policies, practices and services offered	
3.	To review the actions taken for building and strengthening consumer service orientation and providing suggestion for simplifying processes for improvement in consumer service levels	
4.	To discuss service updates, ongoing projects specifically targeted towards improvement of consumer service and appropriate actions arising from discussions	
5.	To examine the possible methods of leveraging technology for better consumer services with proper safeguards and recommend measures to enhance consumer ease	
6.	To seek / provide feedback on quality of services rendered by the Company to its consumers.	
7.	To examine the grievance redressal mechanism, its structure, framework, efficacy and recommend changes / improvements required in the system, procedures and processes to make it more effective and responsive	
8.	To review the status of grievances received, redressed and pending for redressal	
9.	To review the working of Alternate Dispute Redressal (ADR) Mechanism, if established by the Company	
10.	To approve appointment of Chief Consumer Officer after assessing the qualifications, experience and background, etc. of the candidate and to oversee his performance	
11.	To oversee policies and processes relating to advertising and compliance with consumer protection laws	
12.	To review consumer engagement plan, consumer survey / consumer satisfaction trends and to suggest directives for improvements	

**Frequency**

Annually



Half yearly



Periodically

**Meeting, Attendance & Composition of the PC Committee:**

During the financial year 2023-24, one meeting of the PC Committee was held on March 20, 2024.

01 March 20, 2024

The details of composition of PC Committee are given below:

67%

Independence

1

Meeting

3

Members

100%

Average Attendance

Name of the Director	PC Meeting	Held during the year	Total Attended	% of attendance
	1			
Mr K. Jairaj		1	1	100
Dr Ravindra H. Dholakia		1	1	100
Mrs Meera Shankar		1	1	100
<b>Attendance (%)</b>	100	-	-	-



Attended through video conference



Leave of absence



Attended in Person



Chairman









The Company Secretary acts as the Secretary to the Committee. The minutes of each PC Committee are placed in the next meeting of the Board.



### Information Technology & Data Security Committee:

The Information Technology & Data Security Committee ("**IT&DS Committee**") comprise of 3 (three) members, with a majority of Directors being Independent Directors. A detailed charter of the IT & DS Committee is available on the website of the Company at:

<https://www.adanienergysolutions.com/investors/board-and-committee-charters>

#### Terms of reference:

Terms of Reference	Frequency
To review and oversee the function of the Information Technology (IT) within the Company in establishing and implementing various latest IT tools and technologies by which various key functions and processes across various divisions within the group can be automated to the extent possible and thereby to add the value	
To review and oversee the necessary actions being taken by IT and Cyber team with respect to protection of various important data across the Company and what the policy for data protection and its sustainability	
To oversee the current cyber risk exposure of the Company and future cyber risk strategy	
To review at least annually the Company's cyber security breach response and crisis management plan	
To review reports on any cyber security incidents and the adequacy of proposed action	
To assess the adequacy of resources and suggest additional measures to be undertaken by the Company	
To regularly review the cyber risk posed by third parties including outsourced IT and other partners	
To annually assess the adequacy of the Group's cyber insurance cover	

**Frequency** |  Annually  Half yearly

#### Meeting, Attendance & Composition of the IT&DS Committee:








IT&DS Committee met 2 (two) times during the Financial Year 2023-24 on:





**01** July 28, 2023

**02** March 20, 2024

The composition of IT&DS Committee and details of attendance of the members during FY 2023-24 are given below:

<b>67%</b> Independence	<b>2</b> Meetings	<b>3</b> Members	<b>100%</b> Average Attendance
----------------------------	----------------------	---------------------	-----------------------------------

Name of the Director	IT & DS Committee Meetings		Held during the year	Total Attended	% of attendance
	1	2			
Mr Anil Sardana 			2	2	100
Mr K. Jairaj			2	2	100
Dr Ravindra H. Dholakia			2	2	100
<b>Attendance (%)</b>	100	100	-	-	-

 Attended through video conference  Leave of absence  Attended in Person  Chairman

The Company Secretary acts as the Secretary to the Committee. The minutes of each IT&DS Committee are placed in the next meeting of the Board.










### Mergers & Acquisitions Committee (M&A Committee):

The Mergers & Acquisitions Committee ("**M&A Committee**") is a Sub-committee of RMC and comprise of 3 (three) members, with a majority of independent directors. A detailed charter of the M&A Committee is available on the website of the Company at:

<https://www.adanienergysolutions.com/investors/board-and-committee-charters>

#### Terms of reference:

Sr. No.	Terms of Reference	Frequency
1.	To review acquisition strategies with the management	
2.	To review proposals relating to merger, acquisition, investment or divestment ("Transaction/s") that are presented to the Committee (including how such transaction fits with the Company's strategic plans and acquisition strategy, Transaction timing, important Transaction milestones, financing, key risks (including cyber security) and opportunities, risk appetite, tolerance and the integration plan) and if thought fit, to recommend relevant opportunities to the Audit Committee / Board as appropriate	
3.	To oversee due diligence process with respect to proposed Transaction(s) and review the reports prepared by internal teams or independent external advisors, if appointed	
4.	To evaluate execution / completion, integration of Transaction(s) consummated, including information presented by management in correlation with the Transaction approval parameters and the Company's strategic objectives	
5.	To periodically review the performance of completed Transaction(s)	
6.	To review the highlights good practices and learnings from Transaction and utilize them for future Transactions	
7.	To review the tax treatment of Transactions and ascertain their effects upon the financial statements of the Company and seek external advice on the tax treatment of these items, where appropriate	

#### Frequency




Annually



Periodically

### Composition of the M&A Committee:

The details of composition of M&A Committee are given below:

Name of the Director
Mr Anil Sardana 
Mr K. Jairaj
Dr Ravindra H. Dholakia









Chairman

The Company Secretary acts as the Secretary to the Committee. The minutes of each M&A Committee are placed in the next meeting of the Board.

### Legal, Regulatory & Tax Committee ("LRT Committee"):

The Legal, Regulatory & Tax Committee ("**LRT Committee**") is a sub-committee of RMC and comprise of 3 (three) members, majority of which are independent directors. A detailed charter of the LRT Committee is available on the website of the Company at:

<https://www.adanienergysolutions.com/investors/board-and-committee-charters>

Terms of Reference	Frequency
To exercise oversight with respect to the structure, operation and efficacy of the Company's compliance program	
To review legal, tax and regulatory matters that may have a material impact on the Company's financial statements and disclosures, reputational risk or business continuity risk	
To review compliance with applicable laws and regulations	
To approve the compliance audit plan for the year and review of such audits to be performed by the internal audit department of the Company	
To review significant inquiries received from, and reviews by, regulators or government agencies, including, without limitation, issues pertaining to compliance with various laws or regulations or enforcement or other actions brought or threatened to be brought against the Company by regulators or government authorities / bodies / agencies	
To review, oversee and approve the tax strategy and tax governance framework and consider and action tax risk management issues that are brought to the attention of the Committee	

**Frequency** |  Annually  Half yearly  Periodically

#### Meeting, Attendance & Composition of the LRT Committee:








LRT Committee met 2 (two) times during the Financial Year 2023-24 on:





01 July 28, 2023

02 March 20, 2024

The composition of LRT Committee and details of attendance of the members during FY 2023-24 are given below:

<b>67%</b> Independence	<b>2</b> Meetings	<b>3</b> Members	<b>100%</b> Average Attendance
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Name of the Director	LRT Committee Meetings		Held during the year	Total Attended	% of attendance
	1	2			
Mr Anil Sardana 			02	02	100
Mr K. Jairaj			02	02	100
Dr Ravindra H. Dholakia			02	02	100
<b>Attendance (%)</b>	100	100	-	-	-

 Attended through video conference  Leave of absence  Attended in Person  Chairman






The Company Secretary acts as the Secretary to the Committee. The minutes of each LRT Committee are placed in the next meeting of the Board.

#### Reputation Risk Committee ("RR Committee"):

The Reputation Risk Committee ("**RR Committee**") is a sub-committee of RMC comprises of 3 (three) members, with majority of independent directors. A detailed charter of the RR Committee is available on the website of the Company at:

<https://www.adanienergysolutions.com/investors/board-and-committee-charters>

**Terms of reference:**

Terms of Reference	Frequency
To review reports from management regarding reputation risk, including reporting on the Reputation Risk Management Framework and Reputation Risk Appetite	
To provide ongoing oversight of the reputational risk posed by global business scenario, functions, geographies, material legal changes, climate change or high-risk relationships / programs	
To assess and resolve specific issues, potential conflicts of interest and other reputation risk issues that are reported to the Committee	
To recommend good practices and measures that would avoid reputational loss	
To review specific cases of non-compliances, violations of codes of conduct which may cause loss to reputation the Company	

**Frequency**

Annually



Half yearly




Quarterly



Periodically

**Composition of the RR Committee:**

The details of composition of RR Committee are given below:

Name of the Director
Mr Anil Sardana 
Mr K. Jairaj
Dr Ravindra H. Dholakia



Chairman

The Company Secretary acts as the Secretary to the Committee. The minutes of each RR Committee are placed in the next meeting of the Board.

**Governance of Subsidiary Companies**

The Company has 3 (three) material subsidiaries as on the date of this Integrated Annual Report, having an income or net worth exceeding 10% of the consolidated income or net worth respectively, of the Company. The subsidiaries of the Company function with an adequately empowered Board of Directors and sufficient resources.

The minutes of the Board Meetings of the subsidiary companies along with the details of significant transactions and arrangements entered into by the subsidiary companies are shared with the Board of Directors on a quarterly basis. The Financial Statements of the subsidiary companies are presented to the Audit Committee. The information in respect of the loans and advances in the nature of loans to subsidiaries pursuant to Regulation 34 of the SEBI Listing Regulations is provided in Notes to the standalone Financial Statements.




The Company has a policy for determining 'material subsidiaries' which is uploaded on the website of the Company at:

<https://www.adanienergysolutions.com/investors/corporate-governance>

## General Body Meetings

### Annual General Meetings:

The details of last three Annual General Meetings ("AGMs") are as follows:

Financial Year	Location / Mode	Day, date and time (IST)	Special resolutions passed
2022-23		Wednesday, July 19, 2023 at 11:00 a.m.	<ul style="list-style-type: none"> <li>Re-Appointment of Mr Anil Sardana (DIN: 00006867), as Managing Director of the Company.</li> <li>Approve change of name of the Company from Adani Transmission Limited to Adani Energy Solutions Limited.</li> </ul>
2021-22		Wednesday, July 27, 2022 at 11:00 a.m.	-
2020-21		Tuesday, July 13, 2021 at 11.00 a.m.	<ul style="list-style-type: none"> <li>Approval of offer or invitation to subscribe to securities for an amount not exceeding ₹ 2,500 crore</li> </ul>

 Held through video conference

All the resolutions proposed by the Directors to shareholders in last three years are approved by shareholders with requisite majority.

Voting results of the last AGM is available on the website of the Company at: <https://www.adanienergysolutions.com/investors/corporate-governance>

### Whether special resolutions were put through postal ballot last year, details of voting pattern:

Following special resolutions were put through postal ballot during (FY 2023-24):

#### A. To raise capital by way of a qualified institutions placement to eligible investors through an issuance of equity shares and/or other eligible securities

Result of voting through Postal Ballot by remote e-voting was as follows:

Category	Promoter and Promoter Group	Public Institutions	Public Non-Institutions	Total
No. of shares held	79,92,31,081	27,63,45,041	3,99,16,561	111,54,92,683
No. of Votes – in favour	79,92,31,081	20,80,65,669	92,703	100,73,89,453
% of Votes in favour on votes polled	100%	93.74%	98.13%	98.64%
No. of Votes –Against	-	1,38,83,626	1768	1,38,85,394
% of Votes against on votes polled	-	6.26%	1.87%	1.36%

#### B. To approve amendment to the Articles of Association of the Company

Result of voting through Postal Ballot by remote e-voting was as follows:

Category	Promoter and Promoter Group	Public Institutions	Public Non-Institutions	Total
No. of shares held	79,00,21,689	26,69,43,979	5,85,27,015	111,54,92,683
No. of Votes – in favour	79,00,21,689	25,56,60,006	6,89,677	104,63,71,372
% of Votes in favour on votes polled	100%	98.71%	98.64%	99.68%
No. of Votes –Against		33,39,241	9,485	33,48,726
% of Votes against on votes polled		1.29%	1.36%	0.31%



### Whether any resolutions are proposed to be conducted through postal ballot:

There is no immediate proposal for passing any resolution through postal ballot. None of the businesses proposed to be transacted at the ensuing AGM require passing of a resolution through postal ballot.

### Procedure for postal ballot:

Prescribed procedure for postal ballot as per the provisions contained in this behalf in the Act read with rules made there under as amended from time to time shall be complied with, whenever necessary.

### Key Codes, Policies and Frameworks:

#### Code of Conduct:

The Board has laid down a Code of Business Conduct and Ethics (the "Code") for all the Board Members and Senior Management of the Company. The Code is available on the website of the Company [www.adanienergysolutions.com](https://www.adanienergysolutions.com). All Board Members and Senior Management Personnel have affirmed compliance of the Code. A declaration signed by Managing Director to this effect is attached to this report.

The Board has also adopted separate code of conduct with respect to duties of Independent Directors as per the provisions of the Act.

#### Whistle Blower Policy

The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism for employees and directors to report concerns about unethical or improper activities and financial irregularities. No person has been denied access to the chairman of the Audit Committee. The Audit Committee monitors and reviews the investigations of the whistle blower complaints. The said policy is uploaded on the website of the Company at:

<https://www.adanienergysolutions.com/investors/corporate-governance>.

**1**  
Whistler  
Blower Complaint

During the year under review, one instance of whistle blower complaint was received and resolved by the Company.

#### Anti-Corruption, Anti-Bribery & Conflict of Interest Policy

It is Company's endeavor to conduct its business in an honest and ethical manner. Company takes a

zero-tolerance approach to bribery and corruption and is committed to acting professionally, fairly and with integrity in all its business dealings and relationships, wherever it operates. Company's designated personnel are strongly prohibited from engaging in any form of unethical activity. This includes a prohibition against direct bribery and indirect bribery, including payments that can be routed through third parties. If any employee, partner vendor, supplier, stakeholder suspects or becomes aware of any potential bribery involving the employee, it is incumbent upon the person to report it to the Vigilance and Ethics Officer.

A copy of the said Policy, is available on the website of the Company at:

<https://www.adanienergysolutions.com/investors/corporate-governance>.

#### Code on prohibition of Insider Trading

In compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("PIT Regulations"), the Company has formulated the Code of Conduct for Prevention of Insider Trading ("Code") to regulate and monitor trading by Designated Persons ("DPs") and their immediate relatives.

The Code, inter alia, lays down the procedures to be followed by DPs while trading/ dealing in Company shares/ derivatives and while sharing Unpublished Price Sensitive Information (UPSI). The Code includes the obligations and responsibilities of DPs, obligation to maintain the structured digital database, mechanism for prevention of insider trading and handling of UPSI, process to familiarise with the sensitivity of UPSI, transactions which are prohibited and manner in which permitted transactions in the securities of the Company shall be carried out etc.

A report on insider trading, covering trading by DPs and various initiatives/ actions taken by the Company under the PIT Regulations is also placed before the Audit Committee on quarterly.

The Company periodically circulates the informatory e-mails along with the FAQs on Insider Trading Code, Do's and Don'ts etc. to the employees (including new employees) to familiarize them with the provisions of the Code. The Company also conducts frequent workshops/ training sessions to educate and sensitise the employees/ designated persons.

#### Policy on Related Party Transactions

The Company has adopted the Policy on Related Party Transactions ("RPTs") in line with the requirements of the Act and SEBI Listing Regulations, as amended from time to time, which is available on the website of the Company at:

<https://www.adanienergysolutions.com/investors/corporate-governance>

The Policy intends to ensure that proper reporting, approval, disclosure processes are in place for all transactions between the Company and related parties. This Policy specifically deals with the review and approval of Material RPTs, keeping in mind the potential or actual conflicts of interest that may arise because of entering into these transactions. All RPTs by the Company and RPTs by the subsidiary companies, exceeding their respective standalone turnover, were placed before the Audit Committee for review and prior approval. Prior omnibus approval is obtained for RPTs on a yearly basis, for the transactions which are of repetitive nature and/ or entered in the ordinary course of business and are at arm's length. All RPTs entered during the year were in ordinary course of business and on arm's length basis.

The Company had also obtained the prior approval of shareholders for the material RPTs entered into during the Financial Year 2023-24.

#### **Risk Management Framework**

The Company has established an Enterprise Risk Management ("ERM") framework to optimally identify and manage risks, as well as to address operational, strategic and regulatory risks. In line with the Company's commitment to deliver sustainable value, this framework aims to provide an integrated and organised approach to evaluate and manage risks. Risk assessment monitoring is included in the Company's annual Internal Audit programme and reviewed by the Audit Committee / Risk Management Committee at regular intervals. In compliance with Regulation 17 and 21 of the SEBI Listing Regulations, the Board of Directors has formulated a Risk Management Policy for framing, implementing and monitoring the risk management plan for the Company.

The Board is periodically updated on the key risks, steps and processes initiated for reducing and, if feasible, eliminating various risks. Business risk evaluation and management is an ongoing process within the Company.

Detailed update on risk management framework has been covered under the risk section, forming a part of the Integrated Annual Report.

#### **Policy on Material Subsidiary**

The Company has adopted a Policy on Material Subsidiary in line with the requirements of the SEBI Listing Regulations. The objective of this Policy is to lay down criteria for identification and dealing with material subsidiaries and to formulate a governance framework for subsidiaries of the Company. The Policy on Material Subsidiary is available on the website of the Company

at <https://www.adanienergysolutions.com/investors/corporate-governance>

Apart from above, the Company has adopted many other mandatory and non-mandatory policies, which are available on Company's website at <https://www.adanienergysolutions.com/investors/corporate-governance>.

## **MEANS OF COMMUNICATION**

#### **Website:**

The Company has dedicated "Investors" section on its website viz. [www.adanienergysolutions.com](http://www.adanienergysolutions.com), wherein any person can access the corporate policies, Board committee charters, Annual Reports, financial results, investor presentation and shareholding details etc.

#### **Announcement of material information:**

All the material information, requisite announcements and periodical filings are being submitted by the Company electronically through web portals of NSE and BSE, where the equity shares of the Company are listed.

#### **Media Releases:**

All official media releases are submitted to NSE and BSE and also being uploaded on the website of the Company.

#### **Quarterly financial results:**

The financial results were published in prominent daily newspapers viz. Indian Express (English daily) and Financial Express (Gujarati daily – vernacular) and were also uploaded on the website of the Company.

#### **Earning Calls & presentations to Institutional Investors/ Analysts**

The Company organises earnings call with analysts and investors on the same day / next day of announcement of results. The audio recordings and transcript of these earning calls are posted on the Company's website. Presentations made to institutional investors and financial analysts on the financial results are submitted to the stock exchanges and also uploaded on the Company's website.

The Company has maintained consistent communication with investors at various forums.

## **Integrated Annual Report and AGM**

Integrated Annual Report containing audited standalone and consolidated financial statements together with Report of Board of Directors, Management Discussion and Analysis Report, Corporate Governance Report, Auditor's Report and other important information are

circulated to the Members. In the AGM, the Shareholders also interact with the Board and the Management.

### Registrar and Share Transfer Agent:

Link Intime India Private Limited are acting as Registrar and Share Transfer Agent of the Company. They have adequate infrastructure and VSAT connectivity with both the depositories, which facilitate better and faster services to the investors.

#### Name, Designation and Address of the Compliance Officer: Mr Jaladhi Shukla,

Company Secretary and Compliance Officer  
Adani Corporate House", Shantigram,  
Near Vaishno Devi Circle, S. G. Highway,  
Khodiyar, Ahmedabad – 382 421  
E-mail ID: jaladhi.shukla@adani.com

### Green Initiative

As a responsible corporate citizen, the Company welcomes and supports the 'Green Initiative' undertaken by the Ministry of Corporate Affairs, Government of India, enabling electronic delivery of documents including the Integrated Annual Report to Shareholders at their e-mail address previously registered with the depositories or the Company's Registrar and Share Transfer Agent.

In line with the SEBI Listing Regulations, the Company has emailed soft copies of its Integrated Annual Report to all those Shareholders who have registered their email address for the said purpose. With reference to MCA General Circular No. 20/2020 dated May 5, 2020 and MCA Circular dated May 05, 2022 and MCA General Circular No. 11/2022 dated December 28, 2022, read with the Securities and Exchange Board of India Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, Companies have been dispensed with the printing and dispatch of Annual Reports to Shareholders. Hence, the Annual Report of the Company for the financial year ended March 31, 2024, would be sent through email to the Shareholders.

We would greatly appreciate and encourage more Members to register their email address with their Depository Participant or the RTA/Company, to receive soft copies of the Annual Report and other information disseminated by the Company. Shareholders who have not registered their e-mail addresses so far are requested to do the same. Those holding shares in demat form can register their e-mail address with their concerned DPs. Shareholders who hold shares in physical form are requested to register their e-mail addresses with the RTA/ Company, by sending KYC updation forms duly signed by the shareholder(s) with required details.

Please note that all documents relating to Annual General Meeting shall be available on the Company's website.

## GENERAL SHAREHOLDER INFORMATION

### 11<sup>th</sup> Annual General Meeting:

#### Date & Time

**Tuesday, June 25, 2024 at 11.30 AM (IST)**

#### Mode

Video Conferencing/Other Audio Visual Means

#### Instructions for attending AGM/Remote e-voting:

Refer Notice AGM

#### E-voting details

Starts: Friday, June 21, 2024 from 9.00 AM (IST)  
Ends: Monday, June 24, 2024 at 5.00 PM (IST)

#### E-voting at AGM

E-voting facility shall also remain open during the AGM and 15 minutes after AGM

#### Book Closure for 11<sup>th</sup> AGM

From: Tuesday, June 18, 2024  
To: Tuesday, June 25, 2024

### Dividend Distribution Policy:

The Dividend Distribution Policy of the Company is available on the website of the Company at: <https://www.adanienergysolutions.com/investors/corporate-governance>

### Dividend:

The Board of the Company, after considering holistically the relevant circumstances and keeping in view the tremendous growth opportunities that the Company is currently engaged with, has decided that it would be prudent not to recommend any dividend for the Financial Year 23-24.

### Company Registration Details:

The Company is registered in the State of Gujarat, India and having registered office at "Adani Corporate House", Shantigram, Near Vaishno Devi Circle, S.G. Highway, Khodiyar, Ahmedabad – 382 421, Gujarat. The Corporate Identity Number allotted to the Company by the Ministry of Corporate Affairs is L40300GJ2013PLC077803.

## Financial Calendar for 2024-25:

The Company's financial year starts on April 1 and ends on March 31 every year. The calendar for approval of quarterly financial results is as under:



## Listing on Stock Exchanges:

### Equity Shares

The Equity Shares of the Company are listed with the following stock exchanges:

Name and Address of Stock Exchange	ISIN	Code
<b>BSE Limited (BSE)</b> Floor 25, P. J Towers, Dalal Street, Mumbai – 400 001	INE931S01010	539254
<b>National Stock Exchange of India Limited (NSE)</b> Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051		ADANIENSOL

The annual listing fee for the Financial Year 2024-25 has been paid to both, NSE and BSE.

## Listing of Debt Securities:

### Details of listing of Debt Securities are as under:

Name and Address of Stock Exchange	ISIN	Code	Name and address of Debenture Trustee(s)
<b>BSE Limited</b> Floor 25, P. J Towers, Dalal Street, Mumbai – 400 001	INE931S08015	974443	<b>Catalyst Trusteeship Limited</b> 910-911, 9 <sup>th</sup> Floor, Kailash Building, 26, Kasturba Gandhi Marg, New Delhi – 110 001

### Details of Debenture Trustees (for privately placed Debentures):

Catalyst Trusteeship Limited  
910-911, 9<sup>th</sup> Floor, Kailash Building,  
26, Kasturba Gandhi Marg,  
New Delhi – 110 001  
Phone No. +91-11-4302 9101 | Fax: +91-22-6631 1776  
E-mail ID: sameer.trikha@ctltrustee.com | Website: [www.catalysttrustee.com](http://www.catalysttrustee.com)

## Depositories:

Name of Depositories	Address of Depositories
National Securities Depository Limited (NSDL)	Trade World, 4 <sup>th</sup> Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai- 400013.
Central Depository Services (India) Limited (CDSL)	25 <sup>th</sup> Floor, A Wing, Marathon Futurex, Mafatlal Mills Compound, NM Joshi Marg, Lower Parel (E), Mumbai- 400013

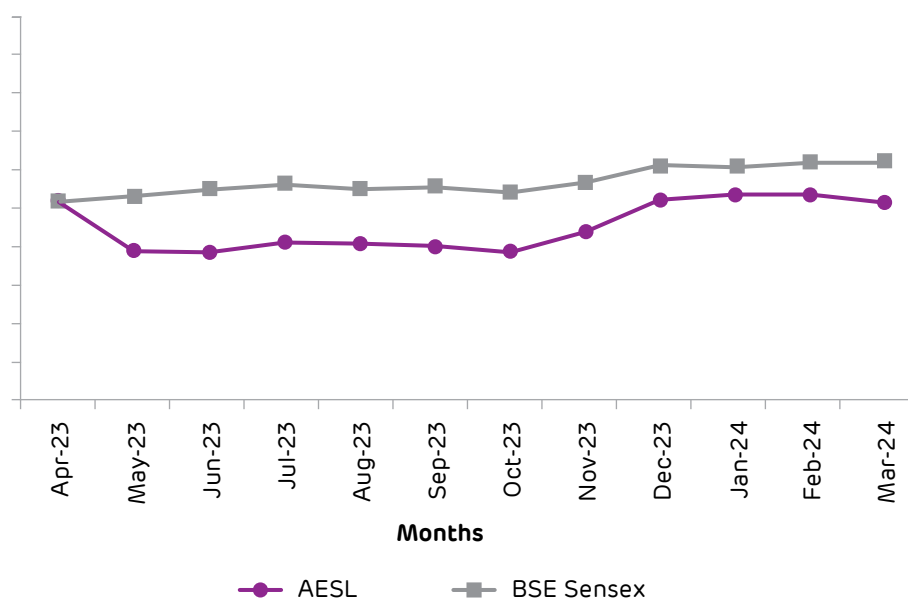
The annual custody / issuer fees for the Financial Year 2024-25 have been paid to both, NSDL and CDSL.



**Market Price Data:**

Month	BSE			NSE		
	High (₹)	Low (₹)	Volume (No. of shares)	High (₹)	Low (₹)	Volume (No. of shares)
April, 2023	1,098.75	896.75	15,80,952	1,099.00	896.25	1,19,40,203
May, 2023	1,077.30	713.80	30,65,600	1,077.70	714.05	6,69,02,684
June, 2023	848.50	738.15	53,77,057	848.75	738.00	8,65,85,056
July, 2023	843.00	738.15	32,47,849	843.00	738.00	2,72,83,630
August, 2023	976.45	780.00	41,87,586	976.95	780.10	10,93,49,093
September, 2023	888.95	793.50	23,57,735	888.75	791.05	5,91,52,045
October, 2023	828.10	686.90	11,35,137	826.95	686.00	92,55,452
November, 2023	954.85	712.30	39,10,281	954.90	720.00	3,23,46,824
December, 2023	1,246.00	850.00	72,07,832	1,246.00	848.00	12,59,16,669
January, 2024	1,250.00	1,029.00	40,76,878	1,250.00	1,028.00	5,32,29,566
February, 2024	1,189.90	1,005.00	30,16,271	1,190.60	1,001.20	6,17,86,240
March, 2024	1,095.90	918.10	19,75,077	1,095.00	915.30	5,17,04,815

The Company's equity shares are frequently traded on the BSE Limited and National Stock Exchange of India Limited.

**Performance in comparison to broad-based indices such as BSE Sensex:****Registrar and Transfer Agents:**

M/s. Link Intime India Private Limited is appointed as Registrar and Transfer Agent ("RTA") of the Company for both Physical and Demat Shares. The registered office address is given below:

**Address:** 5<sup>th</sup> Floor, 506-508, Amarnath Business Centre – 1 (ABC -1), Beside Gala Business Centre, Off C. G. Road, Navrangpura, Ahmedabad – 380 009

**Tel:** +91-79-2646 5179 | **Fax:** +91-79-2646 5179

**E-mail:** [ahmedabad@linkintime.co.in](mailto:ahmedabad@linkintime.co.in) | **Website:** [www.linkintime.co.in](http://www.linkintime.co.in)

The Shareholders are requested to correspond directly with the R&T Agent for transfer/transmission of shares, change of address, queries pertaining to their shares, dividend etc.

### Share Transfer System Dematerialisation of Shares and Liquidity thereof:

The Board has delegated the authority for approving transfer, transmission etc. to the Securities Transfer Committee.

Approximately the entire equity shares capital of the Company is held in dematerialised form. The Company's shares are compulsorily traded in dematerialised form and are available for trading with both the depositories i.e. National Securities Depository Limited and Central Depository Services (India) Limited. The shareholders can hold the Company's shares with any depository participant, registered with the depositories.

	Number of shares	Number of shareholders	
March 31, 2024	<b>1,11,53,09,254</b> (99.98%)	<b>4,78,080</b> (99.99%)	In Demat
	<b>1,83,429</b> (0.02%)	<b>45</b> (0.01%)	In physical form
March 31, 2023	<b>1,11,52,86,275</b> (99.98%)	<b>3,22,801</b> (99.98%)	In Demat
	<b>2,06,408</b> (0.02%)	<b>50</b> (0.02%)	In physical form

The demat security (ISIN) code for the equity share is **INE931S01010**.

In terms of the amended Regulation 40(1) of SEBI Listing Regulations, with effect from April 1, 2019, securities of listed companies can be transferred only in dematerialised form (except transmission of securities or transposition in the name(s) of holding). Accordingly, the shares held in physical form will not be transferred unless they are converted into dematerialised form. Transfers of equity shares in electronic form are effected through the depository system with no involvement of the Company.

Pursuant to Regulation 40(9) of the SEBI Listing Regulations, the Company obtain certificates from a practicing Company Secretary (i) on a yearly basis to the effect that all the transfers are completed within the statutory stipulated period and (ii) on a quarterly basis regarding reconciliation of the share capital audit of the Company confirming that the total issued / paid-up capital of the Company is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL. A copy of these certificates so received are submitted to both the Stock Exchanges viz. NSE and BSE.

All share transfer and other communication regarding share certificates, change of address, dividend etc. should be addressed to R & T Agents of the Company at the address given above.

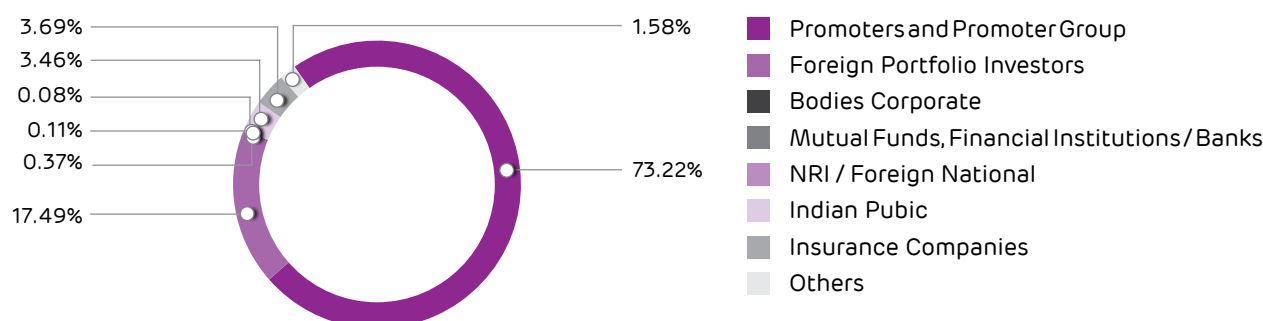
There was no instance of suspension of trading in Company's shares during FY 2023-24.

### Shareholding as on March 31, 2024:

No. of shares	2024				2023			
	Equity Shares in each category		Number of shareholders		Equity Shares in each category		Number of shareholders	
	Total Shares	% of total	Holders	% of total	Total Shares	% of total	Holders	% of total
1-500	1,80,31,839	1.62	4,67,979	97.92	90,27,335	0.81	3,18,200	98.58
501-1000	40,66,896	0.36	5,441	1.12	16,63,130	0.15	2,207	0.67
1001-2000	35,71,692	0.32	2,458	0.50	15,10,980	0.14	1,019	0.31
2001-3000	18,88,902	0.17	754	0.15	8,20,976	0.07	323	0.10
3001-4000	13,37,759	0.12	374	0.08	7,48,173	0.07	208	0.06
4001-5000	10,42,185	0.09	226	0.05	5,49,888	0.05	121	0.04
5001-10000	33,55,144	0.30	463	0.10	22,17,130	0.20	302	0.09
10001 & above	1,08,21,98,266	97.02	430	0.09	1,09,89,55,071	98.52	471	0.14
<b>Total</b>	<b>1,11,54,92,683</b>	<b>100.00</b>	<b>4,78,125</b>	<b>100.00</b>	<b>1,11,54,92,683</b>	<b>100.00</b>	<b>3,22,851</b>	<b>100.00</b>

**Category-wise shareholding Pattern as on March 31, 2024:**

Category	Total No. of Shares	% of holding
<b>Promoter and Promoter Group</b>		
Promoters	69,74,38,987	62.52
Foreign Institutional Investors / Portfolio Investor	11,93,21,000	10.70
<b>Total Shareholding of Promoter and Promoter Group (A)</b>	<b>81,67,59,987</b>	<b>73.22</b>
<b>Public and others</b>		
Foreign Portfolio Investors	19,51,21,847	17.49
Insurance Companies	4,11,59,384	3.69
Mutual Funds/Banks/Financial Institutions	11,83,289	0.11
NRI/Foreign Nationals	9,12,311	0.08
Bodies Corporate	41,41,458	0.37
Indian Public	3,86,09,116	3.46
Others	1,75,95,291	1.58
<b>Total Public Shareholding (B)</b>	<b>29,87,32,696</b>	<b>26.78</b>
<b>Total Shareholding (A + B)</b>	<b>1,11,54,92,683</b>	<b>100.00</b>

**Commodity Price Risk/Foreign Exchange Risk and Hedging:**

The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular dated November 15, 2018 is not required to be given. For a detailed discussion on foreign exchange risk and hedging activities, please refer to Management Discussion and Analysis Report.

**Major Plant Location :**

Not Applicable.

**Credit Rating:****International Rating**

Rating Agency	Type of Instrument / facility	Rating / Outlook
Fitch	Dollar Bond	BBB-/Stable
Moody's	Dollar Bond	Baa3/Stable

**Domestic Rating**

Rating Agency	Facility	Rating / Outlook
ICRA	Commercial Paper Issuance	A1+
India Ratings and Research	Commercial Paper Issuance	A1+
India Ratings and Research	Non-convertible debentures	AA+/Stable
India Ratings and Research	Working capital facility	AA+/Stable
India Ratings and Research	Long-Term Issuer Rating	IND AA+/Stable
India Ratings and Research	Bank Guarantee	IND AA+/Stable
India Ratings and Research	Proposed non-fund based working capital facility	IND AA+/Stable

### Communication details:

Particulars	Contact	Email	Address
For Corporate Governance, and other Secretarial related matters	<b>Mr Jaladhi Shukla,</b> Company Secretary & Compliance Officer	jaladhi.shukla@adani.com	<b>Adani Energy Solutions Limited</b> (formerly known as Adani Transmission Limited) Registered Office: Adani Corporate House, Shantigram, Nr. Vaishno Devi Circle, S.G. Highway, Khodiyar, Ahmedabad – 382 421, Gujarat, India <b>Tel No.:</b> (079) 25555 555, 26565 555. <b>Fax:</b> +91-79-2555 7177
For queries relating to Financial Statements	<b>Mr Vijil Jain,</b> Head – Investor Relations	vijil.jain@adani.com	
Registrar and Share Transfer Agent	<b>Mr Nilesh Dalwadi</b> Link Intime India Private Limited	ahmedabad@linkintime.co.in	5 <sup>th</sup> Floor, 506-508, Amarnath Business Centre – 1 (ABC -1), Beside Gala Business Centre, Off C. G. Road, Navrangpura, Ahmedabad – 380 009 Phone: 079 26465179 Fax: 079 26465179

### Details of Corporate Policies:

Details of corporate policies are provided as a part of Directors' Report, forming integral part of this Integrated Annual Report.

### Dispute Resolution Mechanism at Stock Exchanges (SMART ODR):

SEBI vide its Circular dated May 30, 2022 provided an option for arbitration as a Dispute Resolution Mechanism for investors. As per this Circular, investors can opt for arbitration with Stock Exchanges in case of any dispute against the Company or its RTA on delay or default in processing any investor services related request.

In compliance with SEBI guidelines, the Company had sent communication intimating about the said Dispute Resolution Mechanism to all the Members holding shares in physical form.

### Other Disclosures

#### Compliance with Non-mandatory Requirements:

The non-mandatory requirements have been adopted to the extent and in the manner as stated under the appropriate headings detailed below:

#### The Board:

The Board of Directors periodically reviewed the compliance of all the applicable laws and steps taken by the Company to rectify instances of non-compliance, if any. The Company is in compliance with all mandatory requirements of SEBI Listing Regulations.

The Company has an Executive Chairman and hence, the need for implementing the non-mandatory requirement

i.e., maintaining a chairperson's office at the Company's expense and allowing reimbursement of expenses incurred in performance of his duties, does not arise.

#### Shareholders' Right:

The Company ensures that the disclosure of all the information is disseminated on a non-discretionary basis to all the Shareholders. The quarterly results along with the press release, investor presentations, recordings and transcripts of earnings call are uploaded on the website of the Company [www.adanienergysolutions.com](http://www.adanienergysolutions.com). The same are also available on the sites of stock exchanges (BSE and NSE) where the shares of the Company are listed.

#### Audit Qualification:

The Auditors' modified opinion has been appropriately dealt with in Note No. 64 (Consolidated Financial Statements) and Note No. 52 (Standalone Financial Statements) and doesn't require any further comments under Section 134 of the Act.

#### Reporting of Internal Auditor:

The Internal Auditor of the Company is a permanent invitee to the Audit Committee Meeting and regularly attends the Meeting for reporting their findings of the internal audit to the Audit Committee Members.

#### Separate posts of Chairperson and Chief Executive Officer:

Mr Gautam S. Adani is the Chairman and Mr Anil Sardana is the Managing Director of the Company. Both these positions have distinct and well-articulated roles and responsibilities. They are not related to each other.



The Company has submitted quarterly compliance report on Corporate Governance with the Stock Exchanges, in accordance with the requirements of Regulation 27(2)(a) of the SEBI Listing Regulations.

#### Independent of Audit Committee:

All the members of the Audit Committee are Non-Executive Independent Directors.

## OTHER DISCLOSURES:

### Disclosure of Related Party Transactions:

During the year, all related party transactions entered into by the Company were in the ordinary course of business and were at arm's length basis and were approved by the members of Audit Committee, comprising only of the Independent and Nominee Directors. The Company had sought the approval of shareholders at the 10<sup>th</sup> Annual General Meeting held on July 19, 2023 for material related party transactions as per Regulation 23 of SEBI Listing Regulations. The details of Related Party Transactions are disclosed in financial section of this Integrated Annual Report. The Board has adopted a policy on materiality of Related Party Transactions and also on dealing with Related Party Transactions.

The Board's approved policy for related party transactions is uploaded on the website of the Company at: <https://www.adanienergysolutions.com/investors/corporate-governance>.

### Disclosure of accounting treatment in preparation of Financial Statements:

The Company follows the guidelines of Accounting Standards referred to in section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 together with Ind AS issued by the Institute of Chartered Accountants of India.

### Fees paid to Statutory Auditors:

Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the Statutory Auditors and all entities in the network firm / network entity of which the Statutory Auditors is a part, is given below:

(₹ in crore)

Payment to Statutory Auditors	FY 2023-24	FY 2022-23
Audit Fees	2.25	2.27
Out of pocket expenses	0.07	0.05
Other Matters	0.23	0.35
<b>Total</b>	<b>2.55</b>	<b>2.67</b>

### Disclosure of complaints relating to Sexual Harassment

As per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and rules made thereunder, the Company has constituted Internal Complaints Committees (ICs) which is responsible for redressal of complaints related to sexual harassment. During the year under review, one complaint pertaining to POSH was received and redressed. All new employees go through a detailed personal orientation on anti-sexual harassment policy adopted by the Company.

### Compliance with Capital Market Regulations during the last three years:

There has been no instance of non-compliance by the Company and no penalty and/ or stricture has been imposed by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.

### Contributions:

The Company has not made any contributions to / spending for political campaigns, political organizations, lobbyists or lobbying organizations, trade associations and other tax-exempt groups.

### ADANI Code of Conduct:

The ADANI Code of Conduct for the Directors and Senior Management of the Company has been laid down by the Board and the same is posted on the website of the Company.

A declaration signed by the Managing Director affirming the compliance with the ADANI Code of Conduct by the Board Members and Senior Management Personnel of the Company is appended as an annexure to this report.

### Conflict of Interest

The designated Senior Management Personnel of the Company have disclosed to the Board that no material, financial and commercial transactions have been made during the year under review in which they have personal interest, which may have a potential conflict with the interest of the Company at large.

### Details of Loans and Advances by the Company and its Subsidiaries in the nature of loans to firms/ companies in which Directors are interested:

There were no Loans and Advances by the Company and its Subsidiaries in the nature of loans to firms/companies in which Directors are interested.

### **Proceeds from public issues, rights issues, preferential issues etc.**

The Company discloses to the Audit Committee, the uses/application of proceeds/funds raised from public issues, rights issues, preferential issues etc. as part of the quarterly review of financial results whenever applicable.

### **Governance Policies:**

The Company has also adopted Material Events Policy, Website Content Archival Policy and Policy on Preservation of Documents which is uploaded on the website of the Company at:

<https://www.adanienergysolutions.com/investors/corporate-governance>.

As a part of good governance practice, the Company has also constituted several policies from ESG perspective and the same are available on Company's website at <https://www.adanienergysolutions.com/investors/corporate-governance>

The Company has in place an Information Security Policy that ensure proper utilization of IT resources.

Details of the familiarization programmes imparted to the Independent Directors are available on the website of the Company at: <https://www.adanienergysolutions.com/investors/corporate-governance>.

The NRC regularly reviews the leadership succession plan for ensuring appropriate succession in appointments to the Board and to Senior Management positions. Appropriate balance of skills and experience is maintained within the organization and the Board with an objective to augment new perspectives while maintaining experience and continuity.

### **Statutory Certificates:**

#### **CEO / CFO Certification**

The certificate required under Regulation 17(8) of the SEBI Listing Regulations, duly signed by the CEO and CFO of the Company was placed before the Board. The same is provided as an annexure to this report.

#### **Company Secretary certificate on Corporate Governance**

The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations. It has obtained a certificate affirming the compliances from CS Chirag Shah, Partner, M/s. Chirag Shah & Associates, Practising Company Secretaries, affirming compliance of Corporate Governance requirements during FY 2023-24 and the same is attached to this Report.

#### **Certificate from Secretarial Auditor pursuant to Schedule V of the SEBI Listing Regulations**

A certificate from CS Chirag Shah, Partner, Chirag Shah & Associates, Practising Company Secretaries, pursuant to

Schedule V of the SEBI Listing Regulations, confirming that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as director of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority as on March 31, 2024, is annexed to this report.

The details of senior management including changes therein since the close of the previous financial year is as under:

<b>Name</b>	<b>As on March 31, 2024</b>	<b>As on March 31, 2023</b>
Mr Anil Sardana	✓	✓
Mr Bimal Dayal	-	✓
Mr Kandarp Patel	✓	✓
Mr Ishwar Kailashnath Dubey (ceased w.e.f. April 1, 2024)	✓	✓
Mr Chaitanya Prasad Sahoo	✓	✓
Mr Kamal Ajitsaria	✓	✓
Mr Binod Kumar Agarwala	✓	✓
Mr Sandeep Gautam	✓	✓
Mr Rohit Soni	-	✓
Mr Vivek Gautam	✓	✓
Mr Sanjay Johari	✓	✓
Mr Karthik B Kumar	✓	✓
Mr Kunjal Mehta	✓	✓
Mr Aniruddha Khokale	✓	✓
Mr Kapil Sharma	✓	✓
Mr Rohit Agrawal	✓	✓
Mr Rajendra Nandi	✓	✓
Mr Pushpendrasinh Zala	✓	✓
Mr Bhaskar Sarkar	✓	-
Mr Jaladhi Shukla	✓	✓

### **Directors' details:**

As required under Regulation 36(3) of the SEBI Listing Regulations, particulars of Director seeking re-appointment at the forthcoming AGM are given in the Annexure to the Notice of the 11<sup>th</sup> AGM to be held on Tuesday, June 25, 2024.

### **Compliance with Secretarial Standards:**

The Company complies with all applicable secretarial standards.

## CERTIFICATE ON CORPORATE GOVERNANCE

To  
The Members of  
**Adani Energy Solutions Limited**  
(Formerly known as Adani Transmission Limited)

We have examined the compliance of conditions of Corporate Governance by Adani Energy Solutions Limited ("**the Company**") for the year ended on March 31, 2024 as stipulated in the applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, pursuant to the Listing Agreement of the Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of procedures and implementations thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the Efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Ahmedabad  
Date: April 30, 2024

**Chirag Shah**  
Company Secretary  
**Chirag Shah & Associates**  
Company Secretaries  
FCS 5545  
C P No. 3498

UDIN: F005545F000240098  
Peer Review Cert. No. 704/2020

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

**(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)**

To,  
The Members of  
**Adani Energy Solutions Limited**

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Adani Energy Solutions Limited** having CIN L40300GJ2013PLC077803 and having registered office at "Adani Corporate House", Shantigram, Near Vaishno Devi Circle, S G Highway, Khodiyar, Ahmedabad – 382 421. (hereinafter referred to as '**the Company**'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Mr Gautam Shantilal Adani	00006273	June 17, 2015
2.	Mr Rajesh Shantilal Adani	00006322	June 17, 2015
3.	Mr Anil Sardana	00006867	May 10, 2018
4.	Mr K. Jairaj	01875126	June 17, 2015
5.	Dr Ravindra H. Dholakia	00069396	May 26, 2016
6.	Mrs Meera Shankar	06374957	June 17, 2015
7.	Mrs Lisa Caroline MacCallum	09064230	November 30, 2021

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Ahmedabad  
Date: April 30, 2024

**Chirag Shah**  
Company Secretary  
**Chirag Shah & Associates**  
Company Secretaries  
FCS 5545  
C P No. 3498  
UDIN: F005545F000240087  
Peer Review Cert. No. 704/2020



## Declaration

I, Anil Sardana, Managing Director of Adani Energy Solutions Limited hereby declare that as of March 31, 2024, all the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct and Ethics for Board of Directors and Senior Management Personnel laid down by the Company.

**For and on behalf of the Board of Directors**

Place: Ahmedabad

Date: April 30, 2024

**Anil Sardana**

Managing Director

## CERTIFICATION BY CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO)

We have reviewed the financial statements and the cash flow statements for the year ended March 31, 2024 and that to the best of our knowledge and belief:

1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
3. To the best of our knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2024 which are fraudulent, illegal or violation of the Company's Code of Conduct.
4. We accept responsibility for establishing and maintaining internal control system and that we have evaluated the effectiveness of the internal control system of the Company and we have disclosed to the auditors and the Audit Committee, efficiencies in the design or operation of internal control system, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
5. We further certify that we have indicated to the auditors and the Audit Committee:
  - a) There have been no significant changes in internal control system during the year;
  - b) There have been no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - c) There have been no instances of significant fraud of which we have become aware, involving management or an employee having a significant role in the Company's internal control system over financial reporting.

Date : April 30, 2024

Place : Ahmedabad

**Kandarp Patel**

Chief Executive Officer

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# Management Discussion & Analysis



## Global Economic Overview

The global economy displayed a surprisingly resilient performance in 2023, marked by a steady but slow recovery with regional variations. According to the International Monetary Fund (IMF), global growth maintained stability, holding at a modest rate of 3.2%. Despite escalating geopolitical conflicts, higher inflation, prolonged higher interest rates, and volatility in energy prices and food markets, global economic growth has decelerated but not halted. Furthermore, the Red Sea crisis has resulted in the largest rerouting of global trade in decades, causing delays and heightened expenses for shipping companies avoiding a route that traditionally handles 12% of the world's maritime trade. With the crisis unfolding, its widespread impact on global supply chains is becoming increasingly apparent.

On the brighter side, economic growth in several emerging markets and developing economies has surpassed expectations in 2023. Another silver lining is the strongest recovery of the US economy among major economies, marked by a stronger performance in private consumption, swift containment of a looming banking crisis, tight labour market, and rising wages. The GDP of the US increased from 1.9% in 2022 to 2.5% in 2023. Despite experiencing a contraction in GDP growth of 0.4% in 2023, the Euro Area has shown fortitude in navigating through unprecedented shocks arising from the prolonged Russia-Ukraine war, the trailing effects of tight monetary policy, previous energy costs, and planned fiscal consolidation, managing to avert recession. Furthermore, China's economy expanded to 5.2% in 2023 from 3.0% in 2022. The shakier economic growth of China in 2023 is attributed to depression in the real estate market and tepid demand.

As per the International Energy Agency (IEA), the world's demand for electricity grew by 2.2% in 2023, less than the 2.4% growth observed in 2022. While China and India experienced robust growth in electricity demand in 2023, advanced economies posted declines due to a subdued macroeconomic environment and high inflation, which reduced manufacturing and industrial output.

Global inflation continues to recede at a faster pace from 8.7% in 2022 to 6.8% in 2023. Despite headline inflation experiencing a decline from its unprecedented peaks, core inflation has remained persistent and is expected to

decline gradually. Advanced economies are returning to their inflation targets sooner than emerging market and developing economies, fostering optimism for continued easing of financial conditions and improvement of monetary policy frameworks.

Moreover, the average price of Brent crude oil decreased to USD 83 per barrel in 2023, down from USD 101 per barrel in 2022. However, the spot price of Brent crude oil averaged USD 90 per barrel in April 2024 due to escalating tensions in the Middle East, attacks on Russian refineries and voluntary OPEC+ production cuts through Q2 2024. Despite these challenges, crude oil price volatility has remained low for the majority of 2024, attributed to substantial spare crude oil production capacity.

(Source: IMF Economic Outlook, April 2024; IEA; EIA)

## Outlook

The Reserve Bank of India's Monetary Policy Committee (MPC) projects global growth to remain steady in 2024. The IMF forecasts a global growth of 3.2% for both 2024 and 2025.

## Region-wise Growth (%)

Region	2023	2024 (P)	2025 (P)
Global Economy	3.2	3.2	3.2
Advanced Economies (AEs)	1.6	1.7	1.8
Emerging Markets and Developing Economies (EMDEs)	4.3	4.2	4.2

(P- Projections) (Source: International Monetary Fund)

The global economic outlook in 2024 will be impacted by elevated interest rates as the war against inflation is not over and continues to be threatened by multiple factors including persistent core inflation, withdrawal of fiscal support amid high debt weighing on economic activity, low underlying productivity growth and economic uncertainties. Furthermore, heightened geopolitical tensions could elevate energy and commodity prices, raise the risks of supply disruptions, and pose downside risks to the global economy. However, with faster disinflation and steady growth, the possibility of a severe economic downturn has diminished, and risks to global economic expansion are broadly balanced. Global headline inflation is expected to decrease to 5.9% in 2024 and 4.5% in 2025.

As per IEA, global electricity demand is expected to rise at a faster average rate of 3.4% annually through 2026 primarily driven by improving economic outlook, ongoing electrification of residential and transport sectors, demand drivers including data centers, etc. The share of electricity in final energy consumption is estimated to have reached 20% in 2023, up from 18% in 2015. While this is in progress, electrification needs to accelerate rapidly to meet the world's decarbonisation targets.

(Source: IMF Economic Outlook, April 2024; RBI MPC Meeting 2024; IEA)



## Indian Economic Overview

Amid a challenging global economic landscape and deteriorating geopolitical conditions, India has been a bright spot. It is the fifth-largest economy in the world and is poised to retain its position as the world's fastest-growing major economy. Its GDP growth remained buoyant at 7.6% in FY 2023-24 as against 7% in FY 2022-23, supported by robust domestic demand, moderate inflation, a stable interest rate environment, and strong investment activity. Furthermore, an accelerated pace of economic reforms and increased capital expenditure facilitated construction activities and created extensive employment opportunities across the country. The IMF commended India's economic resilience, robust growth, and notable progress in formalisation and digital infrastructure. Moreover, India's G20 presidency in 2023 has demonstrated its capability to cater to global needs and provided a platform to address global concerns. India positioned itself as an attractive destination for investments in energy transition initiatives.

### Growth of the Indian Economy

	FY 2021-22	FY 2022-23	FY 2023-24 (E)
Real GDP growth (%) at constant (2011-12) prices	9.1	7.0	7.6

(E- Estimates) (Source: Ministry of Statistics & Programme Implementation)

As per the Second Advance Estimates of National Income, FY 2023-24, a double-digit growth rate of 10.7% in the Construction sector and an 8.5% growth rate in the Manufacturing sector have contributed to the GDP growth in FY 2023-24. Moreover, India's IIP growth during FY 2023-24 stood at 5.8%. The Electricity sector recorded a growth of 6.9%. The Mining and

Manufacturing sectors also recorded a higher growth of 8.2% and 5.4% respectively during the same period.

The growth in gross value added (GVA) at Basic (2011-12) Prices is pegged at 6.9% in FY 2023-24 as against 6.7% in FY 2022-23. Furthermore, India's per capita income is estimated to reach ₹ 2.14 lakhs in FY 2023-24, achieving remarkable growth of 8.0%. Rising levels of disposable income have led to an upswing in household consumption, thereby stimulating demand across various sectors.

A positive trend is observed in CPI inflation, which has been on a downward trajectory and eased to 4.85% in March 2024. According to the Reserve Bank of India (RBI), CPI inflation is estimated at 5.4% for FY 2023-24. The RBI maintains the policy repo rate at 6.50% and stays prepared to implement effective measures to reach the 4% inflation target while supporting economic growth.

The structural interventions implemented by the government will continue to strengthen the infrastructural and manufacturing base, create economies of scale, increase exports and make India an integral part of the global value chain. 'Make in India' has made significant achievements and is now focussing on 27 sectors under 'Make in India 2.0' to make India a manufacturing hub. India has reported meteoric improvement in Ease of Doing Business and ranked 63<sup>rd</sup> among 190 countries. The government has also implemented investor-friendly Foreign Direct Investment (FDI) policy, allowing 100% FDI in most sectors through the automatic route, except specific strategically important sectors. In the power sector, 100% FDI is allowed for generation from all sources (except atomic energy), transmission and distribution of electric energy, and Power Trading under the automatic route.

(Source: Ministry of Statistics & Programme Implementation; Ministry of Finance; RBI MPC Meeting 2024; Ministry of Commerce & Industry)

### Outlook

India's economic outlook is optimistic, with robust domestic demand, a broad-based revival in manufacturing and services sectors, increased capital expenditure and proactive policy measures by the government, and positive business and consumer sentiments, providing impetus to the growth momentum going forward. According to the IMF, the Indian economy is expected to advance steadily at 6.8% in CY 2024 and 6.5% in CY 2025. The RBI's forecast is more optimistic, projecting a higher GDP growth of 7.6% for FY 2023-24 and 7.0% for FY 2024-25. As per the Reserve Bank of India's forecast, CPI inflation is expected to decline to 4.5% in FY 2024-25. However, volatile food prices hinder the trajectory of disinflation and obscure the inflation forecast.

Potential risks to India's economic outlook arise from headwinds from geopolitical tensions, political stability, volatility in international financial markets, geoeconomic fragmentation and climate shocks. However, India's advantageous geopolitical position will help it capitalise on supply chain diversification and reshoring, increase its global competitiveness and boost exports. Amid a volatile global macro environment, the Indian economy is poised to ascend as a global economic powerhouse and is expected to become the third-largest economy in the world by 2030. The Interim Budget 2024-25 outlines a multi-pronged economic management strategy, including infrastructure development, digital public infrastructure, taxation reforms and proactive inflation management. It sets the foundation for the vision of a Developed India by 2047. The government has raised the capital expenditure outlay by 11.1% to ₹ 11.1 lakhs crore for FY 2024-25, which would be 3.4% of the GDP. The budget places a strong emphasis on sustainable development and allocates ₹ 600 crore for the National Green Hydrogen Mission and ₹ 8,500 crore for the development of solar power grid infrastructure. Furthermore, the initiative 'Pradhan Suryodaya Yojana' (PMSY) aims to install rooftop solar power systems in one crore households, enabling them to obtain up to 300 units of free electricity each month. Moreover, the budget emphasises expanding and strengthening the electric vehicle ecosystem by supporting manufacturing and charging infrastructure. With these measures, the increased budgetary allocation is poised to foster the development of a robust ecosystem for renewable energy.

(Source: Ministry of Finance, IMF Economic Outlook Update, January 2024; Economic Times)



## Global Power Sector Overview

As per IEA, the share of electricity in total energy consumption is estimated to have reached 20% in 2023, up from 18% in 2015. Global electricity demand reflected diverging trends in 2023. It grew by a relatively modest 2.2% in 2023, down from 2.4% in 2022 due to reduced consumption in advanced economies. Growth, however, is on course to accelerate to 3.4% by 2026, with emerging markets continuing to dominate growing electricity demand. This growth will be supported by the ongoing electrification of the residential and transport sectors, anticipated recovery in industry as well as notable expansion of the energy intensive Data Center, Artificial Intelligence, and heating/cooling requirements. Further, electrification and grid strengthening need to accelerate rapidly to enhance reliability and meet the decarbonisation targets.

China posted a growth of 6.4% in electricity demand in 2023, compared to 3.7% in 2022. Growth in Chinese electricity consumption was driven higher by the services and various industrial sectors, including manufacturing of PV modules, electric vehicles, and the processing of associated materials.

Electricity demand in the United States, the world's second largest consumer behind China, declined by 1.6% in 2023, after recording 2.6% growth in 2022. A major contributor to the downturn was the milder weather and a slowdown in the manufacturing sector. Winter months were also warmer, with the lowest number of heating degree days recorded since 2012.

Electricity demand in Japan declined by 3.7% in 2023 compared to a 1% increase in 2022. Despite high temperatures boosting cooling demand in the summer, the slowdown in the manufacturing sector and continued energy saving measures exerted strong downward pressure on electricity consumption. In the European Union, following a 3.1% decline in 2022, electricity demand fell by a further 3.2% in 2023. Lower industrial electricity demand was the most important factor, as in the previous year.

Distributed generation has been increasing in many parts of the world. This is most notably reflected in rising rooftop solar PV installations and growing amounts of self-consumption from behind-the-meter solar PV.

Global smart meter investments doubled in 2022 compared to 2015, with the number of smart meters exceeding 1 billion worldwide. China accounts for more than half of the total figure, followed by the European Union with 16%, and the United States with a share of 13%. India aims to replace 250 million conventional meters by 2026 and counts close to 10 million smart meters as of FY 2023-24.

Over the next three years, low-emissions generation is set to rise at twice the annual growth rate between 2018 and 2023 – a consequential change, given that the power sector contributes the most to global carbon dioxide (CO<sub>2</sub>) emissions today.

The share of renewables in electricity generation is anticipated to rise from 30% in 2023 to 37% in 2026, with the growth largely supported by the expansion of cheaper solar PV. Renewables are expected to generate more than one-third of the world's electricity in 2025, overtaking coal as the largest source of supply. Low-carbon sources – renewables and nuclear together – are expected to account for 46% of the world's electricity generation by the end of 2026, rapidly approaching the halfway mark, up from 39% in 2023.



This rapid increase in electricity demand from energy-intensive sectors like Data Centers, AI, Cryptocurrencies, and Cooling/Heating requires clean sources of energy to meet the world's decarbonisation targets. The growth in global demand coupled with the increasing share of Renewable Energy will further accentuate the requirement of a Power Transmission and Distribution (T&D) network for evacuation of power and supplying it to demand centers. For the 2022-30 period, T&D spending is projected to increase from USD 370 billion annually to USD 460 billion annually rising at a CAGR of 3%, with distribution cornering ~70% of the projected investment.

(Source: IEA Electricity 2024, IHS Markit)



## Indian Power Sector Overview

Electricity demand in India rose by 9.5% in FY 2022-23. Continued rapid economic expansion and robust demand for space cooling were the major pillars of growth. After two consecutive years of strong gains, India's electricity consumption surpassed that of Japan and Korea combined at the end of 2023. Bolstered by a fast-growing economy and powered by increased electrification, India's electricity demand is expected to rise by an annual average of 6.5% over the 2024-2026 period as per IEA.

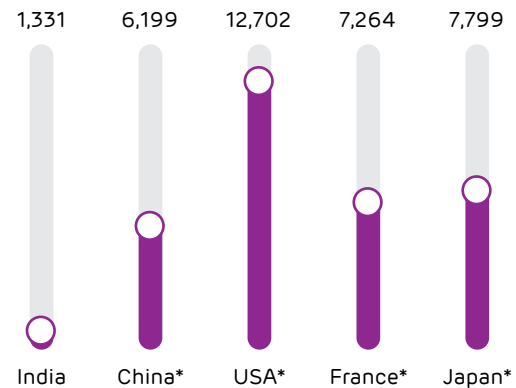
(Source: IEA Electricity 2024)

As per CEA, in the FY 2023-24, India witnessed a 8.1% year-on-year increase in power consumption, reaching a total of 1,626 billion units (BU). Comparatively, the power consumption in the previous fiscal year 2022-23, stood at 1,504 BUs.

India has one of the world's most diverse power sectors, which is both extensive and intricate. The country utilises a variety of power generation sources, including traditional sources such as coal, lignite, natural gas, oil, hydro, and nuclear power, as well as sustainable non-conventional sources like wind, solar, and even agricultural and domestic waste. In recent years, the entire electricity supply chain has undergone a phase of transformation in the process of advancing reforms in the sector. India is the only country among the G20 nations that is on track to achieve the targets under the Paris Agreement.

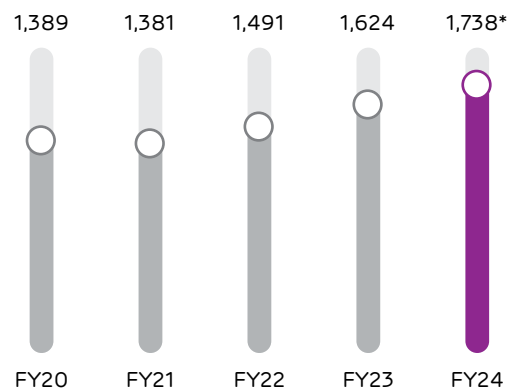
Considering the robust expansion, the country's coal-fired power generation is expected to rise by an average of 2.5% annually in 2024-2026, and 68% of the demand by 2026 will be met by coal which will serve as base load.

## Per capita power consumption (kWh)



(Source: CEA, \*Statista, release date July-2023, survey period - 2022)

## India's power generation (BU)



\*Source: CEA, NPP

The Government of India has set an ambitious target of 500 GW of Renewable Energy (RE) along with an aim of meeting 50% of installed capacity from non-fossil sources by 2030. Further, India has also set a target to reduce the emission intensity of its GDP by 35% by 2030 (from 2005 levels). This will enable diversification of India's energy mix with increasing share of renewable resources.

However, with increased RE installed capacity, the intermittent nature of RE needs to be complemented by technologies having flexible features to achieve the 500 GW target by 2030. This makes it crucial to have adequate Energy Storage System (ESS) capacity in the energy mix which is envisaged to play two important roles; one corresponds to the role of meeting RE RTC (Round the Clock) power requirement, and second would be to store the surplus power of intermittent nature generated from RE projects and discharge the same later when needed i.e. utilising the surplus RE generation to meet the load as and when required.

The government is also focussing on domestic manufacturing of renewable energy sources with programmes including "National Programme on High Efficiency Solar PV Modules" with a project outlay of ₹ 19,500 crore for implementation of PLI scheme for achieving GW scale in high efficiency solar PV modules and "National Green Hydrogen Mission" which aims to make India a hub for green hydrogen and its derivatives with a target to bring in ₹ ~8 lakhs crore investments by 2030.

(Source: IBEF, CEA, Ministry of Power)

## Outlook

The Indian power sector is experiencing significant changes that are redefining the industry's outlook. The future of the power industry in India appears bright, with sustained economic growth continuing to drive electricity demand. The government's 'Power for All' initiative has accelerated capacity expansion in the country.

As per CEA estimates, India's power generation capacity will reach 817 GW by 2030. Also, by 2029-30, CEA estimates that the share of renewable energy generation would increase from 18% to 44%, while that of thermal energy is expected to reduce from 75% to 56%.

The government aims to ensure 24x7 reliable energy access and accelerate energy transition by shifting to cleaner and renewable energy sources.

Source: (IBEF, CEA)

## Indian Power Transmission and Distribution Sector Overview and Outlook



### Transmission

India has often faced a situation in the past wherein its power transmission capacity has not kept up with its power generation capacity. However, in recent times, there has been a growing push to expand India's transmission network to keep pace with rising electricity generation, escalating demand for electricity, and the

development of new urban and semi-urban areas, as well as the emergence of new electricity generation locations, particularly in the renewable energy sector.

To achieve these goals, India's national transmission grid needs to be significantly upgraded to support the widespread adoption of renewable energy. India has abundant renewable energy resources that are unevenly distributed across the country. To meet the demand from states with limited renewable energy resources, a broadening of the national transmission network was necessary, and this has been validated in practice. However, to ensure a balance between the intermittent nature of renewable energy and consistent power supply, robust interstate grid connectivity and effective electricity storage are also required. The complexities of India's grid demonstrate that a lack of transmission network infrastructure could hinder the adoption of renewable energy, and there is an increasing risk that renewable energy utilisation could be suboptimal without proper grid discipline and a modern transmission network.

The power transmission sector will require even greater capacity to effectively transmit power from regions with high levels of renewable energy to the rest of the country. As a significant step towards successfully achieving the planned RE capacity by 2030, a transmission system has been planned for ~537 GW of RE capacity. As per CEA, the planned transmission system for 500 GW RE will require an investment of ₹ 2.44 lakhs crore. This would entail additional transmission lines of a total length of 50,890 ckm and additional transformation capacity of 4.33 lakhs MVA. Further, the inter-regional capacity will increase to about 150 GW by 2030 from 112 GW at present.

Based on the CEA Draft National Electricity Plan – Volume 2, about 1.23 lakhs ckm of transmission lines and 7.10 lakhs MVA of transformation capacity in the substations (at 220 kV and above voltage levels) are required to be added during the period 2022-27 with investment of around ₹ 4.76 lakhs crore in the power transmission sector.

India has added 14,203 ckm and 70,728 MVA of new transformation capacity in the fiscal year 2023-24 as per CEA.

### India's Transmission Line Capacity Addition

Year	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Cumulative Capacity (in CKM)	4,25,071	4,41,821	4,56,716	4,71,341	4,85,544

### India's transformation capacity addition

Year	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Cumulative Capacity (in MVA)	9,67,893	10,25,468	10,04,450	11,80,352	12,51,080

The transmission sector in India is becoming more competitive. The growing involvement of new transmission players is expected to reduce costs, introduce updated technologies, and encourage timely completion of projects. The private sector is playing a critical role by investing significant capital in the creation of transmission networks, taking advantage of lower global interest rates, reduced risk, annuity model and extended infrastructure yields. This approach will also free up finite resources of state governments that can now be allocated to strengthening other social sectors such as health or education.

(Sources: IEEFA, PV magazine, Ministry of Power)

India also has interconnection links with neighbouring countries. At present, about 4,100 MW of power is being exchanged with the neighbouring countries through cross-border links and the same is likely to increase to about 7,000 MW by the end of 2026-27. Interconnection between India and Sri Lanka is in the discussion stage along with strengthening the existing interconnections with Nepal, Bangladesh and Bhutan.



## Distribution

The Indian power sector has accomplished remarkable feats over the last few years, from nearly achieving universal electrification, creating a national grid, launching power exchange markets, to turning power surplus. Despite these achievements, the industry is battling significant challenges, particularly in the distribution sector.

The Indian power distribution sector is burdened with challenges – including unreliable supply, fiscal indiscipline, and lack of desired capital expenditure spend. Despite various reforms programmes including R-APDRP, IPDS, UDAY, FRP, etc. and bailout packages of lakhs of crore, accumulated DISCOMs debt have increased to ₹ 6.87 lakhs crore in FY 2022-23. However, the government's recent efforts have led to positive momentum with measures including LPS Regulations, forcing states for subsidy disbursement on time, RDSS scheme, etc.

Power distribution is a decisive driver of the power sector's health and the government has committed to turn it around by undertaking several reform initiatives to transform the sector. As per the 12<sup>th</sup> Integrated Rating Report of power distribution utilities by PFC:

- **Government made great efforts to support the sector:** The state government continued to disburse 100% tariff subsidy booked. Aggregate subsidy disbursement was higher than the subsidy booked during the year.

- **Utilities improved their AT&C losses:** AT&C losses have reduced to 15.4% in FY 2022-23; 6% lower than 21.2% in FY 2020-21 and 1% lower than FY 2021-22. Improvement was driven by an increase in both billing efficiency, and collection efficiency. The billing efficiency stood at 87% (up by 1.3% from FY 2021-22) and collection efficiency stood at 97.3% (up by 4.4% from FY 2021-22). The notable increase in collection efficiency was driven by better tariff subsidy disbursement by states and improved customer collection process.
- **ACS-ARR Gap:** The gap reduced from ₹ 0.83/unit in FY 2020-21 to ₹ 0.55/unit in FY 2022-23.
- **State regulators were more responsive:** Regulators issued timely tariff orders for 26 states and union territories (i.e. 65 utilities out of 72) for FY 2023-24, up from 20 in FY 2022-23 and only 14 in FY 2021-22.
- **Debt increased but debt as percentage of revenue booked reduced:** The total sectoral debt increased by 11%, from ₹ 6.17 lakhs crore in FY 2021-22 to ₹ 6.87 lakhs crore in FY 2022-23. Debt as a percentage of revenue, which was 82% in FY 2020-21, has shown improvement, decreasing to 76% in FY 2021-22 and further to 73% in FY 2022-23.

(Source: PFC 12<sup>th</sup> Integrated Rating Report of power distribution utilities)



## Government Initiatives & Policy Interventions

### Revamped Distribution Sector Scheme (RDSS)

The Government of India launched the Revamped Distribution Sector Scheme (RDSS) to help DISCOMs improve their operational efficiencies and financial sustainability by providing result-linked financial assistance to DISCOMs to strengthen supply infrastructure based on meeting pre-qualifying criteria and achieving basic minimum benchmarks. RDSS has an outlay of ~₹ 3.03 lakhs crore over 5 years i.e., from FY 2021-22 to FY 2025-26. The outlay includes an estimated Government Budgetary Support (GBS) of ~₹ 0.98 lakhs crore. The main objectives of RDSS are:

- Reduction of AT&C losses to 12-15% by FY 2024-25
- Reduction of ACS-ARR gap to zero by FY 2024-25
- Improvement in the quality, reliability, and affordability of power supply to consumers through a financially sustainable and operationally efficient distribution sector

Smart metering is the critical initiative envisaged under RDSS with 250 million prepaid smart meters are targeted to be installed during the Scheme by 2026. Along with the prepaid smart metering for consumers, system

metering at the feeder and DT level with communicating feature along with associated Advanced Metering Infrastructure (AMI) would be implemented under TOTEX mode (Total expenditure includes both capital and operational expenditure) thereby allowing the DISCOMs for measurement of energy flows at all levels as well as energy accounting without any human interference.

Capital investment is also budgeted for loss reduction works, system strengthening works to cater to load growth and modernisation to have a smart distribution system under RDSS. Loss reduction works majorly include the replacement of bare conductors with AB cable, HVDS systems, feeder bifurcation, etc. while system strengthening works include the creation of new substations, feeders, upgradation of transformation capacity, cables, etc. Modernisation works include ADMS, DMS, IT/OT, ERP, GIS enabled applications, ADMS etc. to make distributions systems smarter.

As a result of reform measures taken under the scheme, AT&C's losses have come down. The direct impact of this will be on reducing the ACS-ARR gap which will ultimately benefit end consumers for getting cost effective and quality supply.

#### PM Surya Ghar Muft Bijli Yojana

Launched in February 2024, this scheme aims to provide free electricity to households in India. Under it, households will be provided with a subsidy to install solar panels on their roofs. The subsidy will cover up to 60% of the cost for solar systems up to 2 kW and an additional 40% for systems beyond 2kW to 3 kW. With an outlay of ₹ 75,021 crore, the scheme is expected to benefit 1 crore households across India.

#### The benefits of the scheme include:

- Free electricity for households
- Reduced electricity costs for the government
- Increased use of renewable energy
- Reduced carbon emissions

#### Electricity (Late Payment Surcharge and Related Matters) Rules, 2022

These rules give relief to the DISCOMs as well as electricity consumers, and at the same time generating companies also get the benefit from assured monthly payments, which will help the whole power sector to become financially viable. Provision has been made for one-time scheme for liquidation of arrears, enabling DISCOMs to pay total outstanding dues including Late Payment Surcharge (LPS) as on the date of notification, in up to 48 monthly instalments. No LPS on past outstanding dues will be applicable in case of timely payment of these instalments. It will bring discipline to timely payment of dues.

#### Electricity (Promoting Renewable Energy through Green Energy Open Access) Rules, 2022

To remove barriers in the availability and utilisation of RE and to address the issues that have hindered the growth of open access for a long time, Green Open Access Rules, 2022 have been notified in June 2022. The Rules reduce the Open Access limit from 1 MW to 100 kW, which paves the way for small consumers also to purchase RE, with no limit for captive consumers.

#### Renewable Purchase Obligation (RPO)/Renewable Consumption Obligation (RCO)

The Ministry of Power issued a notification in October 2023, which outlines the minimum share of renewable energy consumption by DISCOMs as a percentage of total electricity consumption, with specified targets for various types of renewable energy sources.

#### Rights of Electricity Consumers

- The Ministry of Power promulgated the **Electricity (Right of Consumers) Rules 2020**. These Rules lay down the time limits and standards for the various services to be provided by the distribution companies across the country or otherwise they will have to pay compensation to their consumers. These Rules specify the obligations of the licensee and set the practices that must be adopted by the licensee to provide efficient, cost-effective, reliable, and consumer-friendly services to the consumers.
- The Government of India has made amendments to the **Electricity (Rights of Consumers) Rules, 2020 in June 2023**, bringing an important change to facilitate more consumption of power from renewable sources by the introduction of Time of Day (ToD) Tariff, where electricity prices vary based on the time of day, to give price signal to change the consumption behaviour of consumers while incentivising the use of more electricity during solar hours. The ToD mechanism aims to encourage consumers to manage their load and reduce electricity bills, as well as facilitate better integration of renewable energy sources by incentivising shifting of demand to high renewable energy generation periods.
- **Government has also simplified the rules for smart metering.** To avoid inconvenience/harassment of the consumers, the existing penalties for the increase in consumer demand beyond the maximum sanctioned load/demand have been reduced. As per the amendment in the metering provision, post-installation of a smart meter, no penal charges will be imposed on a consumer based on the maximum demand recorded by the smart meter for



the period before installation date. Moreover, smart meters shall be read remotely at least once a day and the data shall be shared with consumers to enable them to make informed decisions about consumption of electricity.

## Adani Energy Solutions Company Overview and Outlook

### Company overview

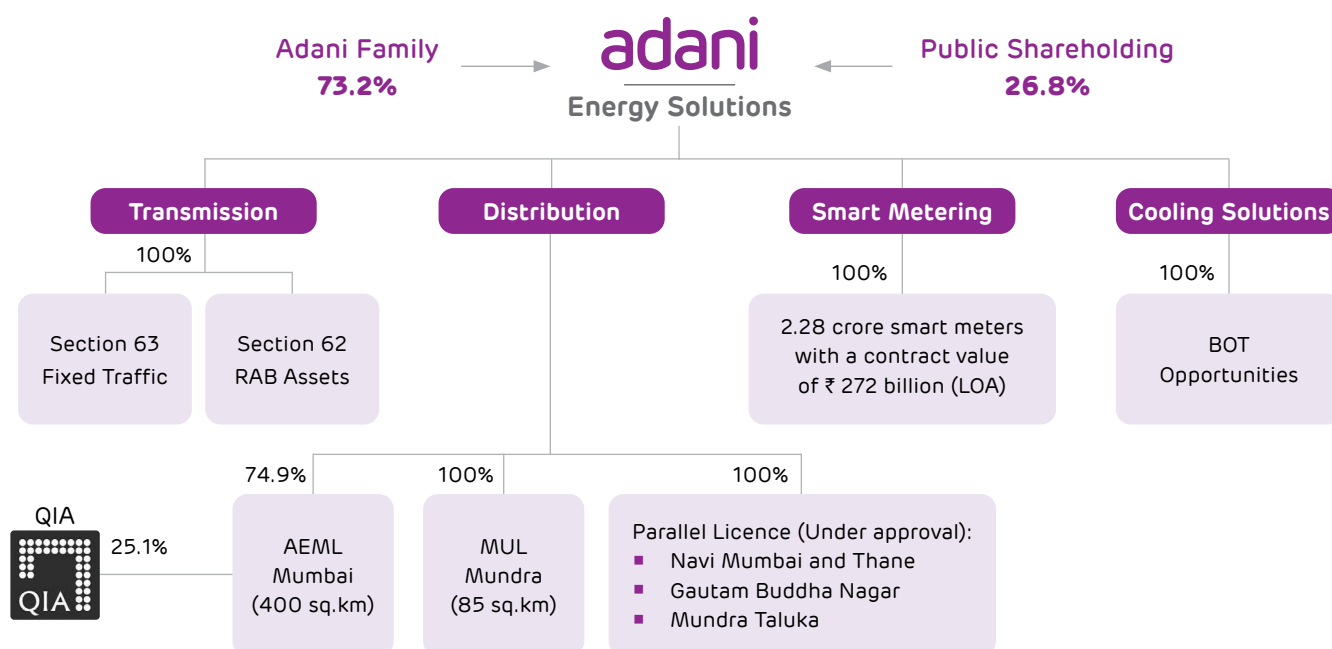
The transmission and distribution arm of the Adani Portfolio, Adani Energy Solutions Limited (Adani Energy Solutions) (formerly Adani Transmission Ltd) is India's largest private transmission and distribution company and one of the largest smart meters integrators. It is focussed on pursuing the growing opportunities in the transmission, distribution, and smart metering sectors aimed at strengthening India's energy security and making the country self-sufficient in meeting its growing energy requirements.

The Adani Group forayed into the power transmission segment in 2006, with the establishment of Adani Energy Solutions Limited (erstwhile Adani Transmission Limited) to facilitate the evacuation of power from Adani's Mundra thermal power plant. For the power evacuation,

the company has commissioned 3,800 circuit kilometres (ckm) transmission line, connecting Mundra to Dehgam, Mundra to Mahendragarh, and Tiroda to Warora.

As the demand for power transmission continued to grow, Adani Energy Solutions Limited (erstwhile Adani Transmission Limited) saw expansion opportunities and was formally established in 2015 as a separate entity carved out from Adani Enterprises Limited (AEL). Adani Energy Solutions pursued various growth strategies including acquiring existing transmission assets, such as GMR's transmission assets in Rajasthan in 2016, Reliance Infrastructure's transmission assets in Gujarat, Madhya Pradesh, and Maharashtra in 2017, and KEC's Bikaner-Sikar transmission assets in Rajasthan in 2019.

Adani Energy Solutions Limited (as Adani Transmission Limited) expanded its presence in the power distribution sector by acquiring Reliance Infrastructure's power generation, transmission, and distribution business in August 2018. Adani Electricity Mumbai Limited (AEML) currently has a distribution network covering over 400 square kilometres and serves over 12 million consumers in Mumbai suburbs and Thane district. The Company has set an ambitious target of owning 30,000 circuit kilometres of transmission assets by 2030.

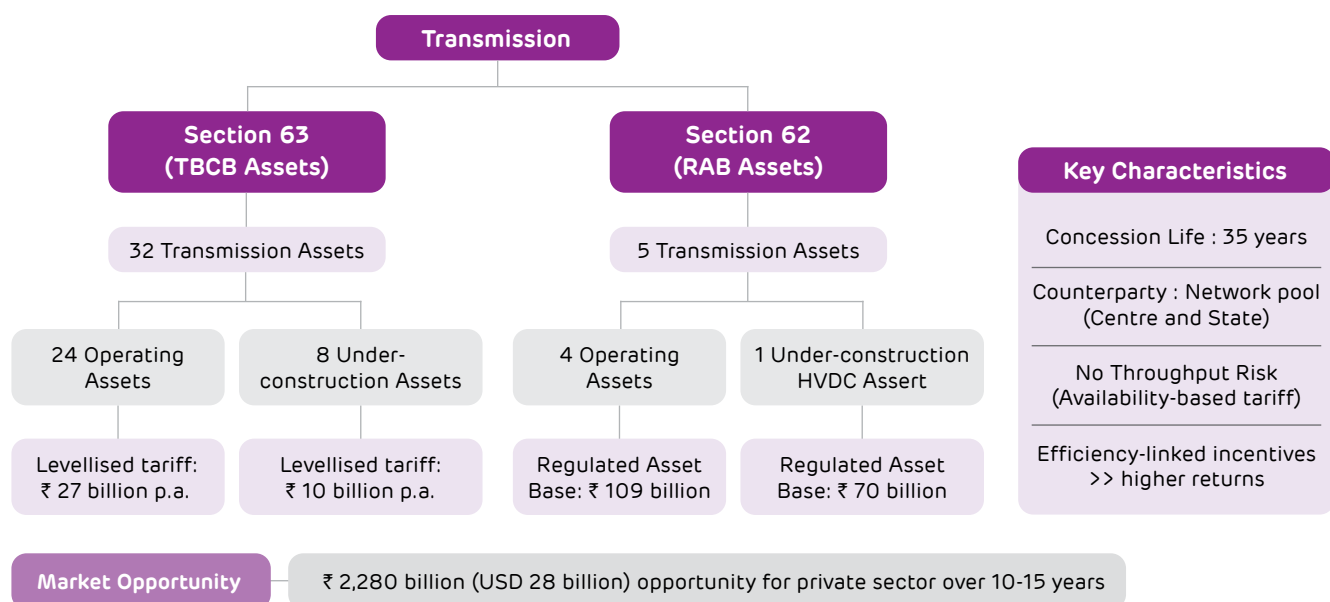


### Adani Energy Solutions Business Outlook

Adani Energy Solutions is well-placed to capture future growth through multiple avenues:

- Robust under-construction pipeline worth ₹ 17,000 crore in Transmission and ₹ 27,195 crore in Smart Metering
- Distribution: Expansion into newer geographies through parallel licenses (Navi Mumbai, Greater Noida, Mundra Taluka)
- Strong growth potential in the Smart Metering business
- Annual capex plan of ₹ 5,000 to ₹ 7,000 crore of which ₹ 1,300 crore to ₹ 1,500 crore to grow RAB at AEML business

## Transmission Business Structure Outlook



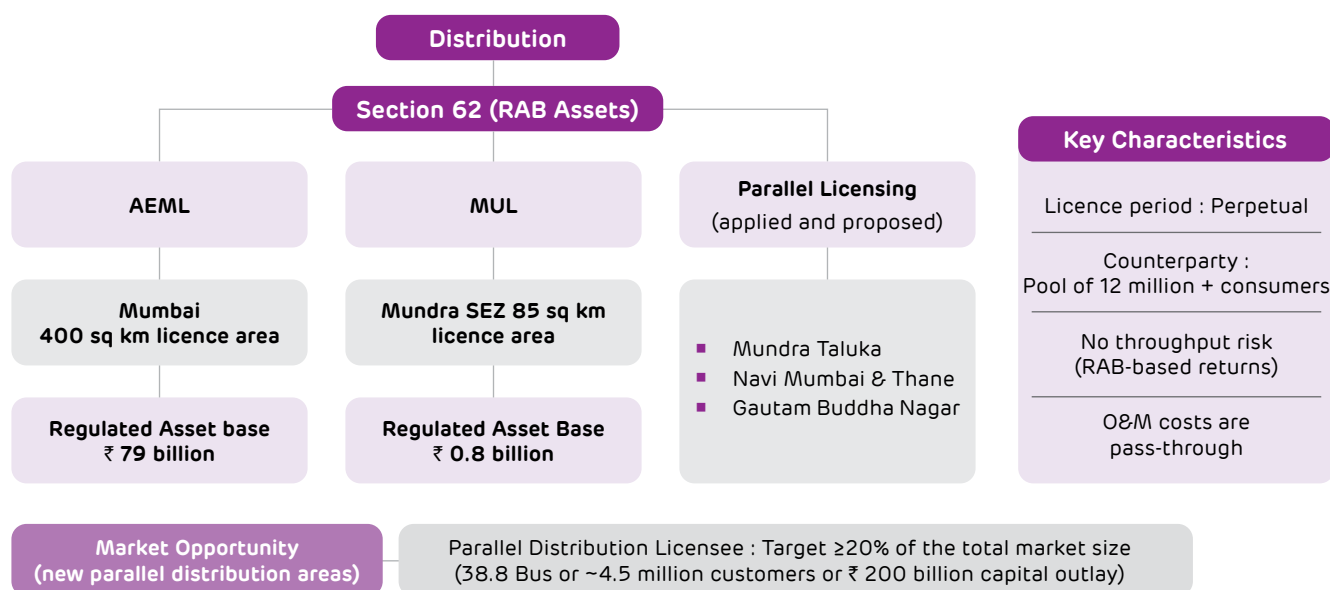
### Attractive Industry Opportunity Backed by Strong Policy Support

- Mandatory competitive bidding introduced since 2006 (TBCB) has created a level playing field for private players
- Identified TBCB opportunity in near-term is about ₹ 1,109 billion/USD 13 billion under RFP/RFQ stage

### RE Penetration & General Network Access to Boost System Strengthening

- 500 GW Target by 2030
- ₹ 2.4 lakhs crore (USD 30 billion) Transmission opportunity by 2030 (as per CEA's report dated December 2022) which further increased to ₹ 4.76 lakhs crore as per CEAs Draft National Electricity Plan – Volume 2
- GNA Regulations for access to inter-state transmission systems since 2017

## Distribution Business Structure Outlook

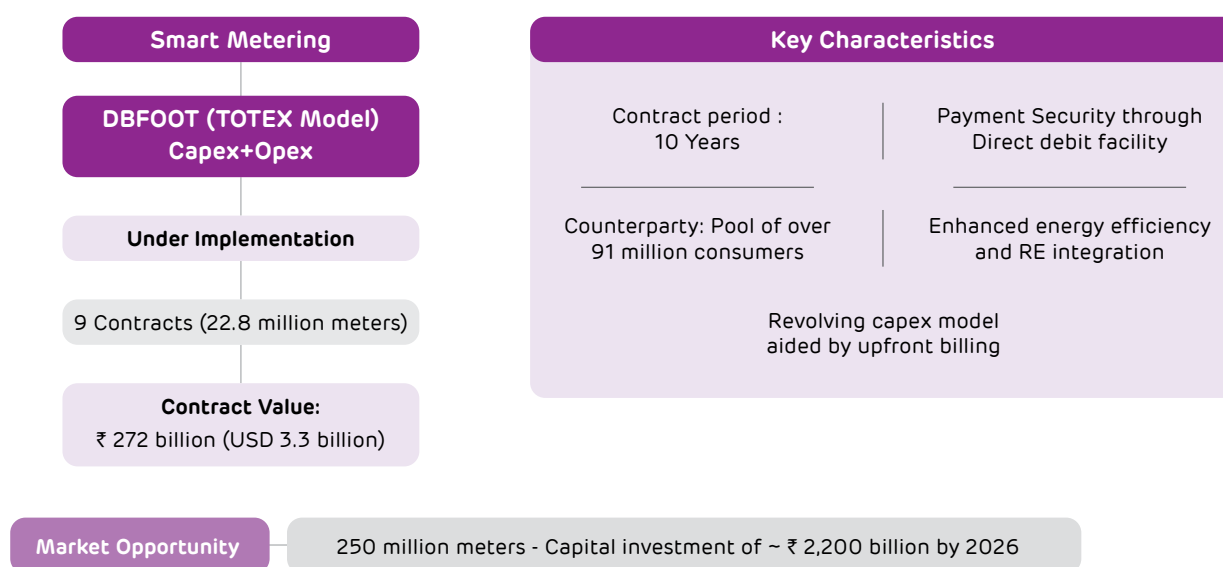


## Growth Areas

Adani Energy Solutions' Distribution division intends to position itself as the electricity supplier of choice with:

- Further RAB additions in AEML
- Expansion of MUL DISCOM licence area
- Parallel Licensing in more than 3 new regions with potential of 9x growth in the distribution area
- Distribution Platform for Group consumers and commercial and industrial customers

## Smart Metering Business Structure Outlook



## Revamped Distribution Sector Scheme (RDSS)

- Target of 250 million smart meters by 2026
- Outlay of ~₹ 3 Tn (RDSS plan) with ~1 Tn Gross Budgetary Support
- Consumer awareness for electricity consumption
- Tendering through competitive bidding

## Cooling Solutions Business Outlook

Four key segments to drive centralised cooling demand:

- **Commercial Real Estate** – To experience growth from 0.6 billion sq. ft. (2019) to 1 billion sq. ft. (2030)
- **Industrial Cooling** – The global industrial cooling market is expected to reach ~USD27 billion by 2030 at a CAGR of 5%
- **Data Centers** – The data center cooling market will grow at a CAGR of 22% to USD700 million over the next 5 years
- **Airports** – The Indian air passenger traffic will double (v/s pre-COVID level) by 2030
- Tendering through competitive bidding

Sources: Cooling India, ICAP, Praxis, CREDAI/CBRE, CEA, IEA, EIA, AdaniConneX, Boeing, Internal analysis

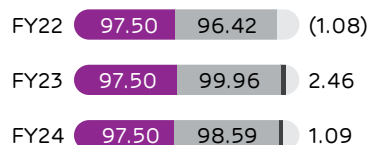
## Operational Performance

### Transmission

#### 1) Asset-Wise Transmission Availability

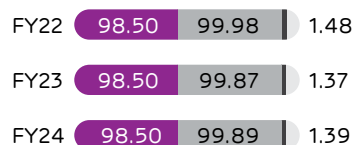
##### ±500 kV Mundra - Mahendragarh HVDC Transmission System (ATIL - Asset-1 HVDC)

(%) Availability



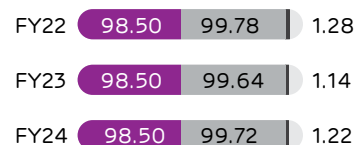
##### ±500 kV Mundra-Mahendragarh HVAC Transmission System (ATIL - Asset-1 HVAC)

(%) Availability



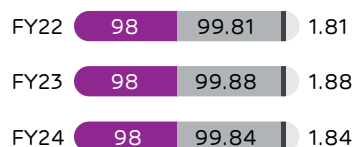
##### 400 kV Mundra-Sami-Dehgam Transmission System (ATIL - Asset 2 HVAC)

(%) Availability



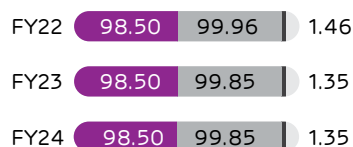
##### 400 kV Tiroda-Warora Transmission System (ATIL - TW)

(%) Availability



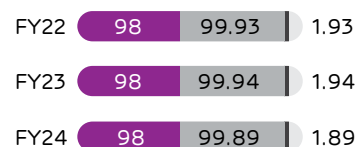
##### Maharashtra Eastern Grid Power Transmission company Limited (MEGPTCL)

(%) Availability



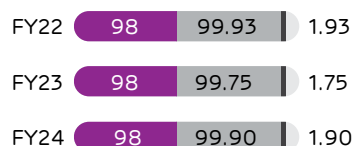
##### Chhattisgarh-Western Region Transmission Limited (CWRTL)

(%) Availability



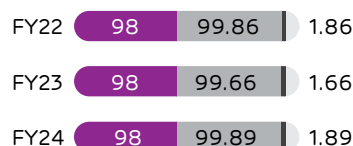
##### Raipur-Rajnandgaon-Warora Transmission Ltd. (RRWTL)

(%) Availability



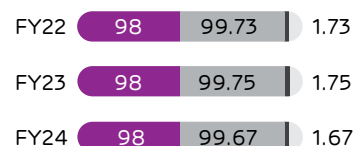
##### Sipat Transmission Ltd. (STL)

(%) Availability



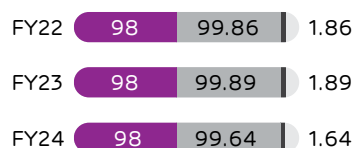
##### Western Transmission (Gujarat) Ltd. (WTGL)

(%) Availability



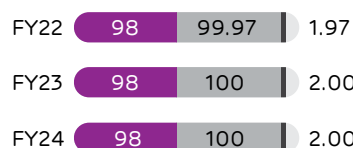
##### Western Transco Power Ltd. (WTPL)

(%) Availability



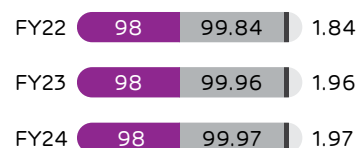
##### Adani Transmission Bikaner Sikar Private Ltd. (ATBSPL)

(%) Availability



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

(%) Availability



● Normative ● Actual ● Above Normative



**Aravali Transmission Service Company Ltd. (ATSCL)**

(%) Availability

FY22	98	99.85	1.85
FY23	98	99.75	1.75
FY24	98	99.91	1.91

**Maru Transmission Service Company Ltd. (MTSCL)**

(%) Availability

FY22	98	99.92	1.92
FY23	98	99.97	1.97
FY24	98	99.89	1.89

**Alipurduar Transmission Ltd. (ApTL)**

(%) Availability

FY22	98	99.97	1.97
FY23	98	99.98	1.98
FY24	98	99.94	1.94

**Warora Kurnool Transmission Ltd. - Western Region (WKTL - WR)**

(%) Availability

FY22	98	99.92	1.92
FY23	98	100	2.00
FY24	98	99.94	1.94

**Warora Kurnool Transmission Ltd. - Southern Region (WKTL - SR)**

(%) Availability

FY24	98	98.59	0.59
------	----	-------	------

**Ghatampur Transmission Limited (GTL)**

(%) Availability

FY22	98	99.59	1.59
FY23	98	98.27	0.27
FY24	98	98.35	0.35

**Obra- C Badaun Transmission Limited (OBTL)**

(%) Availability

FY22	98.50	99.29	0.79
FY23	98.50	99.51	1.01
FY24	98.50	99.54	1.04

**Fatehgarh Bhadla Transmission Limited (FBTL)**

(%) Availability

FY22	98	99.97	1.97
FY23	98	100	2.00
FY24	98	99.89	1.89

**North Karanpura Transco Limited (NKTL) nset - (partially operational)**

(%) Availability

FY22	98	99.58	1.58
FY23	98	99.96	1.96
FY24	98	99.96	1.96

**Bikaner-Khetri Transmission Limited (BKTL)**

(%) Availability

FY22	98	99.80	1.80
FY23	98	98.48	0.48
FY24	98	99.77	1.77

**Jam khambhaliya Transco Limited (JKTL)**

(%) Availability

FY23	98	99.99	1.99
FY24	98	99.51	1.51

**Lakadia Banaskantha Transco Limited (LBTL)**

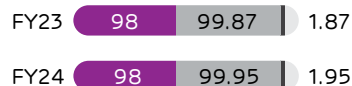
(%) Availability

FY23	98	99.19	1.19
FY24	98	99.91	1.91

● Normative    ● Actual    ● Above Normative

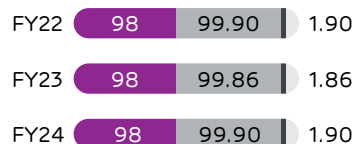
#### Lakadia Banaskantha Transco Limited (LBTL)

(%) Availability



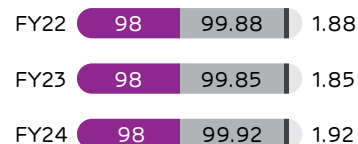
#### PPP-8 Hadoti Power Transmission Limited (HPTSL)

(%) Availability



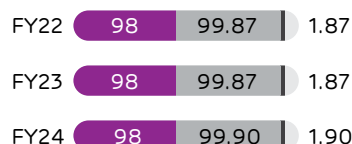
#### PPP-9 Barmer Power Transmission Limited (BPTSL)

(%) Availability



#### PPP-10 Thar Power Transmission Limited (TPTSL)

(%) Availability



#### MP Power Transmission Package II Ltd (MP II)

(%) Availability



#### Karur Transmission Line (KTL)

(%) Availability



#### Kharghar Vikroli Transmission Limited (KVTL)

(%) Availability



#### Khavda Bhuj Transmission (KBTL)

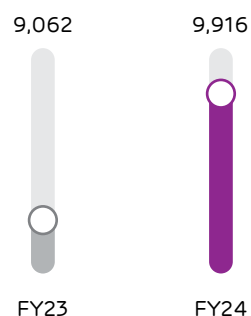
(%) Availability



● Normative ● Actual ● Above Normative

### Distribution

#### Network Sales (million units)



#### Description

Energy sales increased by 9.43% as compared to previous year on account of an uptick in energy demand.

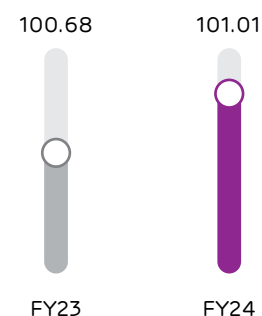
#### Customer Base (million)

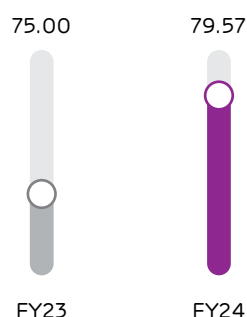


#### Description

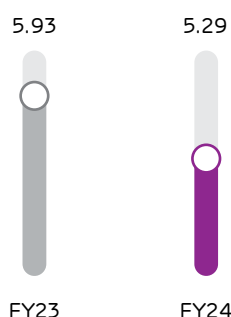
Increase in consumer base reflecting AEML as a supplier of choice.

#### Collection Efficiency (%)

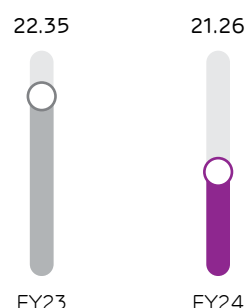
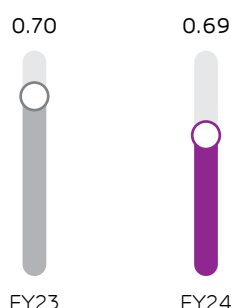
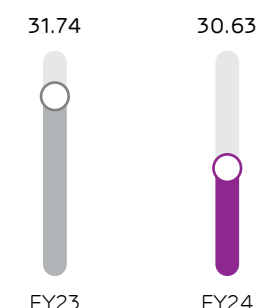


**E-payment** (% of total collection)**Description**

- Collection efficiency remains higher than 100% due to past recoveries
- E-payments share increasing with greater adoption of digital payment channels

**Distribution Loss** (%)**Description**

Distribution loss has been improving consistently due to focussed loss mitigation activities and maintained supply reliability at over 99.99%.

**SAIDI** (mins)**SAIFI** (nos.)**CAIDI** (mins)**Description**

Reliability parameters remains robust

SAIDI – System Average Interruption Duration Index indicates the average outage duration for each customer served;

SAIFI – System Average Interruption Frequency Index indicates an average number of interruptions;

CAIDI – Customer Average Interruption Duration Index indicates the average time required to restore service during a predefined period.

**Key Operational Highlights**

Adani Energy Solutions Limited (Adani Energy Solutions), with effect from July 27, 2023, is the new name for the erstwhile Adani Transmission Ltd. This has been done to reflect the Company's overarching offering in multiple facets of the energy domain.

**Transmission**

- Added 1,244 ckm to operational network during the year, with total network at 20,509 ckm
- Maintained robust system availability of 99.6%
- Operationalised Warora-Kurnool, Karur, Kharghar-Vikhroli, and Khavda-Bhuj lines during the year

- During the year, added KPS - 1 (Khavda Pooling Station), Sangod Transmission line, Khavda Phase – III, and Line 8 substation augmentation projects under RTM basis, with a total contract value of ₹ ~4,300 crore

**Smart Metering**

- During the year, received contracts of 21 million meters from Andhra, Maharashtra, Bihar and Uttarakhand DISCOMs
- The under-implementation pipeline now stands at 22.8 million smart meters, comprising nine projects with a contract value of over ₹ 27,195 crore

## AEML Distribution Business

- Adani Electricity Mumbai made history on November 12, 2023, during the festival of Diwali by powering the city of Mumbai with 100% renewable electricity for four hours
- AEML ranked #1 utility (second year in a row) for 2023 in the 12<sup>th</sup> edition of Integrate Rating of DISCOMs (a joint study by the MoP, McKinsey, PFC)
- AEML, was rated 'A' in National Consumer Service Ratings by the Ministry of Power out of the 62 DISCOMs evaluated across India

## Financial Performance

Particulars	FY 2021-22	FY 2022-23	FY 2023-24
Operational Revenue (₹ crore)	11,258	12,149	14,217
Total EBITDA (₹ crore)	5,493	6,101	6,322
Comparable PAT (₹ crore)*	1,028	1,071	1,197

\*Comparable PAT excludes all one time items like regulatory income, provisions, bilateral charges

## Description

### Revenue

- Revenues witnessed a double-digit growth of 17% on account of the contribution from the newly operationalised transmission assets, commissioning of elements at North Karanpura and MP-II package lines and an increase in the units sold because of higher energy consumption in the distribution business at Mumbai and Mundra
- Strong transmission system availability of 99.6% at the portfolio level
- AEML, the Mumbai distribution business witnessed an increase in the energy consumed by 9.4%. It saw one of the lowest distribution losses of 5.29% in its history and added new consumers, reaching 3.18 million on the back of reliable and affordable power supply

## EBITDA

- The total EBITDA increased by 4% to ₹ 6,322 crore for FY 2023-24 with incremental revenue contribution from Warora-Kurnool, Karur, Kharghar-Vikhroli and MP-II lines and steadily regulated EBITDA from the Distribution business. The transmission business continues to maintain the industry's leading EBITDA margin of 91%

## Key Ratios:

Particulars	FY 2021-22	FY 2022-23	FY 2023-24
Debt-Equity Ratio	2.71	2.68	2.70
Return on Equity/ Net Worth	11.75	10.78	9.0
Net Debt/EBITDA	4.2	4.0	3.8


## Description

Net debt to equity ratios are almost stable. ROE is slightly deeper because in past we had one time revenue, if we remove than return on equity are stable.

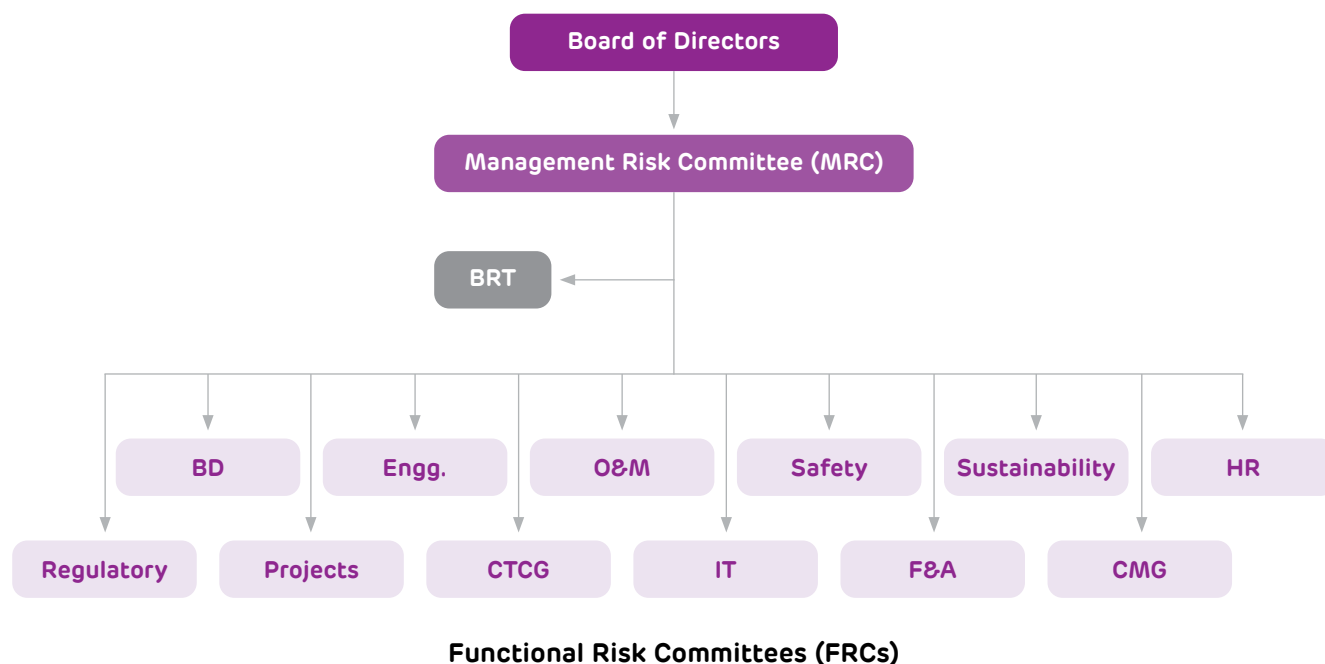
Net debt to EBITDA is stronger due to under construction projects operational during year.

## Risk Governance and Oversight

Adani Energy Solutions manages risks through a collaborative effort with participation from the Board-level committees, departments, and skilled professionals. The Risk management process is driven and overseen by the Board at the top and assisted by the Group-level statutory Audit Committee and Risk Management Committee (RMC). These statutory committees engage with the Management Risk Committee (MRC) to supervise the risk management framework and its operation, including the review of risk functions, policies, practices, guidelines, and procedures. The Chief Risk Officer (CRO), who reports directly to the CEO, is the custodian of the Risk Identification and Management process, with dedicated responsibilities at the operational level. The engagement from the Chief Risk Officer, Management Risk Committee (MRC), Business Risk Team (BRT) and Function Risk Committees (FRCs) at the department level strengthens our risk management process.

 Read more about our risk management on Page 68





## Human Resources

Adani Energy Solutions' market leadership is reinforced by its human resource practices. The Company invests in both formal and informal training, as well as on-the-job learning. It emphasises employee engagement by providing an enriched workplace, challenging job profiles, and regular dialogues with management. The Company has one of the highest employee retention rates in the industry, creating leaders from within and strengthening its prospects. As of March 31, 2024, the company had 4,959 permanent employees on a consolidated basis.



Read more on our human resource management on Page 156

## Internal Control Systems and their Adequacy

Adani Energy Solutions has effective internal control procedures appropriate for its size and operations. The Board of Directors is responsible for the internal control system and ensures that it is adequate, effective, and applied properly. The Company's internal control system is designed to ensure management efficiency, measurability, and verifiability, reliable accounting and management information, compliance with all applicable laws and regulations, and the protection of the Company's assets. This aim is to promptly identify and manage the risks faced by the Company, including operational, compliance-related, economic, and financial risks.

## Cautionary Statement

The statement made in this section describes the Company's objectives, projections, expectations, and estimations which may be 'forward-looking statements' within the meaning of applicable securities laws and regulations.

# Business Responsibility & Sustainability Report

## SECTION A: GENERAL DISCLOSURES

### I. Details of the listed entity

1. Corporate Identity Number (CIN) of the Listed Entity	: L40300GJ2013PLC077803
2. Name of the Listed Entity	: Adani Energy Solutions Limited ["AESL / the Company"] (formerly known as Adani Transmission Limited)
3. Year of incorporation	: 2013
4. Registered office address	: "Adani Corporate House", Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad – 382421, Gujarat, India.
5. Corporate address	: Adani Corporate House", Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad – 382421, Gujarat, India.
6. E-mail	: <a href="mailto:jaladhi.shukla@adani.com">jaladhi.shukla@adani.com</a>
7. Telephone	: (91) 79 25555366
8. Website	: <a href="http://www.adanienergysolutions.com">www.adanienergysolutions.com</a>
9. Financial year for which reporting is being done	: April 1, 2023 to March 31, 2024
10. Name of the Stock Exchange(s) where shares are listed	: BSE Limited (BSE) and National Stock Exchange of India Limited (NSE)
11. Paid-up Capital	: ₹ 1,115.49 crore
12. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	: Name: Mr Santosh Kumar Singh Designation: Chief Sustainability Officer Telephone Number: (079) 2555 7289 Email Id: <a href="mailto:cso.energysolutions@adani.com">cso.energysolutions@adani.com</a>
13. Reporting boundary	: Disclosures under this report are made on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together)
14. Name of assurance provider	: M/s. TUV INDIA PVT. LTD.
15. Type of assurance obtained	: Reasonable Assurance for core and limited assurance for non-core indicators

### II. Products and Services

#### 16. Details of business activities (accounting for 90% of the turnover):

Sr. No	Description of main activities	Description of Business activities	% of Turnover of the entity
1	Transmission services	Power transmission network and related ancillary services.	31%
2	Generation, Transmission and Distribution	Thermal Power Generation, transmission and distribution network, sale of power to retail customers through distribution network and related ancillary services.	61%
3	Trading	Trading Activities	6%
4	Smart metering	Smart metering end to end solutions	2%

**17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):**

Sr. No	Product/services	NIC Code	% of total turnover contributed
1	Electric power generation by coal based thermal power plants	35102	61%
2	Electric power generation using solar energy	35105	
3	Electric power generation using other non-conventional sources	35106	
4	Collection and distribution of electric energy to households, industrial, commercial and other users n.e.c.	35109	
5	Transmission of electric energy	35107	31%

**III Operations****18. Number of locations where plants and/or operations/offices of the entity are situated**

Location	Number of Plants	Number of offices	Total
National	The Company has Pan India presence across 16 (Sixteen) states namely, Andhra Pradesh, Assam, Bihar, Chhattisgarh, Delhi, Gujarat, Haryana, Jharkhand, Madhya Pradesh, Maharashtra, Punjab, Rajasthan, Tamil Nadu, Telangana, Uttar Pradesh, West Bengal.		
International	0	0	0

**19. Markets served by the entity:****a. Locations**

Locations	Number
National (No. of States)	16
International (No. of Countries)	0

**Note:** The Company has Pan India presence across 16 (Sixteen) states namely, Andhra Pradesh, Assam, Bihar, Chhattisgarh, Delhi, Gujarat, Haryana, Jharkhand, Madhya Pradesh, Maharashtra, Punjab, Rajasthan, Tamil Nadu, Telangana, Uttar Pradesh, West Bengal.

**b. What is the contribution of exports as a percentage of the total turnover of the entity?**

The Company had domestic turnover only.

**c. A brief on types of customers**

The Company works in both B2B (Power Generation and Transmission, Smart meters) and B2C business (Retail Electricity Distribution). The B2C business is done by the Retail Electricity distribution arms of AESL i.e. Adani Electricity Mumbai Limited (AEML) and MPSEZ Utilities Limited (MUL).

## IV. Employees

### 20. Details as at the end of Financial Year

#### a. Employees (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
EMPLOYEES						
1.	Permanent (D)	2,292	2,020	88%	272	12%
2.	Other than Permanent (E)	0	0	0%	0	0%
3.	Total Employees (D+E)	2,292	2,020	88%	272	12%
WORKERS						
4.	Permanent (F)	2,667	2,530	95%	137	5%
5.	Other than Permanent (G)	6,189	6,027	97%	162	3%
6.	Total Workers (F+G)	8,856	8,557	97%	299	3%

#### b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	08	07	87.5%	01	12.5%
2.	Other than Permanent (E)	00	00	0%	0	0%
3.	Total Differently abled employees (D+E)	08	07	87.5%	01	12.5%
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	15	13	86.7%	02	13.3%
5.	Other than Permanent (G)	00	00	0%	00	0%
6.	Total differently abled Workers (F+G)	15	13	86.7%	02	13.3%

### 21. Participation/Inclusion/Representation of women

Particulars	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	7	2	29%
Key Managerial Personnel*	3	0	0%

\* Chief Executive Officer, Chief Financial Officer and Company Secretary

### 22. Turnover rate for permanent employees and workers

	FY 2023-24 (Turnover rate in current FY)			FY 2022-23 (Turnover rate in previous FY)			FY 2021-22 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	7.3%	6.3%	7.1%	7.4%	7.3%	7.4%	5.32%	4.00%	5.23%
Permanent Workers	8.7%	8.0%	8.7%	6.1%	5.4%	6.1%	Ref. note		

Note – During FY21-22 the permanent workers were considered under other than permanent workers.



## V. Holding, Subsidiary and Associate Companies (including joint ventures)

### 23. Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding/ subsidiary/associate/ companies/ joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Adani Transmission (India) Limited	Subsidiary	100%	Yes
2	Maharashtra Eastern Grid Power Transmission Company Limited	Subsidiary	100%	Yes
3	Sipat Transmission Limited	Subsidiary	100%	Yes
4	Raipur-Rajnandgaon-Warora Transmission Limited	Subsidiary	100%	Yes
5	Chhattisgarh-WR Transmission Limited	Subsidiary	100%	Yes
6	Adani Transmission (Rajasthan) Limited	Subsidiary	100% <sup>1</sup>	Yes
7	North Karanpura Transco Limited	Subsidiary	100%	Yes
8	Maru Transmission Service Company Limited	Subsidiary	100%	Yes
9	Aravali Transmission Service Company Limited	Subsidiary	100%	Yes
10	Hadoti Power Transmission Service Limited	Subsidiary	100%	Yes
11	Barmer Power Transmission Service Limited	Subsidiary	100%	Yes
12	Thar Power Transmission Service Limited	Subsidiary	100%	Yes
13	Western Transco Power Limited	Subsidiary	100%	Yes
14	Western Transmission (Gujarat) Limited	Subsidiary	100%	Yes
15	Fatehgarh-Bhadla Transmission Limited	Subsidiary	100%	Yes
16	Ghatampur Transmission Limited	Subsidiary	100%	Yes
17	Adani Electricity Mumbai Limited (AEML)	Subsidiary	74.9%	Yes
18	Adani Electricity Navi Mumbai Limited (Formerly known as AEML Infrastructure Limited)	Subsidiary	100%	Yes
19	OBRA-C Badaun Transmission Limited	Subsidiary	100%	Yes
20	Adani Transmission Bikaner Sikar Private Limited	Subsidiary	100% <sup>2</sup>	Yes
21	WRSS XXI (A) Transco Limited	Subsidiary	100%	Yes
22	Bikaner-Khetri Transco Limited	Subsidiary	100%	Yes
23	Lakadia Banaskantha Transco Limited	Subsidiary	100%	Yes
24	Jam khambaliya Transco Limited	Subsidiary	100%	Yes
25	Arasan Infra Limited (Formerly Known as Arasan Infra Private Limited)	Subsidiary	100%	Yes
26	Sunrays Infra Space Limited (Formerly Known as Sunrays Infra Space Private Limited)	Subsidiary	100%	Yes
27	Power Distribution Services Limited	Subsidiary	74.9%	Yes
28	Adani Electricity Mumbai Infra Limited (100% subsidiary of AEML)	Subsidiary	74.9%	Yes
29	Kharghar Vikhroli Transmission Limited (Formerly known as Khar Ghar Vikhroli Transmission Private Limited)	Subsidiary	100%	Yes
30	Alipurduar Transmission Limited	Subsidiary	100% <sup>3</sup>	Yes
31	AEML Seepz Limited (100% subsidiary of AEML)	Subsidiary	74.90%	Yes
32	Adani Transmission Step-One Limited	Subsidiary	100%	Yes
33	Warora-Kurnool Transmission Limited	Subsidiary	100%	Yes
34	ATL HVDC Limited	Subsidiary	100%	Yes
35	MP Power Transmission Package-II Limited	Subsidiary	100%	Yes

# ADANI ENERGY SOLUTIONS LIMITED

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S. No.	Name of the holding/ subsidiary/associate/ companies/ joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
36	MPSEZ Utilities Limited (formerly known as MPSEZ Utilities Private Limited)	Subsidiary	100%	Yes
37	Karur Transmission Limited	Subsidiary	100%	Yes
38	Khavda-Bhuj Transmission Limited	Subsidiary	100%	Yes
39	Adani Electricity Jewar Limited	Subsidiary	100%	Yes
40	Adani Transmission Step-Two Limited	Subsidiary	100%	Yes
41	Adani Transmission Mahan Limited	Subsidiary	100%	Yes
42	BEST Smart Metering Limited	Subsidiary	100%	Yes
43	Adani Cooling Solutions Limited	Subsidiary	100%	Yes
44	WRSR Power Transmission Limited	Subsidiary	100%	Yes
45	Adani Transmission Step-Three Limited	Subsidiary	100%	Yes
46	Adani Transmission Step-Four Limited	Subsidiary	100%	Yes
47	Adani Transmission Step-Five Limited	Subsidiary	100%	Yes
48	Adani Transmission Step-Six Limited	Subsidiary	100%	Yes
49	Adani Transmission Step-Seven Limited	Subsidiary	100%	Yes
50	Adani Transmission Step-Eight Limited	Subsidiary	100%	Yes
51	NE Smart Metering Limited (Formerly known as Adani Transmission Step-Nine Limited)	Subsidiary	100%	Yes
52	Adani Electricity Aurangabad Limited	Subsidiary	100%	Yes
53	Adani Electricity Nashik Limited	Subsidiary	100%	Yes
54	Khavda II-A Transmission Limited	Subsidiary	100%	Yes
55	Adani Green Energy Thirty Limited	Subsidiary	100%	Yes
56	Adani-LCC JV	Partnership Firm	20%	Yes
57	KPS1 Transmission Limited	Subsidiary	49% <sup>4</sup>	Yes
58	Sangod Transmission Service Limited	Subsidiary	100%	Yes
59	Halvad Transmission Limited	Subsidiary	100%	Yes
60	Sunrays Infra Space Two Limited	Subsidiary	100%	Yes
61	Arasan Infra Two Limited	Subsidiary	100%	Yes
62	Adani Energy Solutions Step-Twelve Limited	Subsidiary	100%	Yes
63	Adani Energy Solutions Step-Thirteen Limited	Subsidiary	100%	Yes

- 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.
- Adani Transmission Bikaner Sikar Private Limited (ATBSPL) 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 ATBSPL (the "Golden Share") in favour of the RRVPL.
- The Group has signed definitive agreements with Kalpataru Power Transmission Limited (KPTL) on July 5, 2020 for acquisition of Alipurduar Transmission Limited (APTL) in a manner consistent with Transmission Service Agreement and applicable consents. The Group has already acquired of 49% Equity Shares of Alipurduar Transmission Limited ("APTL") and during the previous year 2022-23, Group has further acquired additional 25% equity shares of APTL from KPTL in a manner consistent with Transmission Service Agreement and applicable consents. Further, the balance 26% equity shares of APTL will be acquired from KPTL after obtaining requisite approvals.

4. During the year, the Group acquired the under-development transmission company 'KPS 1 Transmission Limited' from Megha Engineering & Infrastructures Ltd. The acquisition involves the implementation of the KPS1 - Khavda PS GIS (KPS2) 765 kV double circuit line and the augmentation of Khavda PS1 in the state of Gujarat. The Company has signed definitive agreements with Megha Engineering & Infrastructures Limited (MEIL) on August 16, 2023 for acquisition of KPS1 Transmission Limited ("KPS1") in a manner consistent with Transmission Service Agreement and applicable consents. The Company has acquired 49% Equity Shares of KPS1 Transmission Limited ("KPS1") during the quarter, and the balance equity shares of KPS1 will be acquired from MEIL after obtaining requisite approvals. Considering the rights available to the Group under the Share Purchase Agreement (SPA), the group has concluded that it controls KPS1 with effect from August 16, 2023.

## VI. CSR Details [on Standalone basis]

24.	Response
(i) Whether CSR is applicable as per section 135 of Companies Act, 2013:	Yes
(ii) Turnover (₹ in crore)	1,517.35
(iii) Net worth (₹ in crore)	10,921.54

The highlights of the company's CSR interventions are reported in the Integrated Report FY 2023-24 (Page Nos. 186 - 199)

## VII. Transparency and Disclosures Compliances

### 25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct.

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If yes, then provide web-link for grievance redress policy)	Current Financial Year FY 2023-2024			Previous Financial Year FY 2022-23		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	0	0	NA	0	0	NA
Investors (other than shareholders)	Yes	0	0	NA	0	0	NA
Shareholders	Yes	0	0	NA	0	0	NA
Employees and workers	Yes	134	40	Refer note 1	171	64	Refer note 1.1
Customers	Yes	57,871	0	Refer note 2	65,696	383	Refer note 2.1
Value chain partners	Yes	0	0	0	0	0	NA
Other (please specify)	NIL	0	0	0	0	0	NA

**Note 1:** To address the grievances of non-executives (individual or collective), a Works Committee consisting of representatives of employers and workmen engaged in the corresponding division is formulated, which meet monthly to address problems arising in the day-to-day working of the employees and to arrive at solutions. All such grievances out of purview of the divisional level are escalated to the quarterly Apex Works Committee consisting of business heads of various business verticals and equal number of various union General Secretaries/Vice Presidents.

**Note 1.1:** All grievances out of purview of the divisional level are escalated to the quarterly Apex Works Committee consisting of business heads of various business verticals and equal number of various union General Secretaries/Vice Presidents

**Note 2:** General Service-related complaints received from consumers of AEML.

**Note 2.1:** Cases which are pending have been registered in the last week of March'23 & were within their defined TAT (Turnaround Time). Zero Pending as on date April 25, 2023.

Weblinks for grievance redressal policies –

Communities

Investors (other than shareholders)

- [Whistle blower policy](#)

Shareholders

Employees and workers

- [Employee Grievance Management Policy](#)

Customers

- [BRSR Policy](#)

- [Complaint handling process](#)

Value chain partners

- [Compliant escalation matrix](#)

## 26. Overview of the entity's material responsible business conduct issues

Refer Materiality assessment section on Page 58



## SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Sr. No	Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
<b>Policy and management processes</b>										
1.	a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	c. Web Link of the Policies, if available	<a href="https://www.adanienergysolutions.com/investors/corporate-governance">https://www.adanienergysolutions.com/investors/corporate-governance</a>								
2.	Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3.	Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4.	Name of the national and international codes / certifications / labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	<p>The company policies are aligned to the principles of the National Guidelines for Responsible Business Conduct (NGRBC's), which align with internationally recognized standards, such as</p> <ul style="list-style-type: none"> <li>• ISO 9001:2015 for Quality Management System</li> <li>• ISO 14001:2015 for Environment Management System</li> <li>• ISO 26000:2010/ SA 8000 for Social Responsibility</li> <li>• ISO 27031:2011 for Information and Communication Technology (ICT) Readiness for business continuity</li> <li>• ISO 45001:2018 for Occupational Health and Safety</li> <li>• ISO 50001:2018 for Energy Management System</li> <li>• ISO 55001:2014 for Asset Management System</li> <li>• ISO 27001:2013 for Information Security Management System</li> <li>• ISO 22301:2019 for Business Continuity Management System</li> </ul> <p>UNGC principles, ILO principles and United Nations Sustainable Development Goals (SDGs). To measure and report its sustainability performance, the company follows the Global Reporting Initiative (GRI) standards, which are widely regarded as the gold standard for sustainability reporting. We are also committed to tackling climate change and water-related issues and reports to the Carbon Disclosure Project (CDP) on these critical issues and have committed to the Science Based Targets initiative (SBTi), which provides a framework for companies to set science based targets to reduce their greenhouse gas emissions in line with the global goal of the Paris Agreement. We started following Workforce disclosure [WDI] framework along with S&amp;P Global's-Corporate Sustainability Assessment framework.</p>								

Sr. No	Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
5.	Specific commitments, goals and targets set by the entity with defined timelines, if any.	<ol style="list-style-type: none"> <li>1) Board Governance as per world best practices</li> <li>2) To be in Top-10 companies globally for ESG benchmarking of Electric Utility Sector by FY 2024-25.</li> <li>3) Avoiding GHG emissions through sourcing renewable energy and building supporting infrastructure- 60% renewable in total electricity distribution by AESL-AEML by 2027.</li> <li>4) Emission intensity target in line with India's Nationally Determined Contributions (NDCs) and performance disclosures in public domain</li> <li>5 Committed to Health and Safety of workforce with Zero Harm and Zero Leak objective by bringing Leadership commitment, Uniform deployment of safety standards and procedures, Capacity building, Systems and Processes</li> <li>6) IT – enablement of Adani Energy Vertical ESG framework by FY 2023-24 under O&amp;M phase by 2024-25</li> <li>9) Integrate with Management Systems in the company to conduct business with no net loss to biodiversity and 100% alignment with India Business Biodiversity Initiative (IBBI) and public disclosures by 2023-24</li> <li>10) Building green supply chain by integration of Associates for 100% of critical supplies by 2023-24</li> <li>11) Systematic Materiality Assessment and integration with Management Systems in the company</li> <li>12) Inclusive growth including communities by undertaking CSR initiatives aligned with business impacts to leave positive footprints and societal happiness</li> </ol>								
6.	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	<p>Key Performance targets across ESG parameters are set internally and monitored and acted upon continuously</p> <ol style="list-style-type: none"> <li>1) Board Governance as per world best practices - ongoing</li> <li>2) AESL in Top-20 companies globally for Sustainability ESG benchmarking of Electric Utility Sector by FY 2024-25</li> <li>3) Avoiding GHG emissions through sourcing renewable energy and building supporting infrastructure- FY24: RE share of 34.35% of electricity purchased and sold and on track to achieve the goal of 60% renewable in total electricity distribution by AESL-AEML by 2027.</li> <li>4) Emission intensity target in line with India's Nationally Determined Contributions (NDCs) and performance disclosures in public domain – done in Sustainability report 2023</li> <li>5 Committed to Health and Safety of workforce with Zero Harm and Zero Leak objective by bringing Leadership commitment, Uniform deployment of safety standards and procedures, Capacity building, Systems and Processes – refer social section of integrated report for details</li> <li>6) IT – enablement of Adani Energy Vertical ESG framework by FY 2023-24 under O&amp;M phase by 2024-25 – Gensuit software being deployed Apr'24 onwards</li> <li>9) Integrate with Management Systems in the company to conduct business with no net loss to biodiversity and 100% alignment with India Business Biodiversity Initiative (IBBI) and public disclosures by 2023-24 – refer our IBBI report of 2024</li> </ol>								

Sr. No	Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9								
		10) Building green supply chain by integration of Associates for 100% of critical supplies by 2023-24 – Suppliers identified and spend analysis conducted, top 90% by spends engaged through CDP Supply chain engagement platform for environmental disclosure 11) Systematic Materiality Assessment and integration with Management Systems in the company – Double materiality assessment carried out through third party and integrated with risk management & Strategy of Business. 12) Inclusive growth including communities by undertaking CSR initiatives aligned with business impacts to leave positive footprints and societal happiness - Refer CSR section on Page 186																
	Governance, leadership and oversight																	
7	Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements	Refer Managing Directors message on Page 28																
8	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	The Board has established a <b>Corporate Responsibility Committee</b> composed solely of the <b>Non-Executive &amp; Independent Directors</b> for implementation and oversight of the Business Responsibility policy (ies).																
9	Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	<div>The Board of the company has established a Corporate Responsibility Committee composed solely of the Non-Executive &amp; Independent Directors to oversee strategies, activities and policies including environment, social, governance, health and safety, human talent management and related material issue and indicators in the global context and evolving statutory framework on a quarterly basis.</div> <table><tr><th>Name of the Non-Executive &amp; Independent Director</th><th>Position in Committee</th></tr><tr><td>Mr K. Jairaj</td><td>Chairman</td></tr><tr><td>Dr Ravindra H. Dholakia</td><td>Member</td></tr><tr><td>Mrs Meera Shankar</td><td>Member</td></tr></table>									Name of the Non-Executive & Independent Director	Position in Committee	Mr K. Jairaj	Chairman	Dr Ravindra H. Dholakia	Member	Mrs Meera Shankar	Member
Name of the Non-Executive & Independent Director	Position in Committee																	
Mr K. Jairaj	Chairman																	
Dr Ravindra H. Dholakia	Member																	
Mrs Meera Shankar	Member																	

## 10 Details of review of each NGRBCS by the company

Subject for Review	Indicate whether review was undertaken by director / committee of the board/ any other committee									Frequency (annually/ half yearly/ quarterly/ any other - pls specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Quarterly								
Compliance with statutory requirements of relevance to the principles and, rectification of any non-compliances.	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Quarterly								

**11. Has the entity carried out an independent assessment / evaluation of the working of its policies by an external agency?**

	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
(Yes/No). If yes, provide name of the agency.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

M/s. TUV India Pvt. Ltd. is the external agency that has carried out independent assessment of our above Management systems.

**12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:**

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the principles material to its business (Yes/No)	No	No	No	No	No	No	No	No	No
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	No	No	No	No	No	No	No	No	No
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	No	No	No	No	No	No	No	No	No
It is planned to be done in the next financial year (Yes/No)	No	No	No	No	No	No	No	No	No
Any other reason (please specify)	Not applicable								



## SECTION C: PRINCIPLE WISE PERFORMANCE

**PRINCIPLE 1** Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent and accountable.

### Essential Indicators

1. Percentage coverage by training and awareness programs on any of the principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors	3	Familiarization programs covering issues related to Safety, Health and Environment, Strategy/Industry Trends, Ethics & Governance and Legal & Regulatory matters and Business aspects relating to sustainability & operational governance.  <b>Impact:</b> Adherence to Good Governance practices and insights	100%
Key Managerial Personnel	6	Programs covering issues related to: 1. Anti-Bribery and Anti-corruption (ABAC) 2. Cyber Security Awareness 3. Insider Trading Training 4. Introduction to ESG 5. POSH & Gender Sensitization 6. Safety Trainings  <b>Impact:</b> Adherence to Good Governance practices, behaviour and insights into ESG domain	100%
Employees other than BoD and KMPs	655	Programs covering issues related to: 1. A-Marvels 2. Anti-Bribery and Anti-corruption (ABAC) 3. Awareness session on AWMS 4. Cyber Security Awareness 5. Code of Conduct 6. Ethics 7. Health & Wellbeing 8. Human Rights 9. Insider Trading Training 10. Introduction to ESG 11. POSH & Gender Sensitization 12. SA 8000 13. Safety Trainings 14. Young Manager Program  <b>Impact:</b> Insights and awareness for rights, ethical and corporate behaviour expectations and enhancement in career progression skills and solutions to business challenges by projects identification and deployment.	93%

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Workers	427	Programs covering issues related to: 1. 7-QC Tools 2. KM Cyber Security 3. Human Rights 4. POSH Awareness 5. Safety Trainings  <b>Impact:</b> insights and awareness w.r.t. productivity, safe and secured working conditions.	58%

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format:

Particulars	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial Institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes / No)
<b>Monetary</b>					
Penalty / Fine	NIL	NIL	NIL	NIL	NIL
Settlement	NIL	NIL	NIL	NIL	NIL
Compounding Fees	NIL	NIL	NIL	NIL	NIL
<b>Non- Monetary</b>					
Imprisonment	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
Not Applicable	Not Applicable

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes,

**Code of Business Ethics & Conduct:** The Company has laid down two separate [Code of Business Ethics & Conduct – one for Board Members and Senior Management Personnel](#) (including those deputed in Subsidiaries/ Joint Ventures) in alignment with Company's Vision & Mission and aims at enhancing ethical and transparent process in managing the affairs of the Company. - [other for employees](#).

Define the desirable and non-desirable acts and conduct for the employees and extend to all employees working with it (including those deputed in Subsidiaries/ Joint Ventures). The aspects of Bribery and Corruption are also covered under CoC. There is a laid down procedure for action in the case of non-compliance with the defined terms as well as for any misconduct.

**Whistle Blower Policy:** Whistle Blower policy provides a system for disclosures made by employees or complaint of any fraud or suspected fraud involving employees of the Company (all full time, part-time or employees appointed on adhoc/ temporary/contract basis) as well as representative of vendors, suppliers, contractors, service providers or any outside agency(ies) doing any type of business with the Company.

The Company has an **Anti-Corruption and Anti-Bribery policy** in place.

5. **Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:**

Particulars	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

6. **Details of complaints with regard to conflict of interest:**

Number of complaints received in relation to issues of	FY 2023-24 (Current Financial Year)		FY 2022-23 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Conflict of Interest of the Directors	0	Not applicable	0	Not applicable
Conflict of Interest of the KMPs	0	Not applicable	0	Not applicable

7. **Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.**

Not Applicable, there were zero cases of corruption and Conflict of Interest in the reporting year, as a result there were no fines, penalties and NO corrective actions taken against the entity by any legislative or judicial institutions.

8. **Number of days of accounts payables ((Accounts payable \*365) / Cost of goods/services procured) in the following format:**

	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Number of days of accounts payables	67.71	85.91

9. **Open-ness of business Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:**

Parameter	Metrics	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Concentration of Purchases	Purchases from trading houses as % of total purchases	0	0
	Number of trading houses where purchases are made from	0	0
	Purchases from top 10 trading houses as % of total purchases from trading houses	0	0
Concentration of Sales	Sales to dealers/ distributors as % of total sales	0	0
	Number of dealers /distributors to whom sales are made	0	0
	Sales to top 10 dealers/distributors as % of total sales to dealers / distributors	0	0

Parameter	Metrics	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Share of RPTs in	Purchases (Purchases with related parties / Total Purchases)	58.21%	49.72%
	Sales (Sales to related parties / Total Sales)	0.66%	1.18%
	Loans & advances (Loans & advances given to related parties / Total loans & advances)	Nil	74.80%
	Investments (Investments in related parties / Total Investments made)	Nil	Nil

### Leadership Indicators

- Awareness programmes conducted for value chain partners on any of the principles during the financial year:

Total number of awareness programmes	Topics/principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
02	Climate Change, Energy, Safety	~64% of annual spends

- Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same.

Yes, we have laid down guidelines to manage or avoid conflict of interest involving members of the Board.

These guidelines are incorporated in the organization's 'Code of Conduct [CoC] for Board of Directors and Senior Management'. All applicable members are expected to dedicate their best efforts and decisions to advance the Company's interests. Any situation that involves or reasonably expected to involve in a conflict of interest shall be promptly reported.

The COC covers the following aspects of Conflict of Interest:

- Corporate Business Opportunity
- Payment or gift from others
- Company property
- Confidential Information

### PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe

- Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

Segment	FY 2023 - 24 (Current FY)	FY 2022 - 23 (Previous FY)	Details of improvements in environmental and social impacts
R&D	ZERO	100%	
Capex	3.09%*	2.55%	*for energy conservation activities for Smart grid upgradation

- Does the entity have procedures in place for sustainable sourcing? (Yes/No) If yes, what percentage of inputs were sourced sustainably?

Yes, 100% percentage of inputs were sourced as per our supply chain management policy, which effectively governs our sustainable supply chain management practices. We ensure that our supplier selection process integrates the prerequisites of sustainability.



Our [supplier Code of Conduct](#) acts as a framework for assessing and disseminating the company's requirements, values, and culture to suppliers. We also encourage our suppliers to adhere to social and environmental standards such as SA 8000, ISO 14001:2015, and ISO 45001:2018. Moreover, we have also devised a supplier screening and risk assessment programme which serves as an initiatory requirement in our vendor onboarding process.

In addition to the regulatory and qualitative aspects, our supplier assessment scorecard also incorporates ESG aspects for screening and prequalification of our suppliers. We have classified our suppliers and identified them as critical based on value of business and nature of supply. Further, our supplier screening framework is used to assess the identified critical suppliers on predefined ESG parameter which act as a key enabler on our Responsible Supply Chain journey.

**3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

Owing to the nature of the Company's product/service offerings [Generation and or Purchase, Transmission & Distribution of Electricity], the scope for safely reclaiming products for reuse, recycling, and disposal at the end of life is not applicable.

In alignment with the UN SDG 12- Responsible Consumption and Production, the company have defined processes for managing waste at all our operational sites.

All the hazardous waste generated across our premises is handled, segregated, stored, and transported in accordance with applicable regulatory requirements and following best industry practices.

All the hazardous waste is disposed of in an environmentally sound manner through an authorised agency. Additionally, the non-hazardous waste generated at our premises comprises of scrap metal, wood, glass, tires, e-waste, cardboard, and paper are sold via auctioned.

With our consistent efforts in reduction of waste generation, all our Grid division operations including the head office @ Ahmedabad have been certified as Zero Waste to Landfill sites by M/s. Intertek India Pvt. Ltd. & M/s. Bureau Veritas India has certified our Retail division operations in Mumbai & Dahanu since 2022.

Furthermore, the company was also a certified Single Use Plastic (SUP) free company by M/s. Confederation of Indian Industries [CII].

**4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

Owing to the nature of the Company's product/service offerings [Generation and or Purchase, Transmission & Distribution of Electricity], Extended Producer Responsibility (EPR) is not applicable to the Company.

## Leadership Indicators

**1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

NIC Code	Name of Product / Service	% of total Turnover contributed	Boundary for which the life cycle Perspective / Assessments conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link
----------	---------------------------	---------------------------------	---	---	---

Not applicable owing to the nature of the Company's product/service offerings [Generation and or Purchase, Transmission & Distribution of Electricity]

However, we intend to use the [LCA study of RE supplier for the Solar PV modules](#), considering Solar PV modules from the in-house installations that might come up for disposal at the end of their life.

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product / Service	Description of the risk / concern	Action Taken
Solar PV panels from current in-house installation	Contamination due to landfilling of unrecyclable / unrecoverable material from end of life PV panels	Secured landfilling for end of life PV panels is planned to avoid any contamination

Not applicable. However, The Company takes proactive steps to avoid any significant environmental and or social impact from ash produced from power generation at Dahanu and the Company is also committed to take responsibility of the safe disposal following Waste management hierarchy for the solar modules waste [if generated] to avoid any significant environmental and or social impact.

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-use input material to total material	
	FY 2023-24	FY 2022-23
	Current Financial Year	Previous Financial Year
Steel	39% <sup>\$</sup>	37%*
Aluminum	38.1% <sup>#</sup>	39.3% <sup>#</sup>

\$ as per CEEW report October 2023 \* As per CRISIL research report 2022<sup>#</sup> As per OEM Industry study report 2023-24

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	FY 2023-24			FY 2022-23		
	Current Financial Year			Previous Financial Year		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	Not applicable owing to the nature of the Company's product/service offerings [Generation and or Purchase, Transmission & Distribution of Electricity],					
E-waste						
Hazardous waste						
Other waste						

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed product and their packaging material as % of total products sold in respective category
Not applicable owing to the nature of the Company's product/service offerings [Generation and or Purchase, Transmission & Distribution of Electricity],	

## PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains

### Essential Indicators

#### 1. a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	2,020	2,020	100%	2,020	100%	0	0%	567	28%	0	0%
Female	272	272	100%	272	100%	272	100%	0	0%	0	0%
Total	2,292	2,292	100%	2,292	100%	272	12%	567	25%	0	0%
Other than Permanent employees											
Male	0	0	0%	0	0%	0	0%	0	0%	0	0%
Female	0	0	0%	0	0%	0	0%	0	0%	0	0%
Total	0	0	0%	0	0%	0	0%	0	0%	0	0%

#### b. Details of measures for the well-being of workers:

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent workers											
Male	2,530	2,530	100%	2,530	100%	0	0%	0	0%	0	0%
Female	137	137	100%	137	100%	137	100%	0	0%	0	0%
Total	2,667	2,667	100%	2,667	100%	137	5%	0	0%	0	0%
Other than Permanent workers											
Male	6,027	6,027	100%	6,027	100%	0	0%	146	2%	0	0%
Female	162	162	100%	162	100%	162	100%	0	0%	0	0%
Total	6,189	6,189	100%	6,189	100%	162	3%	146	2%	0	0%

#### C. Spending on measures towards the well-being of employees and workers (including permanent and other than permanent) in the following format:

	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Cost incurred on well-being measures as a % of total revenue of the company	0.09%	0.11%

#### 2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Yes	100%	100%	Yes
Gratuity	100%	100%	Yes	100%	100%	Yes
ESI	100%	100%	Yes	100%	100%	Yes
Others – please specify	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable

### 3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

In conformance with our Diversity, Equality, and Inclusion policy as well as the employee Code of Conduct, we are an equal opportunity employer and ensure that the company fulfills the requirements of the Right of Persons with Disabilities Act, 2016. We provide our employees and visitors with the requisite infrastructure to address accessibility of workplaces for differently abled. For example, the company have the provision of ramps, Wheelchairs and dedicated toilets at all office locations, even elevators have provisions with braille signs for visually impaired.

### 4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes, our [Diversity, Equity and Inclusion policy](#) showcases our commitment to equal opportunity. Our unwavering commitment to delivering value while nurturing and promoting diversity across our operation aids in promoting an environment of trust, empathy, and mutual respect.

### 5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	100%	Not Applicable	
Female	83%	67%		
<b>Total</b>	<b>91%</b>	<b>82%</b>		

### 6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.

	<b>Yes/No (If Yes, then give details of the mechanism in brief)</b>
Permanent Workers	Yes. All grievances are handled through works committee, "Charter of Demand" and Consultation with Representatives
Other than Permanent Workers	Yes. Works Committee for Grievance Redressal. Various internal committees for resolving day to day operations i.e., Canteen, Safety and Cultural committees.
Permanent Employees	Yes. Adani Grievance Management System Employees can report their grievances to their BU HR Teams initially. In case the resolution is not satisfactory, then a grievance can be raised through the online tool. The Grievance Redressal Committee protects and safeguards the confidentiality of the aggrieved employees.
Other than Permanent Employees	Yes. Applicable same as Permanent employees



7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:

Category	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Total employees/ workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees/ workers in respective category (C)	No. of employees/ workers in respective category, who are part of association(s) or Union (D)	% (D/C)
<b>Total Permanent Employees</b>	<b>2,292</b>	<b>0</b>	<b>0%</b>	<b>2,150</b>	<b>0</b>	<b>0%</b>
- Male	2,020	0	0%	1,945	0	0%
- Female	272	0	0%	205	0	0%
<b>Total Permanent Workers</b>	<b>2,667</b>	<b>2,667</b>	<b>100%</b>	<b>2,852</b>	<b>2,852</b>	<b>100%</b>
- Male	2,530	2,530	100%	2,704	2,704	100%
- Female	137	137	100%	148	148	100%

8. Details of training given to employees and workers:

Category	FY 2023-24					FY 2022-23				
	Current Financial Year					Previous Financial Year				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
No. (B)		% (B/A)	No. (C)	% (C/A)	No. (E)		% (E/D)	No. (F)	% (F/D)	
Employees										
Male	2,020	1,360	67%	2,009	99%	2,367	1,463	62%	1,914	81%
Female	272	142	52%	266	98%	818	377	46%	490	60%
Total	2,292	1,502	66%	2,275	99%	3,185	1,840	58%	2,404	75%
Workmen										
Male	8,557	3,626	42%	1,435	17%	1,992	1,841	92%	273	14%
Female	299	132	44%	104	35%	78	72	92%	12	15%
Total	8,856	3,758	42%	1,539	17%	2,070	1,913	92%	285	14%

9. Details of performance and career development reviews of employees and worker:

Category	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
<b>Employees</b>						
Male	2,020	1,930	96%	1,950	1,930	99%
Female	272	261	96%	205	203	99%
<b>Total</b>	<b>2,292</b>	<b>2,191</b>	<b>96%</b>	<b>2,155</b>	<b>2,133</b>	<b>99%</b>
<b>Workers</b>						
Male	2,530	2,509	99%	2,704	2,704	100%
Female	137	137	100%	148	148	100%
<b>Total</b>	<b>2,667</b>	<b>2,646</b>	<b>99%</b>	<b>2,852</b>	<b>2,852</b>	<b>100%</b>

## 10. Health and safety management system:

### a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage of such a system?

Yes, at AESL, we strive to provide a safe and healthy working environment for our employees including the contract workers and visitors. The majority of risks for our business arise from high voltage substations, height work activities, road related incidents and construction activities. We are an ISO 45001:2018 certified organisation and work meticulously to achieve the target of zero fatalities. We conduct an in-depth inquiry into lost time incidents and fatalities to track, monitor, prevent, and mitigate the causes with immediate effect.

We have undertaken several initiatives such as Safe Eye (induction for recruits), Safe Connect (periodic corporate conference call to share safety practices), Safe Alert (Health, Safety and Environment alerts), Monthly Safety Quiz Series" (MSQS) based on Group Safety Standards. These initiatives are conducted twice a month. Furthermore, Safe Library (online content library, Daily morning meeting with O&M Team and Weekly morning meeting with Projects team is conducted to discuss the various incidents reported across the group. Take away from these incidents are extracted and tracked on daily basis. In addition to the aforementioned, we conduct periodic safety audits of under-construction and operational sites.

### b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

At AESL, we identify work-related hazards and assess risks by conducting a Hazard Identification and Risk Assessment (HIRA), Vulnerabilities Risk Assessment (VSR), and using safety checks and assurance (SCA).

We also conduct safety risk field audits (SFRA) frequently. We also have Gensuite platform through which observations (UA/UC) and incidents are reported by employees.

- Conduction of Hazard identification and Risk assessment for all maintenance activities. The awareness about the controls to mitigate the risk is created among the workers before starting maintenance activity through Job Safety Analysis (JSA), Safety Interaction (SI) Implementations.
- Provision of the safety protocols for all critical activities posing high potential risk. This protocol was signed by a senior member's team consisting of representatives from Operation, Safety and Maintenance department.
- Safety Connect Mobile Application - Business have adopted technological solutions, a mobile based application to identify high risk employees based on their driving pattern and counsel them in time to prevent road accidents.
- Carrying of Operation & Maintenance activities using defined Permit to Work (PTW) & Lock Out Tag Out (LOTO) system
- **SRFA** – Conduction of Safety risk field audit periodically to know the status of Contractor/Subcontractors safety implementation at site during work and find out deviations (if any).
- **CVF's** - The Group identifies critical vulnerability factors based on reported incidents and their potential occurrence's addressal of these factors monitored monthly promoting a safer work environment.
- **VSR's** - Analysis of Adani group risk exposure to identify vulnerable risks and unsafe condition that may cause incidents with severity 4/5.
- Acquiring **additional permits** on daily basis for monitoring of Height, confined space, Work under water Bodies, Hot Work, etc.
- Strict Compliance of **Life Saving Safety Rules (LSSR)** during job execution with use of Video Analytics System for close monitoring.
- Conduction of **external safety audit** as per statutory requirements.

**c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)**

Yes, at AESL, we do have observation and incident reporting platform Gensuite. Where all the employees across the business report the incidents. AESL has also adopted a group-wide Safety Standard for Incident Reporting and Investigation for assessing safety incidents as well as to prevent their recurrence in the future.

The Safety Incident Reporting, Classification, and Investigation Standard sets the organization's safety requirements and has been upheld as Life Saving Safety Rules. The incident investigation process contributes to the continuous improvement of safety systems and performance by identifying and implementing actions to prevent an incident recurrence and promoting an atmosphere of openness by improving communications and understanding about the incident.

In ADTPS, our thermal generation unit, COO meets every AMC worker of each Departments on 10<sup>th</sup> and 30<sup>th</sup> day of every month and discussed regarding Hazards they faced while working, also Cross functional Safety Samwad by all plant seniors conducted with AMC workers in 12 Locations of plant. Safety Interaction carried out by all Executives as per schedule to find out Unsafe Act & Unsafe condition in premises.

AEML, our power distribution unit, has a process of concern reporting through QR code where any stakeholders can raise the concern which is automatically allotted to the concerned personnel for its immediate mitigation based on its severity. All the workers are empowered to stop the work if they feel that risk is not acceptable and such STOP activities are encouraged and recognized. Forums like ZLSC (Zonal level Safety committee meet) and JSCM (Joint Safety committee meet) are formed where the worker can further report or escalate the concern on monthly basis. AEML has adopted Safety Standard for Incident Reporting and Investigation for assessing safety incidents to prevent recurrence in the future.

**d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)**

Yes, the employees and workers have access to non-occupational medical and healthcare services.

**11. Details of safety related incidents, in the following format:**

Safety Incident/Number	Category	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.23	0.88
	Workers	0.45	0.15
Total recordable work-related injuries	Employees	46	107
	Workers	40	17
No. of fatalities	Employees	0	0
	Workers	0	3 [contract workers]
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

**12. Describe the measures taken by the entity to ensure a safe and healthy workplace.**

We have a robust safety governance structure and comply with all applicable safety standards. We provide our employees and workers an opportunity to actively engage, participate, and provide their feedback on how to improve our site safety practices.

To ensure safe and healthy workplace, we carry out the following activities:

- Daily morning meeting with O&M Team and Weekly morning meeting with Projects team is conducted to discuss the various incidents reported across the group. Take away from these incidents are extracted and tracked on daily basis.
- Safety Connect Mobile Application - Business have adopted technological solutions, a mobile based application to identify high risk employees based on their driving pattern and counsel them in time to prevent road accidents.

- Monthly Safety Quiz Series" (MSQS) to conduct based on Group Safety Standards, and it is supposed to be conducted twice in every month
- The workers working at height are physically and medically checked by concerned site safety coordinators and certified medical practitioner before issuing Height pass.
- Safe Connect: On a monthly basis all the employees are connected in group talk through MS Teams wherever they are located. This two-way communication enables employees to discuss the focus area, efforts made for safety excellence and performance sharing.
- Safe Alert: Preparation and Circulation of OHS alerts on the Observation analysis, Incidents happened outside and across our organization.
- VSR: Analysis of Adani Group's risk exposure to identify vulnerable risks and unsafe conditions that may cause incidents with severity 4/5.
- Safety Risk Field Audits (SRFA) are carried out across all the sites on a weekly basis to evaluate the Safety Performance Index of an overall site.
- Audits: As a part of assurance, regular site safety audits are being done at AESL including internal, cross functional and external as well.
- SPIS: The management of health and safety against previous targets and industry benchmarks is ensured by Safety Performance Indicator Scorecard (SPIS) through lagging indicators, Assurance & Leadership.
- Critical Vulnerability Factors (CVF's) based on various High potential incidents are defined and status of its implementation is tracked on monthly basis.
- Business Safety Council Meeting is being conducted on a once in two-month basis for discussion on defined taskforce KPI's of various safety aspects at business level.
- LSSR - LSSR are identified and displayed at prominent locations within department. All employees regularly read the same & implement the actions in day-to-day work. LSSR Videos developed in house and same shown to AMC workers during their schedule Training.
- Displaying safety awareness sign boards at Prominent Locations. At AESL, we also provide our employees and workers safety trainings as follows:
- 100% safety induction training to the newly appointed contractor safety workers through Kronos.
- Training on working at height and electrical safety by competent authority and regular training through T&CB taskforces.

**13. Number of Complaints on the following made by employees and workers:**

Category	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	8	0	Refer note	6	0	Refer note
Health & Safety	5	0		4	0	

Note: Attended through Adopting Safety Improvement plan in SAP system.

**14. Assessments for the year:**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	72%
Working Conditions	72%



**15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.**

At AESL, we have undertaken the following initiatives to safeguard our employees and workers from any significant risks or concerns arising from the working conditions:

- Explored the Technology based solution to monitor various safety statistics of two and four wheelers across different locations with an aim to bring down the Vehicular accidents. A rescue kit has been mandated for all workers working at height as a second line of protection.
- Safety Internal and Cross functional audit to be conducted regularly at defined intervals.
- All the T&P's, PP Rope, lifting accessories etc. are made to be critically inspected prior to start of work.
- **Near-miss categorizations and its analysis:** The Near-Miss Category has been assigned to various incidents reflected in the Daily Incident Report and has been analyzed on monthly basis.
- Mandate for all sites to Identify the high-risk activity at site and ensure that these activities are deployed with policy "No supervision, No Job Policy"
- Use of New Generation Hydra vehicle with improved safety features i.e. improved visibility for operator, use of Wheel Guards, improved balancing of vehicle to avoid toppling instance has been made mandated at all sites and use of old generation hydra is banned.
- Physical Training has been conducted on height work standard and height work rescue from certified agency before deployment a worker work at height.
- Providing remote Pushbutton for operation of High Mast to enhance human safety.
- In House Developed QR code system for Electrical Equipment Isolation to Eliminate Hazards due to Human Error.
- Locking of Wagon Tippler through Mechanical as well as through Electrical Interlock system in Process of removing Boulders from Apron Grill as a Dynamic Energy Locking.
- Eliminating risk of falling object hazard during Turbine bearing scrapping in O/H.
- Safety improvement by providing earth fault protection for dredging systems.

**Leadership Indicators**

**1. Does the entity extend any life insurance or any compensatory package in the event of death of**

**Employees** : Yes, as per Death Benevolent Policy

**Workers** : Yes, as per Death Benevolent Policy

**2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

The Company has adequate mechanisms to ensure that requisite statutory dues, as applicable to the transactions of the Company with its value chain partners, are deducted, and deposited in accordance applicable regulations and reviewed as per regular audit processes. The Company also collects necessary certificates and proof from its contractors with respect to payment of statutory dues relating to contractual employees and workers. The Company expects its valued chain partners to behave ethically and with integrity in all its business transactions and uphold standards of fair business practices.

**3. Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

NIL

	Total no. of affected employees/workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Employees	0	0	0	0
Workers	0	3	0	0

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment?.

Yes, we have a provision of outplacement assistance services and personal finance management,

5. Details on assessment of value chain partners

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	100%
Working Conditions	100%

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners

Considering past incidents of wrongly carried out HT electrical isolation in two consecutive months by operator, electrical team carried out Brainstorming session and decided to be developed in house QR code system for electrical equipment's isolation to eliminate hazards due to human error. Accordingly, 3500 nos. QR scanner developed in house and pasted on electrical module across the plant. Now this QR code scanning of electrical module system is working successfully since adoption and same is appreciated by Adani group safety team and published in Adani organization through "positive safety culture".

Also, in AEML some corrective actions taken are mentioned as below-

- Emergency rescue chute is installed at location to provide alternate means of evacuation.
- Fire hydrant standby pumps are provided at the location for fire safety compliances.
- Mandatory SAKSHAM safety training module compliance for team members of value chain partners.
- Ensured emergency response preparedness compliance.

#### **PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders**

##### **Essential Indicators**

1. Describe the processes for identifying key stakeholder groups of the entity.

To create long-term value for our stakeholders, we comprehend that engagement with stakeholders is of paramount importance for us. Our engagement aids in understanding the needs of our stakeholders, working with them to minimize risks, maintaining social legitimacy, improving credibility, and gaining their trust. At AESL, we have identified our stakeholders as groups and individuals who could influence and/ or be impacted by our operations or activities, change in technology, regulations, market, and societal trends either directly or indirectly. The identified group of stakeholders comprises of communities, employees, supply chain partners, customers, investors, regulators, and civil society organizations. We are committed to engaging openly and authentically with our stakeholders to enhance cooperation and mutual support for a sustainable relationship.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Refer stakeholder engagement section on Page 50

## Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

The company endeavors to incorporate sustainability aspects into all its systems and processes. Respective functional heads engage with the stakeholders on various topics and the relevant feedback from such consultation is provided to the Board for any concern related to economic, environmental, and social topics. Our mailing portal aids in addressing the concerns of our vendors and customers. Our employees use the grievance management system for raising their concerns and grievances which are addressed.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No).

If so, provide details of instances as to how the input received from stakeholders on these topics were incorporated into policies and activities of the entity.

Yes, our material issues are identified based on our engagement with our stakeholders. We have set bold aspirations towards our sustainable journey and our sustainability goals.

**Example:** Inputs received from non-managerial workmen during two scheduled stakeholder engagement forums every month are incorporated in the Safety procedures and appropriate actions are planned, implemented, and again closed looped with them.

Inputs received from ESG rating agencies are discussed with CRC Committee and appropriate changes to policies & procedures are updated and appropriate actions are planned by concerned functions and reviewed on Quarterly basis by CRC committee.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/marginalized stakeholder groups.

We understand our responsibility to help the residents around these locations as well as reach out to the marginalized and vulnerable communities in the respective areas. We ensure to defend their rights, interests, natural and cultural resources as well as give them resources to participate and benefit from development. We recognize the importance of gaining access to robust and quality medical services, especially for the economically marginalized and vulnerable populations. Acknowledging this need, we have worked heavily towards improving access to essential healthcare infrastructure and services. Mobile Health Care Unit & Health Check-up Camp in Government Schools are some of the highlights of initiatives taken by us.

## PRINCIPLE 5 Businesses should respect and promote human rights

### Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy (ies) of the entity, in the following format:

Category	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	Total (A)	No. of employees/ workers covered (B)	% (B/A)	Total (C)	No. of employees/ workers covered (D)	% (D/C)
<b>Employees</b>						
Permanent	2,268	981	43%	2,150	1,031	48%
Other than permanent	00	00	100%	5	5	100%
<b>Total Employees</b>	<b>2,268</b>	<b>981</b>	<b>43%</b>	<b>2,155</b>	<b>1,036</b>	<b>48%</b>
<b>Workers</b>						
Permanent	2,667	108	04%	2,852	3	0%
Other than permanent	6,189	150	02%	4,851	0	0%
<b>Total Workers</b>	<b>8,856</b>	<b>258</b>	<b>03%</b>	<b>7,703</b>	<b>3</b>	<b>0%</b>

Note: above numbers for Refresher training on human rights

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2023-24						FY 2022-23			
	Current Financial Year						Previous Financial Year			
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent	2,292	00	0%	2,292	100%	2,150	0	0%	2,150	100%
Male	2,020	00	0%	2,020	100%	1,945	0	0%	1,945	100%
Female	272	00	0%	272	100%	205	0	0%	205	100%
Other Permanent	00	00	0%	00	0%	5	0	0%	5	100%
Male	00	00	0%	00	0%	5	0	0%	5	100%
Female	00	00	0%	00	0%	0	0	0%	0	0%
Workers										
Permanent	2,667	00	0%	2,667	100%	2,852	0	0%	2,852	100%
Male	2,530	00	0%	2,530	100%	2,704	0	0%	2,704	100%
Female	137	00	0%	137	100%	148	0	0%	148	100%
Other than Permanent	6,189	00	0%	6,189	100%	4,851	171	4%	4,680	96%
Male	6,027	00	0%	6,027	100%	4,755	168	4%	4,587	96%
Female	162	00	0%	162	100%	96	3	3%	93	97%

3. Details of remuneration/salary/wages, in the following format:

a. Median remuneration / Wages:

	Male		Female	
	Number	Median remuneration/salary/ wages of respective category	Number	Median remuneration/salary/ wages of respective category
Board of Directors (BoD)	05	24,50,000/-*	02	12,00,000/-*
Key Managerial Personnel	03	7,09,43,722/-	0#	0
Employees other than BoD and KMP	2,013	20,97,302/-	272	8,00,000/-
Workers	2,530	952,077/-	137	11,48,071/-

\* Represents the sitting fees drawn by the Independent Directors during FY 23-24.

# No women in KMP position

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Gross wages paid to females as % of total wages	7.9%	7.3%

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, the Adani Grievance Management System is in place which is responsible for addressing human rights impacts or issues.



**5. Describe the internal mechanisms in place to redress grievances related to human rights issues.**

At AESL, all employees can report human rights abuses through an online grievance redressal mechanism, known as the Adani Grievance Management System. The system is accessible to permanent employees and workers. Initially, employees and workers can report their grievances to BU HR teams. In case the resolution is not satisfactory, a grievance can be raised through an online ticket on the system. The system is designed to resolve a grievance within a defined timeline of 14 days, from the day a grievance is raised. Furthermore, the Grievance Redressal Committee ensures to protect and safeguard the confidentiality of the aggrieved.

**6. Number of Complaints on the following made by employees and workers:**

	FY 2023-2024 Current Financial Year			FY 2022-2023 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	01	0	Refer note	0	0	Not applicable
Discrimination at workplace	0	0		0	0	
Child Labour	0	0		0	0	
Forced Labour/Involuntary Labour	0	0		0	0	
Wages	0	0		0	0	
Other human Rights related issues	0	0		0	0	

**Note:** Necessary action related to training of employees undertaken.

**7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

	FY 2023-2024 Current Financial Year	FY 2022-2023 Previous Financial Year
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	1	0
Complaints on POSH as a % of female employees / workers	0.4%	0
Complaints on POSH upheld	0	0

**8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

AESL's Vigil mechanism (Whistle Blower Policy) and POSH policy have provisions for addressing complaints pertaining to discrimination, unethical behavior, actual or suspected fraud or violation of the code of conduct. All complaints are taken up by the Internal Complaint Committees (ICCs), which are governed under strict confidentiality. There are defined procedures to protect the complainant from any retaliatory actions. The policies have ample provisions that provide adequate safeguards against victimization of employees and Directors and provide direct access to the Chairperson of the Audit Committee in exceptional cases. An employee can also raise any other grievances through the online grievance portal. The system is designed to redress the grievance within a defined timeline of 14 working days. The grievances are resolved in a fair and time bound manner maintaining utmost confidentiality. All the pertinent information is maintained by the POSH Committee or Grievance Committee in a secure manner. Moreover, identity of the aggrieved is protected until final investigation is completed.

**9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

Yes, The Human rights related requirements are covered as a part of the vendor onboarding process through ARIBA portal (IT enabled sourcing portal) and included under General terms and conditions of **all purchase/ service orders**.

#### 10. Assessments for the year:

We have defined systems for ensuring compliance with regulatory requirements. There is a **Code of Conduct for employees** and **Suppliers' Code of Conduct** to ensure conformity with business ethics and human rights requirements. Also, the human rights criteria are screened through online ARIBA portal during vendor onboarding process. In addition, we review compliance with these requirements during contract execution. In all our business units, it is mandatory to check the age proof documents at the time of recruitment to prevent employment of child labor and during the induction session essential business ethics and human rights related aspects are covered for creating awareness among employees.

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
<b>Others – please specify</b>	Not Applicable.

#### 11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

Not applicable

#### Leadership Indicators

##### 1. Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints.

We have proactively assessed potential human rights issues across our operations in the last 4 years. We also conduct internal/ external audits in addition to ISO audits to identify the observation if any. We are 100% compliant with Human rights related concerns.

##### 2. Details of the scope and coverage of any Human rights due diligence conducted.

At AESL, we have developed a code of conduct, and every employee needs to adhere to it. Under employees' code of conduct, there are many human rights issues noted such as anti-bribery, anti-corruption, etc. As a part of the Social Accountability Standard certification pursued by AESL, annual internal audits and continuous workplace monitoring activities ensure a strict adherence to policies, identify violations, and take necessary action. In accordance periodic Social Accountability Risk Assessment to identify and prioritize the area of actual or potential non-conformance to the standard needs to be conducted. The comprehensive list of human rights risks assessed are as follows:

- Engagement of child labor
- Engagement of child labor by suppliers and sub-contractors
- Engagement of forced labor
- Non-compliance of EHS guideline
- Corporal punishment, mental or physical coercion or verbal abuse of personnel
- Exceeding working hours / Working without a weekly day of rest.
- Lower payment of wages
- Discrimination in the workplace

We recognize human rights as one of the key risk factors and pay significant emphasis on addressing its impacts. Human rights also form part of our organization's risk matrix. This inclusion is reviewed periodically to ensure its effectiveness. Furthermore, periodic Social Accountability Risk Assessments are also carried out to systematically assess and address potential social responsibility risks. We also conduct training sessions for our on-roll and off-roll employees across divisions and zonal offices. This enables us to create awareness among our workforce about human rights and their associated impacts.

**3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

All our offices comply with the Rights of Persons with Disabilities Act, 2016, ensuring equal opportunities and a diverse work environment. We have provisions for differently abled individuals (employees, workers and visitors) including assistance and workplace modifications which enable individuals (employees, workers & or visitors) with disabilities to carry out their jobs easily. Our corporate offices are equipped with wheelchairs, ramps, dedicated toilets, and Braille signs in elevators for accessibility. All our locations meet national and local requirements for accommodating individuals with disabilities. Our infrastructure incorporates comprehensive plans to ensure accessibility in work areas, restrooms, common areas, and movement around facilities.

**4. Details on assessment of value chain partners:**

	<b>% of value chain partners (by value of business done with such partners) that were assessed</b>
Sexual Harassment	0%*
Discrimination at workplace	100% w.r.t. pay & entitlement
Child labour	100%
Forced labour	100%
Wages	100%
Other please specify	Not applicable

**Note:** \* We encourage Supply chain partner to adhere to POSH requirements but are currently not monitoring & tracking it.

**5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

Not applicable

**PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment**

**Essential Indicators**

**1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameter	Unit	<b>FY 2023-24 (Current Financial Year)</b>	<b>FY 2022-23 (Previous Financial Year)</b>
<b>From renewable sources</b>			
Total electricity consumption (A)	GJ	8,760	12,368
Total fuel consumption (B) (Coal & Oil consumption)	GJ	0	0
Energy consumption through other sources (C)	GJ	0	0
<b>Total energy consumption (A+B+C)</b>	<b>GJ</b>	<b>8,760</b>	<b>12,368</b>
<b>From non-renewable sources</b>			
Total electricity consumption (D)	GJ	1,07,546	99,649
Total fuel consumption (E)	GJ	3,18,57,636	32,865,854
Energy consumption through other sources (F)	GJ	0	0
<b>Total energy consumed from non-renewable sources (D+E+F)</b>	<b>GJ</b>	<b>3,19,65,182</b>	<b>3,29,65,503</b>
<b>Total energy consumed (A+B+C+D+E+F)</b>	<b>GJ</b>	<b>3,19,73,942</b>	<b>32,977,872</b>
<b>Energy intensity per rupee of turnover</b> (Total energy consumed / Revenue from operations)	GJ ₹	0.0001856973	0.0002382715
<b>Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total energy consumed / Revenue from operations adjusted for PPP)	GJ PPP USD	0.000050946	0.000066352
<b>Energy intensity in terms of physical output</b>			
Energy intensity (optional) – the relevant metric may be selected by the entity	GJ MWh Sold	<b>3.431732879</b>	<b>3.6391383800</b>

Purchasing Power Parity (PPP) rate of ₹ 22.8821303538728/ Int USD [2022] and as on March 31 '24 - FX rate of ₹ 83.405/ USD, and as on March 31, '23 - FX rate of ₹ 82.17/USD considered for above calculations.

**Note:** Independent assurance has been carried out by an M/s. TUV India Pvt. Ltd. an external agency.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Yes. A-DTPS our 500MW Thermal power station is identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India.

Targets set under the PAT cycle 1 & PAT Cycle 2 were surpassed resulting in generation of **4,591 ECert's in PAT cycle 1** and **8,749 ECert's in PAT cycle 2**. There were No active PAT targets applicable to ADTPS for FY2023-24.

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	21,12,006.45	17,76,885
(ii) Groundwater	76,072.46	57,693
(iii) Third party water	2,363.53	661
(iv) Seawater / desalinated water	47,40,26,458.82	48,81,05,573
(v) Others	10,328.06	7,731
<b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>	<b>47,62,27,229</b>	<b>48,99,48,543</b>
<b>Total volume of water consumption (in kilolitres)</b>	<b>22,00,771</b>	<b>18,42,970</b>
<b>Total Water intensity per rupees of turnover from operations</b>	0.0000127816 KL/ ₹	0.0000133158 KL/ ₹
<b>Water intensity [KL] per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total water consumed [KL] / Revenue from operations adjusted for PPP)	0.000003507	0.000003708
<b>Water intensity in terms of physical output</b>	Not applicable	Not applicable
<b>Water intensity (optional) – the relevant metric may be selected by the entity (KL/MWh sold)</b>	<b>0.2219413579</b>	<b>0.2033734275</b>

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**Note:** Independent assurance has been carried out by an M/s. TUV India Pvt. Ltd. an external agency



4. Provide the following details related to water discharged:

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(i) Surface water		
No treatment	0	0
With treatment – please specify level of treatment	0	0
(ii) To Groundwater		
No treatment	0	0
With treatment – please specify level of treatment	0	0
(iii) To Seawater [KL]		
No treatment	0	0
With treatment – secondary treatment	47,40,26,459	48,81,05,573
(iv) Sent to third parties		
No treatment	0	0
With treatment – please specify level of treatment	0	0
(v) Others		
No treatment	0	0
With treatment – please specify level of treatment	0	0
<b>Total water discharged [KL]</b>	<b>47,40,26,459</b>	<b>48,81,05,573</b>

**Note:** Independent assurance has been carried out by an M/s. TUV India Pvt. Ltd. an external agency.

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

We have a proactive approach towards judicious water consumption. We ensure treatment of all effluents before discharge. Some of the initiatives that we have taken to minimise our freshwater consumption are as follows:

- AESL is a water positive organisation with our total water recharge exceeding the water consumption
- A-DTPS (Adani Dahanu Thermal Power Station) which accounts for 99% of Water withdrawal is certified with ISO 46001 Water Efficiency Management System.
- The domestic effluent generated in the thermal power plant is treated in neutralization pit established and disposed-off as per Maharashtra Pollution Control Board (MPCB) consent to operate guidelines.
- In all our operating locations, treated water is used for gardening purposes ensuring ZERO liquid discharge outside the plant boundary

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	UoM	FY 2023-2024 (Current Financial Year)	FY 2022-2023 (Previous Financial Year)
NOx	MT	3,742.7	4,035.1
SOx	MT	3,088.7	2,909.2
Particulate matter (PM)	MT	539.7	540
Persistent organic pollutants (POP)		Not applicable	Not applicable
Volatile organic compounds (VOC)		Not applicable	Not applicable
Hazardous air pollutants (HAP)		Not applicable	Not applicable
Others – Mercury (Hg)	MT	0.0272	0.0293

**Note:** The air emission sources (stacks, chimneys etc.) are monitored on a defined frequency by an approved [NABL accredited] laboratory/agency as mandated by the Central and or Maharashtra State Pollution Control Boards. The details of air emissions are being submitted to MPCB periodically.

Please note Flue-gas desulfurisation (FGD) unit is operational and stack monitoring data is available over continuous emission monitoring system [CEMS], assessable by MPCB on real time basis.

**Note:** Independent assurance has been carried out by an M/s. TUV India Pvt. Ltd. an external agency

**7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format**

Parameter	Unit	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
<b>Total Scope 1 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	2,663,319	2,826,371
<b>Total Scope 2 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	4,26,436	435,852
<b>Total Scope 1 and Scope 2 emission intensity per rupee of turnover</b> (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	Mt of CO <sub>2</sub> e Rupee	0.000017945	0.000023570
<b>Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	Mt of CO <sub>2</sub> e Rupee [PPP]	0.000004923	0.000006564
<b>Total Scope 1 and Scope 2 emission intensity (optional)</b> – the relevant metric may be selected by the entity	Mt of CO <sub>2</sub> e MWh sold	0.3115929252	0.3599892960

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**Note:** Independent assurance has been carried out by an M/s. TUV India Pvt. Ltd. an external agency.

**8. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.**

YES. This includes investments in improvement measures and operational efficiency technology for Station Heat Rate and Solar installations within premises for Auxiliary Power Consumption. To reduce GHG emissions further we are committed to phasing out Dahanu Thermal power plant latest by 2030 and hence, ramping up renewables and other forms of clean energy under long term power purchase agreements in line with our aspirational goal of Net ZERO by 2050. We have also set interim targets aligned to 1.5 deg C scenario and submitted our targets for validation to SBTi.

**9. Provide details related to waste management by the entity, in the following format:**

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
<b>Total Waste generated (in metric tonnes)</b>		
Plastic waste (A)	36.98	5.01
E-waste (B)	246.37	216.25
Bio-medical waste (C)	0.11	0.09
Construction and demolition waste (D)	0.72	1.85
Battery waste (E)	30.03	38.93
Radioactive waste (F)	0.00	0.00

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
<b>Other Hazardous waste (G)</b>		
Containers / Barrels / Drums	19.159	15.238
Misc Waste	14.066	5.108
Oil-Soaked Solid Waste	8.832	16.186
Organic Waste	12.910	59.942
Used / Spent Oil	79.750	71.248
Wooden Scrap	0.533	0.269
<b>Total (other) Hazardous Waste (G)</b>	<b>135.25</b>	<b>167.99</b>
<b>Other Non-hazardous waste (H)</b>		
Containers / Barrels / Drums	126.354	6.502
Paper Waste	21.106	600.711
Metallic Scrap	2,156.265	755.045
Misc Waste	236.399	647.163
Used / Spent Oil	5.540	359.655
Organic Waste	135.779	7.887
Rubber Scrap	44.420	169.448
Spent Resins	0.789	1.292
Wooden Scrap	402.801	42.245
<b>Total (other) Non-Hazardous Waste (H)</b>	<b>3,129.453</b>	<b>2,589.99</b>
<b>Total (A+B + C + D + E + F + G+ H)</b>	<b>3,578.913</b>	<b>3,020.11</b>
<b>Waste intensity per rupee of turnover from operations. Metric tonnes / ₹</b>	0.0000207855	0.0000218209
<b>Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated [kg] / Revenue from operations adjusted for PPP)</b>	0.0000057025	0.0000060765
<b>Waste intensity in terms of physical output</b>	NA	NA
<b>Waste intensity (optional) – [kg /MWh sold]</b>	0.3609235579	0.333271905
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
<b>Category of waste (in metric tonnes)</b>		
(i) Recycled	3,530.19	2,816.45
(ii) Re-used	2.87	18.80
(iii) Other recovery operations	0	0
<b>Total</b>	<b>3,533.06</b>	<b>2,835.25</b>
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
<b>Category of waste disposed (in metric tonnes)</b>		
(i) Incineration	10.41	19.97
(ii) Landfilling	35.45	22.01
(iii) Other disposal operations	0	11.84
<b>Total</b>	<b>45.86</b>	<b>53.82</b>

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**Note:** Independent assurance has been carried out by an M/s. TUV India Pvt. Ltd. an external agency.

**10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

Effective waste management practices are crucial for Indian companies.

We understand that it is important to segregate different waste streams for more efficient treatment and reuse. With our consistent efforts in reduction of waste generation, all our Grid division operations including the head office @ Ahmedabad have been certified as Zero Waste to Landfill sites by M/s. Intertek India Pvt. Ltd. & M/s. Bureau Veritas India has certified our Retail division operations in Mumbai & Dahanu since 2022. The company is also a certified Single Use Plastic (SUP) free company by M/s. Confederation of Indian Industries [CII].

Furthermore, minimizing freshwater withdrawal by maximizing the recycling and reuse of plant service wastewater and ash pond overflow is another sustainable practice. This not only reduces the plant's freshwater footprint but also lessens the impact on local water bodies.

We have adopted & implemented Zero Liquid Discharge (ZLD) system, we segregate waste streams, employed advanced treatment technologies, and maximizing water recycling are essential waste management practices for sustainable operations and environmental stewardship.

To reduce the usage of hazardous and toxic chemicals/substance in our processes for we have adopted a comprehensive strategy that encompasses the following key elements:

**Hazard Identification and Risk Assessment (HIRA):** Implementing a systematic approach to identify and analyze the physical, chemical, biological, and environmental hazards in the plant, analyzing potential & actual risks, classifying risks, and recommending corrective actions to minimize or eliminate hazards.

**Regular Inspections and Preventive Measures:** Conducting regular inspections and employing preventive measures such as water sprays, isolation from ignition sources, proper ventilation, and spark-proof electrical equipment. Ensuring the use of appropriate personal protective equipment (PPE), such as dust masks and safety guards on moving parts.

**Training and Supervision:** Providing thorough training and proper supervision to the workforce to handle hazardous chemicals/substances safely. This includes the use of safety belts, safety nets, helmets, protective suits where necessary.

**Optimization of Water Consumption:** Adopting waste management practices that aim for Zero Liquid Discharge (ZLD), which involves treating and recycling wastewater for reuse in various process applications. This approach helps in preventing the discharge of effluents from power plants and thereby reducing the reliance on fresh water.

By integrating these strategies into our operations, Compliance with local regulations and standards is also ensured in the implementation of the above strategies that has helped us significantly reduced the use of hazardous and toxic chemicals/substances and manage waste more effectively, contributing to a safer and more sustainable environment.

**11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:**

Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Adani - Dahanu Thermal Power Station	Electricity Generation	Yes
500 KV D/C TL from Mundra to Mahendragarh. (HVDC)	Power Transmission	Yes
400 KV D/C TL from Mundra to Dehgam	Power Transmission	Yes
400 KV D/C Mahendragarh-Bhiwani Line	Power Transmission	Yes



Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
400 KV Mahendragarh-Dhanaunda line	Power Transmission	Yes
33 KV Mahendragarh Kaithal transmission line	Power Transmission	Yes
765 kV D/C Bhuj to Lakadia TL	Power Transmission	Yes
LILO of 400 kV D/C Bachau to EPGL	Power Transmission	Yes
765 kV D/C Lakadia to Banaskantha TL	Power Transmission	Yes
400 KV D/C Limbdi -Vadavi TL	Power Transmission	Yes
400 KV D/C Vadavi- Kansari TL	Power Transmission	Yes
400 KV D/C Rajgarh-Karamsad TL	Power Transmission	Yes
400 KV D/C Rajgarh-Karamsad TL	Power Transmission	Yes
400 KV D/C Pune- Aurangabad TL	Power Transmission	Yes
765 kV Tiroda Koradi Ckt - 1	Power Transmission	Yes
765 kV Tiroda Koradi Ckt - 2	Power Transmission	Yes
400 kV D/C TL from Tiroda to Warora	Power Transmission	Yes
765 KV/DC Raipur - Rajnandgaon- Warora Transmission Limited	Power Transmission	Yes
765 KV/DC Raipur - Rajnandgaon- Warora Transmission Limited	Power Transmission	Yes
765 KV S/C Champa Dharamjaygarh Transmission Line	Power Transmission	Yes
400 kV D/C Suratgarh - Bikaner Transmission Line	Power Transmission	Yes
132 kV S/C Loonkaransar Transmission line	Power Transmission	Yes
LILO of 132 KV SC Mahaveer Nagar Deoli Manjhi Line	Power Transmission	Yes
765 kV D/C Fatehgarh Bhadla	Power Transmission	Yes
765 KV D/C Bikaner-Khetri TL	Power Transmission	Yes
400 kV D/C Ghatampur-Kanpur TL	Power Transmission	Yes
765 kV S/C Agra-Greater Noida TL	Power Transmission	Yes
400kV D/C Jaunpur Obra TL	Power Transmission	Yes
400 kV D/C Roza - Badaun line	Power Transmission	Yes
LILO of 220 kV C.B. Ganj - Badaun S/C line at Badaun		Yes
LILO of 220 kV Chandausi - Badaun S/C line at Badaun		Yes
132kV Badaun-Ujhani S/C line and 132 kV Bilsa-Badaun S/C line		Yes
765KV D/C Warora Pool - Warangal (New) TL	Power Transmission	Yes
765KV D/C Warora Pool - Warangal (New) TL	Power Transmission	Yes
756kV D/C Warangal - Chilakaluripeta TL	Power Transmission	Yes
400 kV Vikhroli receiving station and associated incoming transmission lines (LILO Line)	Power Transmission	Yes
400 kV Kharghar Vikhroli line (Main Line)	Power Transmission	Yes
Ajaygarh Panna 132 kV DSSS Line	Power Transmission	Yes
Sleemabad - Bahoribandh - Katangi 132kV DCSS line	Power Transmission	Yes
Deonagar - Harrai 132kV DCSS line and Harrai - Amarwara 132kV DCSS line	Power Transmission	Yes

Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Associated Transmission Lines with 220/132/33 kV Substation Begumgang involving. 1. Sagar - Begumganj 220 kV DCDS Line, 2. Begumganj - Rahatgarh 132kV DCSS Line, 3. Begumganj - Silwani 132 kV DCSS Line, 4. Begumganj Gyaraspur 132 kV DCSS line	Power Transmission	Yes
LILO of Nainpur Mandla 132kV line at Baihar 132kV Substation	Power Transmission	Yes
Construction of 400 kV D/C North Karanpura to Gaya Transmission Line (Bihar portion)	Power Transmission	Yes
Construction of 400 kV D/C North Karanpura to Gaya Transmission Line (Jharkhand Portion)	Power Transmission	Yes
400 kV D/C North Karanpura to Chandwa TL	Power Transmission	Yes

**Note:** Avoidance of ecologically sensitive areas such National Parks, Wildlife Sanctuaries, Forest etc. forms the most important part of our route/site selection criteria. Accordingly, a mandatory Environmental and Social assessment is conducted for each of our project by studying at least three possible routes/sites and the most optimum route/site having the least Environment & Social impacts is selected as Final route/site. However, in few cases, wherein, complete avoidance of forest/wildlife areas is not possible in our Transmission Lines, due to peculiarity of terrain and geographical constraint, Forest and or Wildlife and or CRZ clearance is obtained as per the provisions of applicable regulations ensuring that there is **no significant adverse impact** on the biodiversity habitat or any species during operations.

**12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
<b>Name:</b> Establishment of transmission system for supply of power & strengthening existing transmission scheme in Mundra region. <b>Brief details:</b> The Transmission lines proposed for strengthening the Mundra region network	As per CRZ notification 2011	CRZ notification date - January 06, 2011 EIA Date - December 19, 2023	Yes	Yes	Recommendations uploaded in CRZ fresh proposal form in Parivesh portal under section 11.2. Link for the same is mentioned below:  <a href="https://parivesh.nic.in/newup-grade/#/report/crz?id=328358540-caf=8884628">https://parivesh.nic.in/newup-grade/#/report/crz?id=328358540-caf=8884628</a>

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

The Company is totally compliant with the applicable environmental law/ regulations/ guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder.

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
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Not applicable as all required compliances are being meet.

### Leadership Indicators

1. Water withdrawal, consumption, and discharge in areas of water stress (in kiloliters):

Owning to the nature of the service of AESL, which is not very water intensive, Yet WRI Aqueduct analysis was carried out by the Company to access Water related risks. The study indicates that AESL has 11 sub-stations operations in water stressed areas & Water depletion areas.

**For each facility / plant located in areas of water stress, provide the following information:**

- i. Name of the area:

- 1) Mahendergarh HVDC in Haryana
- 2) Badaun substation in Uttar Pradesh and

**Following 9 substations in Rajasthan**

- 3) Alwar Substation
- 4) Bar Substation
- 5) Deedwana Substation
- 6) Ghamurwali Substation
- 7) Ghumati Substation
- 8) Khatoti Substation
- 9) Riyabari Substation
- 10) Shekhsar Substation
- 11) Ahore Substation

- ii. **Nature of operations:** Sub stations operations where water is primarily used for domestic (Drinking & Hygiene) purposes and irrigation to maintain the greenery by operating staff.

- iii. **Water withdrawal, consumption, and discharge in the following format**

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	0	0
(ii) Groundwater	32,887	26,032
(iii) Third party water	0	96
(iv) Seawater / desalinated water	0	0
(v) Others	0	726
<b>Total volume of water withdrawal (in kilolitres)</b>	<b>32,887</b>	<b>26,854</b>
<b>Total volume of water consumption (in kilolitres)</b>	<b>32,887</b>	<b>26,854</b>

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
<b>Water Intensity (KL per rupee of turnover)</b> (Water consumed KL / turnover in ₹)	<b>0.0000001910</b>	<b>0.0000001940</b>
<b>Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total water consumed [KL] / Revenue from operations adjusted for PPP)	0.000000052	0.000000054
<b>Water intensity</b> (optional)- the relevant metric may be selected by the entity. [KL / MWh Sold]	0.000003317	0.000002963
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
<b>(i) Into Surface water</b>	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
<b>(ii) Into Groundwater</b>	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
<b>(iii) Into Seawater</b>	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
<b>(iv) Sent to third-parties</b>	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
<b>(v) Others</b>	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
<b>Total water discharged (in kilolitres)</b>	<b>0</b>	<b>0</b>

**Note:** Independent assurance has been carried out by an M/s. TUV India Pvt. Ltd. an external agency.

**2. Please provide details of total Scope 3 emissions & its intensity, in the following format:**

Parameter	Unit	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
<b>Total Scope 3 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	54,86,805	31,17,794
Total Scope 3 emissions per rupee of turnover	Mt CO <sub>2</sub> e ₹	0.00003186610	0.00002253
<b>Total Scope 3 emission intensity</b> (optional) – the relevant metric may be selected by the entity	Metric tonnes of CO <sub>2</sub> emission/ MWH sold	0.5533284591	0.34405142

**Note:** Independent assurance has been carried out by an M/s. TUV India Pvt. Ltd. an external agency.



**3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.**

- The Dahanu region, known for its ecological sensitivity, has following:
  - Potential Direct impacts include:
    - Air pollution from emissions, notably sulfur dioxide, which can affect respiratory health in local wildlife and contribute to acid rain, further affecting soil and water quality.
    - Thermal pollution leading to changes in local climate and water temperatures, potentially disrupting local ecosystems.
    - Noise pollution, which can interfere with the natural behavior of wildlife.
  - Indirect impacts involve:
    - Potential contamination of local water sources due to runoff and leaching of pollutants, affecting both terrestrial and aquatic life.
    - Changes in local agriculture, as emissions from the power plant can affect crop yields and soil health, indirectly impacting food sources for local wildlife.
    - Socioeconomic changes that may lead to overfishing or overharvesting of local resources as community dynamics shift.

**No negative effects on the local biodiversity** have been noted because of our plant's operations as certified by CII & IUCN team post Three season BIO-Diversity study conducted in 2022-2023. Indeed, the report of the biodiversity assessment study reveals the following:

- The Biodiversity Index Score of Adani DTPS, Dahanu is 66/100
- During the site assessment six important ecosystems/ habitats were enlisted and these are Greenbelt, scrub forest, grasslands, river & streams, mangroves and coastal area.
- 225 floral and 144 faunal species were recorded.
- Total floral diversity of ADTPS after second assessment is 225 which includes 92 tree species, 28 shrub species, 57 herb species, 22 grass species and 26 climber species.
- Four nos. of mangrove species documented.
- A total of 90 species of birds belonging to 42 families have been documented from the Plant premises and study area.
- The mammalian diversity of Plant premises and study area was represented by 8 species. The Indian Fruit bat was the most common mammalian species recorded.
- Pugmark of Small Indian Civet (*Viverricula indica*) found.
- Scat of Leopard (*Panthera pardus fusca*) found.
- 7 Species of reptiles were recorded in the Plant premises and study area. It included 4 snake species, 2 lizards & a gecko species.
- 29 species of butterflies were recorded during the study.
- The most commonly recorded butterfly species are Common Grass Yellow (*Eurema hecabe*) and Common Emigrant (*Catopsilia pomona*).
- In ADTPS along with the floral and faunal diversity there is another kind of diversity reported which is the different types of floral habitat inside the ADTPS campus and this kind of diversity serves the healthy and rich biodiversity inside the campus.
  - Mangrove habitat

- Fruit Orchard habitat
- Mixed plantation patch
- Ash pond plantation habitat

Further ADTPS has taken following Preventive measures:

- The Adani- Dahanu Thermal Power Station [ADTPS] has installed:
  - 1) Electrostatic precipitator with >99% efficiency to eliminate the fly ash being carried away by flue gases
  - 2) a flue gas de-sulphurisation plant to reduce sulfur emissions much before being mandated.
  - 3) Work in Conservation efforts, along with the Dahanu Taluka Environment Protection Authority (DTEPA).

The company became a signatory to the IBBI declaration in July 2020 with the objective of enhancing biodiversity conservation and sustainable development within the power sector.

Following initiatives are taken:

- ADTPS is certified for ISO 14001 – Environment Management System since 1999
- ADTPS is also certified for Single Used Plastic (SuP) free organisation & Zero Waste to landfill (ZWTL) with a Diversion ratio of 99.96%.
- ADTPS is certified for ISO 46001 – Water Efficiency Management System.
- Plastic & polythene has been banned in ADTPS premises since 2013.
- ADTPS is the 1<sup>st</sup> utility in India who installed FGD with 100% capacity.
- The green belt area is 54% more than regulatory requirement.
- More than 2 Cr's of mangroves are planted along the creek.
- Setting up of ambient air quality monitoring station in surrounding area
- Regular monitoring of Water & Soil quality in surrounding area.
- 06 MT of polythene from Dahanu Municipal Corporation utilized in returfing of plant roads.
- Domestic, canteen and food waste are composed & used as manure.
- Use of Drip Irrigation in entire Horticulture
- Ground Water Table Enhancement
  - Bore wells.
  - Artificial ponds
  - Collection of roof drains
- Treated Sewage Effluent Utilisation
  - Used in non-fruit bearing plants.
  - Sludge as a fertilizer
- Plant saplings are provided to various Schools in Dahanu & also to Government offices to NGO's.
- Wadi development project for farmers in association with NABARD. More than 1000 families benefited.

Employees are trained and guided to implement biodiversity-friendly practices, such as avoiding sensitive habitats, utilizing eco-friendly technologies, and minimizing disturbances to wildlife.

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
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Refer the Environmental section of Integrated annual report 2024 Page 122 to 155

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Yes, we have a Business Continuity and Disaster Management Plan. The Business Continuity Plan oversees the organisational risks such as strategic, financial, credit market, liquidity, technology, security, property, IT, legal, regulatory, reputational and other risks. Further, we also have an ISO 22301: 2019 Business Continuity management system implemented for our operations.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?

No Significant adverse impact to the environment, arising from the value chain identified yet. Hence, no mitigation or adaptation measures taken by the company.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

At AESL, we follow a robust supplier engagement practice to mitigate any ESG related risks in the supply chain. We have developed a comprehensive supplier screening and Assessment Framework comprising of a supplier score card to assess the performance of all suppliers under evaluation. Our environmental evaluation KPIs for suppliers include the following:

- Environmental Management Certification
- Energy Management Certification
- Energy and GHG Emissions
- Water Conservation
- Land Conservation
- Pollution
- Green Packaging
- Management and disposal of hazardous substances
- Environmental Compliance

#### **PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent**

1. Number of affiliations with trade and industry chambers/ associations. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

Refer Page 224 of the integrated Report for details.

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
NIL	NIL	NIL

## Leadership Indicators

### 1. Details of public policy positions advocated by the entity:

Sr. No	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, if available
1	<b>Right of Way</b> clearance for transmission lines: to establish predefined transmission corridors.	This involves actively advocating for the identification and designation of specific areas for transmission line installations, streamlining the clearance process. Additionally, the Company proactively creates a land pipeline in the States where it operates, securing land rights and permissions in advance to mitigate delays. Furthermore, the Company focuses on developing innovative designs and methodologies for transmission line installations, such as reduced towers, to minimise the impact on the surrounding environment and facilitate smoother clearance processes.	Yes	Quarterly	<a href="https://www.adanienergysolutions.com/">https://www.adanienergysolutions.com/</a>
2	<b>Macroeconomic risk:</b> Change in the economic environment can lead to high interest rates, volatile currency and commodity prices that can subsequently affect the Company's ability to access low-cost funding and competitiveness.	It involves actively engaging with policymakers and establishing strong relationships with relevant government authorities and industry forums. This allows the Company to stay informed about potential policy changes, influence decision-making processes, and effectively advocate for its interests.	Yes	Quarterly	<a href="https://www.adanienergysolutions.com/">https://www.adanienergysolutions.com/</a>
3	<b>Increasing RE mix</b> in the power sold in Mumbai distribution business.	It involves engaging with Maharashtra Electricity Regulatory commission [MERC] and peers and establishing strong relationships with relevant government authorities and industry forums. This allows the Company to stay informed about potential policy changes, influence decision-making processes, and effectively advocate for its customers' interests.	Yes	Quarterly	<a href="https://www.adanienergysolutions.com/">https://www.adanienergysolutions.com/</a>
4	<b>Demand Side Management</b>	It involves engaging with Maharashtra Electricity Regulatory commission [MERC], peers and OEMs of energy efficient equipment's to establish strong relationships with relevant government authorities and industry. This allows the Company to stay informed about potential policy changes, influence decision-making processes, and effectively advocate for its customers' interests.	Yes	Half Yearly	<a href="https://www.adanielectricity.com/dsm-program">https://www.adanielectricity.com/dsm-program</a>



## PRINCIPLE 8 Businesses should promote inclusive growth and equitable development

### Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
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Not Applicable:

The Land Acquisition, Rehabilitation and Resettlement Act (LARR), 2013 and its subsequent amendments does not mandate Social Impact Assessment for the transmission business (including substations). Transmission lines (TL) do not lead to any physical displacement and hence, rehabilitation and resettlement is not applicable to the projects.

AESL has adopted a Right of Way approach in its transmission and distribution lines which does not warrant land acquisition. However, compensation for ROW w.r.t. crop, tower area, corridor area etc. is provided as per the local administrative orders as per

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

Sr. No	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In ₹)
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Not Applicable as AESL has adopted a Right of Way approach in its transmission and distribution lines which does not warrant land acquisition. However, compensation for ROW w.r.t. crop, tower area, corridor area etc. is provided as per the local administrative orders.

3. Describe the mechanisms to receive and redress grievances of the community.

We keep our communities at the heart of everything that we do at AESL. Consequently, we continuously engage with local communities to work on projects underlying the national and global priorities. For any grievance, community members can directly lodge their complaints either in writing or orally to the company designated personnel- mostly CSR head at the Business Unit.

Further, program officers maintain constant contact with key community stakeholders to enable complaint lodging on a one-on-one basis. Alternatively, the whistleblower mechanism is also for lodging grievances.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2023-24 Current financial Year	FY 2022-23 Previous financial Year
Directly sourced from MSMEs/ small producers	15.1%	5.9%#
Sourced directly from within the district and neighbouring districts	8.0%	4.80%#

# Previous Financial year disclosure was based on [inputs to total inputs by No of suppliers] which has been corrected.

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

Location categorized, as per RBI Classification System	FY 2023-24 Current financial Year	FY 2022-23 Previous financial Year
Rural	10.9%	11.5%
Semi-urban	23.5%	22.2%
Urban	61.7%	62.4%
Metropolitan	3.9%	3.9%

### Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
Not Applicable	Not Applicable

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

Sr. No	State	Aspirational District	Amount spent (in ₹)
1	Rajasthan	Sirohi	16,00,000/-

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)

In line with AESL's **Diversity, Equity & Inclusion policy** & **Supply chain Procurement policy**, we provide equal opportunities for all, regardless of their background.

AESL is a Power sector company, and the sector is heavily regulated. A company like us needs to adhere to strict safety and quality standards. Therefore, have restricted ability to diversify our procurement practices.

The company primarily deals with procurement of raw materials (like coal, LDO etc.), machinery, and technology that are specific to power generation, Transmission, and distribution. These are usually procured from specialized suppliers, which generally are not necessarily owned or operated by marginalized or vulnerable groups. However, the company sources all good and services following non-discrimination approach and follows fair & Equal opportunity to all its suppliers / vendors partners.

The company often procures goods/services locally due to logistical reasons. If there's a lack of suppliers from marginalized/vulnerable groups in these areas, it might not be feasible for the company to procure from such groups.

The company supports marginalized/vulnerable groups through hiring practices, community outreach programs, and corporate social responsibility (CSR) initiatives. The company promotes inclusivity and social responsibility in several ways through:

- Diverse Hiring Practices:** AESL ensures that the hiring practices are inclusive, providing equal opportunities for all, regardless of their background.
- Supplier Diversity:** While the nature of the power sector might limit the ability to procure from marginalized/vulnerable groups, AESL still strives for diversity in their procurement practices where possible.
- Community Development:** AESL operates near local communities at some sites. Hence, AESL contributes to the development of these communities through various initiatives, such as awareness, infrastructure development, education programs, sustainable livelihood, and healthcare facilities.

The company currently uses local community through contractors for back office operations and maintenance, also have preference for female employees for office related works. Currently ~20% females contract workforce is deployed @ Head office.

**(b) From which marginalized /vulnerable groups do you procure?**

AESL has equal opportunities for all, regardless of their background hence, this metric is not tracked.

**(c) What percentage of total procurement (by value) does it constitute?**

AESL has equal opportunities for all, regardless of their background hence, this metric is not tracked.

**4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:**

Sr. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
	Nil	Nil	Nil	Nil

**5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

Name of authority	Brief of the Case	Corrective action taken
Not Applicable as no adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved		

**6. Details of beneficiaries of CSR Projects:**

Sl. No.	CSR Project	No. of persons benefited from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Meri Sangini Meri Margdarshika - AESL (cluster – I @Jalore/ Sirohi, Rajasthan)	10,770	Not Identified
2	Meri Sangini Meri Margdarshika - AESL (cluster – II @ Nagpur, Maharashtra)	4,878	Not Identified
3	Sustainable Livelihood Programs @ ADTPS Dahanu tribal belt (Wadi Development, Swabhiman center)	2,112	100%
4	Community Development Program @ ADTPS Dahanu tribal belt (Samajik Suraksha Labh Abhijan)	5,319	100%
5	Sustainable Livelihood Development @ AEML ('Swabhimaan' in Mira Road and Malad - Malwani areas)	4,595	100%
6	Education @ AEML (Uththan – Mumbai with BMC schools)	10,240	Not Identified

**PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner.**

**Essential Indicators**

**1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

Ensuring timely and efficient resolution of stakeholder concerns is of utmost importance to our business continuation at AESL. Well-established protocols are in place to handle consumer complaints and feedback. Our web-enabled Customer Grievance Redressal Mechanism is a consumer-friendly complaint registration and tracking system. Complaints can be lodged on the web-portal by duly filling in the necessary information in the prescribed format with an undertaking. The complaints are automatically escalated to the next level in case they are not responded to within the defined timelines against each level of escalation.

**2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:**

	As a percentage to total turnover
Environmental and social parameters relevant to the product	100% Environmental aspect disclosed for consumers availing green tariff.  Social aspects related to Tariff Structure such as tariff order issuance, average billing rate, and cost of supply disclosed on website.
Safe and responsible usage	100% through various Awareness campaigns conducted by the company through print, social media, emails, SMS, WhatsApp, websites videos etc. End consumers are made informed for SAFE and responsible usage of the Electricity service provided by AESL.  Timely SAFETY reminders during season events such as monsoons, festivals like Uttarayan, Holi, Diwali etc.
Recycling and/or safe disposal	Not applicable owing to the nature of the Company's product/service offerings [Generation and or Purchase, Transmission & Distribution of Electricity].

**3. Number of consumer complaints in respect of the following:**

	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	0	0	Refer note 1	0	0	Refer note 1
Advertising	0	0		0	0	
Cyber-security	0	0	Refer note 2	0	0	Refer note 2
Delivery of essential services	4,83,218	0	Refer note 3	4,72,593	0	Refer note 3
Restrictive Trade Practices	0	0		0	0	
Unfair Trade Practices	0	0		0	0	
Other	57,871	0	Refer note 4	65,696	0	Refer note 4

Note 1: No complaint w.r.t. Data privacy received from consumers of Retail division @ Mumbai & Mundra.

Note 2: No complaint w.r.t. cyber security received from consumers of Retail division @ Mumbai & Mundra.

Note 3: No. of supply related complaints received from consumers of Retail division @ Mumbai & Mundra.

Note 4: General Service related complaints received from consumers of Retail division @ Mumbai & Mundra.

**4. Details of instances of product recalls on account of safety issues:**

Not Applicable due to the peculiar nature of product

	Number	Reasons for recall
Voluntary recalls	Owing to the nature of the Company's product/service offerings [Generation Transmission & Distribution of Electricity], recalls are not applicable.	
Forced recalls		

**5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

Yes, we have an **information security policy** in place that is consistent with our commitment to establishing and enhancing cybersecurity preparedness and minimizing exposure to related risks.

The B2C business of the company, i.e. Adani Electricity Mumbai Limited is certified with ISO-27001 Certified Information Security Management system has been established conforming to the ISO-27001:2013 standard.



**6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

No corrective actions required to be taken by the company w.r.t. on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services due to proactive customer centric voluntary initiatives are undertaken being an essential service provider to educate the consumers w.r.t. safety during monsoon, festive season etc., energy efficiency programs are run through emails, SMS, roadshows, kiosks for energy efficient products and appliances.

AESL have also taken the following steps to secure customer data.

The Company has established a robust cyber security policy and adheres to the requirements of international standards like ISO 27001 for cyber security. Periodic cyber security training and awareness communication is used to make the employees aware about the cyber risk. Cutting edge technology controls like firewalls, secure web gateway, secure email gateway, EDR (endpoint detection and response), etc are deployed to protect the technology infrastructure. The Company has a centralized Cyber security operation centre which is the single point of contact for incident detection and response. This centre is operational round the clock and monitors the technological landscape of the organization.

**Cyber security awareness for customers**

- 1) AEML created flyers which were circulated through email educating customers on cyber threats through Phishing, Vishing and SMSing.
- 2) AEML created an awareness video clip which was circulated on visual media on various security measures to be taken by customers against cyber threats.
- 3) AEML circulated text messages through WhatsApp, SMS to create cyber security awareness.

**Measures taken on Cyber security and Data Privacy of customers.**

- 1) Data encryption while data is at REST and in Motion.
- 2) Masking of customer PII data
- 3) Annual IT and OT Cyber security assessment through Cert-In empaneled vendor

**7. Provide the following information relating to data breaches:**

- a. Number of instances of data breaches along-with impact: 0
- b. Percentage of data breaches involving personally identifiable information of customers: 0%
- c. Impact, if any, of the data breaches: NIL

**Leadership Indicators**

**1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

The details of our services can be accessed on our [website](#).

**2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

We publish newspaper advertisements, circulate emails, tips on the bills and drive SMS campaigns to inform consumers regarding safe and responsible usage of power. Additionally, safety related tips are regularly published for consumers during monsoon season, festive season. Social media platforms are also used.

**3. Mechanisms in place to inform consumers of any risk of disruption/ discontinuation of essential services.**

SMS & WhatsApp alerts are configured in the system and consumers are informed pro-actively in case of planned and or unplanned power outages.

In case of planned outages, Notices are also issued to the customers

**4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

The product information required to be provided over and above what is mandated as per local laws is not applicable Owing to the nature of the Company's product/service offerings [Generation and or Purchase, Transmission & Distribution of Electricity], Hence, the display of product information is not applicable.

However, Customer availing green tariff are communicated through Monthly bills about the environmental impact avoided due to their actions.

The customer satisfaction survey is carried out by an external agency for consumers for the services provided. Feedback regarding different services like New Connection, Customer Services, Bill Delivery, Bill Complaints Attending, Self Service Options (Website, Mobile App, Chatbot etc.) are being taken from consumers of Retail electricity distribution division of the company.

Customer satisfaction survey scores for Mumbai Distribution area

	<b>FY2019-20</b>	<b>FY2020-21</b>	<b>FY2021-22</b>	<b>FY2022-23</b>	<b>FY2023-24</b>
Satisfied customers	83.75%	58.75%	71.95%	84.00%	79%

The company also monitors and proactively discloses the Customer Average Interruption Duration Index (CAIDI).

Adani Electricity serves 3.18 million customers in Mumbai Suburbs to ensure uninterrupted power supply and quality of life for its citizens. Customers interact with AEML channels for various requests, inquiries and complaints related to supply, billing, payment, and application processing.

Collection of Customer Feedback is therefore an important aspect of operations and is deployed across service channels as below:

- Contact Centre- Agent Interactions, wherein agent takes feedback on First Time resolutions.
- Post Transaction feedback for Call and Email: Where a customer provides a star rating based upon his experience.
- Walk-in experience at AEML Kiosks
- Post transaction feedback on Key Full-Service Self-Help channels like Chatbot and Mobile App
- AEML has also measured satisfaction for process wise feedback through third party research agencies. From the current year, AEML has moved to the Net Promoter Score method where both NPS as well as Transactional NPS will be measured and tracked for ongoing improvements.
- AEML also has Customer Contact programmes for bulk customers to gather feedback through personal contact, for meeting personalized requirements of high-end users.
- With the above feedback gathering mechanisms, AEML receives around 50000 feedback monthly, including those during First Time resolution interactions as well as post transaction feedback submitted.

AEML uses feedback data for KRA setting and operational scorecards, as well as carrying out day to day improvements.

Given that the current feedback levels are at 2% of customer base monthly, AEML strives to enhance the scope of feedback management through following initiatives:

■ Going Multilingual

- AEML has commenced feedback messages in visual and multilingual form.
- Using QR Codes for Quick and easy feedback collection



• Adopting AI

- AEML will deploy sentiment analysis, text analytics and voice AI for 100% measurement of customer conversation sentiments, to eliminate dependency on response rate and bring in rich analytical insights on customer feedback. This will be a part of the Conversational AI rollout for AEML's omnichannel services automation.
- Using Data Lake
- AEML currently uses Data Lake for analyzing customer complaint data to pre-empt potential complaining customers.
- Furthermore, Sentiment data will be utilized in Data Lake to profile dissatisfied customers and create processes to analyze and improve their experience.

From current 2% feedback levels which help make operational improvements, AEML strives to deploy technology to cover nearly 100% customer interactions.

Further, from feedback collection and analysis the process will move towards intelligent insights using data lake tools for agile responses to customer needs.



## Independent Assurance Statement

The Directors and Management

Adani Energy Solutions Limited,  
"Adani Corporate House", Shantigram,  
Near Vaishnodevi Circle, SG Highway, Khodiyar, Ahmedabad – 382 421, Gujarat, India

Adani Energy Solutions Limited (hereafter 'AESL') commissioned TUV India Private Limited (TUVI) to conduct independent external reasonable assurance of BRSR disclosures and non-financial information (Essential and Leadership indicators) as stipulated in SEBI [circular SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122, dated 12/07/2023](#). AESL developed the Business Responsibility and Sustainability Report (hereinafter 'the BRSR') for the period April 01, 2023, to March 31, 2024. The BRSR is based on the National Guidelines on Responsible Business Conduct (NGRBC), [SEBI circular: SEBI/HO/CFD/CMD-2/P/CIR/2021/562, dated 10/05/2021](#) followed by the [notification number SEBI/LAD-NRO/GN/2023/131, dated 14/06/2023](#) pertaining to Business Responsibility and Sustainability Report (BRSR) requirement. This assurance engagement was conducted in reference to BRSR, the terms of our engagement and ISAE 3000 (Revised) requirement.

### Management's Responsibility

Adani Energy Solutions Limited has developed the BRSR's content pertaining to the Core disclosures (09 attributes as per Annexure I - Format of BRSR Core and non-core disclosures (as per Annexure II of BRSR format). Adani Energy Solutions Limited management is responsible for carrying out the collection, analysis, and disclosure of the information presented in the BRSR (web-based and print), including website maintenance, integrity, and for ensuring its quality and accuracy in reference with the applied criteria stated in the BRSR, such that it's free of intended or unintended material misstatements. AESL will be responsible for archiving and reproducing the disclosed data to the stakeholders and regulators upon request.

### Scope and Boundary

The scope of work includes the **Reasonable assurance** of the following [09 attributes as per Annexure I - Format of BRSR Core](#) and **Limited assurance** of Non-core disclosures as per BRSR Annexure-II ([https://www.sebi.gov.in/sebi\\_data/commndocs/jul-2023/Annexure-II-Updated-BRSR\\_p.PDF](https://www.sebi.gov.in/sebi_data/commndocs/jul-2023/Annexure-II-Updated-BRSR_p.PDF)) disclosed in the BRSR report. The BRSR core requirements encompass essential disclosures pertaining to organization's Environmental, Social and Governance (ESG). In particular, the assurance engagement included the following:

- A thorough examination of the AESL's data, processes and controls of [09 attributes as per Annexure I - Format of BRSR Core](#) and non-core disclosures as per BRSR Annexure-II ([https://www.sebi.gov.in/sebi\\_data/commndocs/jul-2023/Annexure-II-Updated-BRSR\\_p.PDF](https://www.sebi.gov.in/sebi_data/commndocs/jul-2023/Annexure-II-Updated-BRSR_p.PDF)) submitted by AESL
- To confirm the completeness and accuracy of AESL's data
- Review of evidence (on a random samples) for all 9 principles and its KPI

TUVI has verified the below [09 attributes as per Annexure I - Format of BRSR Core](#) disclosed in the BRSR

Attributes	KPI
Green-house gas (GHG) footprint  Boundary: Scope 1 Boundary-Consumption from all domestic and international vendors are part of financial statement.  Scope 2 Boundary- All corporate locations	Organization's scope 1 (tCO <sub>2</sub> e) emissions include: Coal fired in boilers, Diesel Consumed by DG, Diesel Consumed by company owned equipment, Diesel Consumed by company owned vehicle Petrol Consumed by company owned vehicle, Light Diesel oil consumption, SF <sub>6</sub> Consumption due to leakage/top up, LPG consumption, Refrigerant [R-410A], Fire Extinguisher  Total Scope 2 emissions (with breakup by type, if available) - GHG (CO <sub>2</sub> e) Emission in Mn MT / KT / MT Indirect emissions from the generation of energy that is purchased from a utility provider Organization's scope 2 emissions are from imported electricity.  GHG Emission Intensity (Scope 1+2) (Total Scope 1 and Scope 2 emissions (MT) / Total revenue from operations adjusted for PPP
Water footprint Boundary - Covers all plants, sub stations and corporate locations.	Total volume of water consumption (in kilolitres) - Water discharge by destination and levels of Treatment (KL) Water consumption intensity- KL/ Total Revenue from operations adjusted for PPP
Energy footprint	Total energy consumed - Energy consumed through renewable sources / total energy consumed % Energy Intensity -GJ/ Rupee adjusted for PPP
Embracing circularity - details related to waste management by the entity	Plastic waste (A), E-waste (B), Bio-medical waste (C), Construction and demolition waste (D), Batter waste, (E) Radioactive waste, (F) Other Hazardous waste. Please specify, if any. (G) (MT) Particularly Containers/ Barrels/ Drums Misc. Waste, Oil-soaked solid waste, Organic waste, Used/ Spent Oil, Wooden Scrap, Total (other) Hazardous Waste  Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e., by materials relevant to the sector) (MT) Containers/ Barrels/ Drums, Ferrous scrap, Metallic scrap, Misc. waste, Non-ferrous scrap. Organic waste, Rubber scrap, Spent Resins, Wooden scrap and total (other) Non- Hazardous Waste Waste intensity MT/Rupee adjusted for PPP

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	Each category of waste generated, total waste recovered through recycling, re-using or other recovery options. 1. Recycled- 2. Reused- Total waste recovered through recycling, re-using or other recover options
	Each category of waste generated, total waste recovered through recycling, re-using or other recover option Intensity
	For each category of waste generated, total waste disposed by nature of disposal method. 1. Incineration- 2) Landfilling Total waste disposed by nature of disposal method-
	For each category of waste generated, total waste disposed by nature of disposal method Intensity
Enhancing Employee Wellbeing and Safety	Details of safety related incidents for employees and workers - Number of Permanent Disabilities No Permanent disabilities in FY 23-24 Details of safety related incidents for employees and workers - Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked), Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked) in FY 23-24: Details of safety related incidents for employees and workers - No. of fatalities- No fatalities in FY 23-24 Spending on measures towards well- being of employees and workers- cost incurred as a % of total revenue
Enabling Gender Diversity in Business	Gross wages aid to females % of wages aid. 1) Complaint was made on Sexual Harassment (POSH) on women at workplace was reported in FY 23-24 2) Complaints on POSH as a % of female employees / workers was reported in FY 23-24 3) No complaints on POSH upheld in FY 23-24
Enabling Inclusive Development	Input material sourced from following sources as % of total purchases - Directly sourced from MSMEs/ small Producers and from within India Job creation in smaller towns - Wages paid to persons employed in smaller towns (permanent or non- permanent /on contract) as % of total wage at. Rural, Semi- urban, Urban and Metropolitan locations
Fairness in Engaging with Customers and Suppliers	Instances involving loss / breach of data of customers as a percentage of total data breaches or cyber security events (%) - None. Number of consumer complaints related to Data privacy, Advertising, Cyber- security, Delivery of essential services, Restrictive Trade Practices, Unfair Trade Practices and Other [General Service related complaints received from consumers]. Number of days of accounts Payable Cost of goods/services procured
Open-ness of business	Purchase from trading houses as % of total purchases- Number of trading houses where purchases are made from- Purchases from to 10 trading houses as % of total purchases from trading houses- Sales to dealers / distributors as % of total sales- Sales to dealers / distributors as % of total sales- Number of dealers / distributors to whom sales are made- Sales to top 10 dealers / distributors as % of total sales to dealers / distributors- Share of RPTs (as respective %age) in - Purchases, Sales, Loans & advances, Investments

The reporting boundaries for the above attributes include 52 Operational sub-stations & transmission lines, 1 Thermal Generation site @ Dahanu, 8 Transmission and distribution clusters of Retail division @ Mumbai & Mundra and ongoing project locations across the country India. An on-site verification was conducted at Mumbai office, Ahmedabad Corporate head office and Dahanu plant from the month of February 2024 to April 2024.

Principles	Essential Indicators	Leadership Indicators
<b>Principle 1:</b> Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.	1,2,3,4,5,6,7	1,2
<b>Principle 2:</b> Businesses should provide goods and services in a manner that is sustainable and safe.	1,2,3,4	1,2,3,4,5
<b>Principle 3:</b> Businesses should respect and promote the well-being of all employees, including those in their value chains.	1,2,3,4,5,6,7,8,9,10,11,12,13,14,15	1,2,3,4,5,6
<b>Principle 4:</b> Businesses should respect the interests of and be responsive to all its stakeholders.	1,2	1,2,3
<b>Principle 5:</b> Businesses should respect and promote human rights.	1,2,3,4,5,6,7,8,9,10	1,2,3,4,5
<b>Principle 6:</b> Businesses should respect and make efforts to protect and restore the environment.	1,2,3,4,5,6,7,8,9,10	1,2,3,4,5,6,7,8
<b>Principle 7:</b> Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.	1,2	1
<b>Principle 8:</b> Businesses should promote inclusive growth and equitable development.	1,2,3,4	1,2,3,4,5,6
<b>Principle 9:</b> Businesses should engage with and provide value to their consumers in a responsible manner	1,2,3,4,5,6	1,2,3,4,5

**Onsite Verification:** Adani Energy Solutions Limited “Adani Corporate House”, Shantigram, Near Vaishnodevi Circle, SG Highway, Khodiyar, Ahmedabad – 382 421, Gujarat, India. The assurance activities were carried out together with a desk review as per reporting boundary.

### Limitations

TÜV did not perform any assurance procedures on the prospective information disclosed in the Report, including targets, expectations, and ambitions. Consequently, TÜV draws no conclusion on the prospective information. During the assurance process, TÜV didn't verified any

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ESG goals and claim through this assignment. TUVI verified data on a sample basis; the responsibility for the authenticity of data entirely lies with AESL. Any dependence of a person or third party may place on the BRSR Report is entirely at its own risk. TUVI has taken reference to the financial figures from the audited financial reports. AESL will be responsible for the appropriate application of the financial data. While the provided data offers comprehensive insights into waste management practices at both the Dahanu and Adani Mumbai sites, there are a few limitations and areas where further information or clarification would be beneficial: While the data outlines the total amount of waste disposed through landfilling, recycling, or incineration, it lacks the specific information from the vendors on the methods and facilities used for the disposal methods. Undertaking from the vendor of the waste disposal method would enhance the transparency and allow the better evaluation of environmental impacts.

#### Our Responsibility

TUVI's responsibility in relation to this engagement is to **perform a reasonable level of assurance** and to express a conclusion based on the work performed. Our engagement did not include an assessment of the adequacy or the effectiveness of Adani's strategy, management of ESG-related issues or the sufficiency of the Report against BRSR reporting principles, other than those mentioned in the scope of the assurance. TUVI's responsibility regarding this verification is in reference to the agreed scope of work, which includes assurance of non-financial quantitative and qualitative information (*09 attributes as per Annexure I - Format of BRSR Core*) disclosed by AESL. Reporting Organization is responsible for archiving the related data for a reasonable time period. This assurance engagement is based on the assumption that the data and information provided to TUVI by AESL are complete and true. The intended users of this assurance statement are the management of 'AESL'. The data is verified on a sample basis, the responsibility for the authenticity of data lies with the reporting organization. Reporting Organization is responsible for archiving the related data for a reasonable time period. TUVI expressly disclaims any liability or co-responsibility 1) for any decision a person or entity would make based on this assurance statement and 2) for any damages in case of erroneous data is reported. This assurance engagement is based on the assumption that the data and information provided to TUVI by AESL are complete and true.

#### Verification Methodology

During the assurance engagement, TUVI adopted a risk-based approach, focusing on verification efforts with respect to disclosures. TUVI has verified the disclosures and assessed the robustness of the underlying data management system, information flows, and controls. In doing so:

- a) TUVI examined and reviewed the documents, data, and other information made available by AESL
- b) TUVI conducted interviews with key representatives, including data owners and decision-makers from different functions of AESL
- c) TUVI performed sample-based reviews of the mechanisms for implementing the sustainability-related policies and data management (qualitative and qualitative)
- d) TUVI reviewed the adherence to reporting requirements of "BRSR"

#### Opportunities for Improvement

The following are the opportunities for improvement reported to AESL. However, they are generally consistent with AESL management's objectives and programs. AESL has already identified the topics below and Assurance team endorses the same to achieve the Sustainable Goals of organization.

- i. AESL may strengthen its internal reporting by opting for an IT Enabled-based data management system and complement the same with periodic internal data and performance reviews.
- ii. AESL may opt for the principles of standard ISO 26000 - Social Responsibility

In the context of BRSR requirements set by SEBI, addressing conflict of interest is crucial to maintain high integrity and independence of assurance engagements. As per SEBI guidelines, assurance providers need to disclose any potential conflict of interest that could compromise the independence or neutrality of their assessments. TUVI diligently identifies any relationships, affiliations, or financial interests that could potentially cause conflict of interest. We proactively implement measures to mitigate or manage these conflicts, ensuring independence and impartiality in our assurance engagements. We provide clear and transparent disclosures about any identified conflicts of interest in our assurance statement. We recognize that failure to address conflict of interest adequately could undermine the credibility of the assurance process and the reliability of the reported information. Therefore, we strictly adhere to SEBI guidelines and take necessary measures to avoid, disclose, or mitigate conflicts of interest effectively.

#### Our Conclusion

In our opinion, based on the scope of this assurance engagement, the disclosures on BRSR Core KPI described in the BRSR report along with the referenced information provides a fair representation of the 9 attributes, and meets the general content and quality requirements of the BRSR. TUVI confirms its competency to conduct the assurance engagement for the BRSR as per SEBI guidelines. Our team possesses expertise in ESG verification, assurance methodologies, and regulatory frameworks. We ensure independence, employ robust methodologies, and maintain continuous improvement to deliver reliable assessments.

**Disclosures:** TUVI is of the opinion that the reported disclosures generally meet the BRSR requirements. AESL refers to general disclosure to report contextual information about AESL, while the Management & Process disclosures the management approach for each indicator (*09 attributes as per Annexure I - Format of BRSR Core*).

**Reasonable Assurance:** As per SEBI reasonable assurance requirements including scope of Assurance, Assurance methodologies (risk-

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based approach and data validation techniques), mitigating conflicts of interests, documentation on evidence and communication on findings, TUVI can effectively validate the accuracy and reliability of the information presented in the BRSR, instilling confidence in stakeholders and promoting transparency and credibility in ESG reporting practices.

#### BRSR complies with the below requirements

- a) **Governance, leadership and oversight:** The messages of top management, business model to promote inclusive growth and equitable development, action and strategies, focus on products, risk management, protection and restoration of environment, and priorities are disclosed appropriately.
- b) **Connectivity of information:** AESL discloses [09 attributes as per Annexure I - Format of BRSR Core](#) and their inter-relatedness and dependencies with factors that affect the organization's ability to create value over time.
- c) **Stakeholder responsiveness:** The Report covers mechanisms of communication with key stakeholders to identify major concerns to derive and prioritize the short, medium and long-term strategies. The Report provides insights into the organization's relationships (nature and quality) with its key stakeholders. In addition, the Report provides a fair representation of the extent to which the organization understands, takes into account and responds to the legitimate needs and interests of key stakeholders.
- d) **Materiality:** The material issues within 9 attributes and corresponding KPI as per BRSR requirement are identified and reported properly.
- e) **Conciseness:** The Report reproduces the requisite information and communicates clear information in as few words as possible. The disclosures are expressed briefly and to the point sentences, graphs, pictorial, tabular representation is applied. At the same time, due care is taken to maintain continuity of information flow in the BRSR.
- f) **Reliability and completeness:** AESL has established internal data aggregation and evaluation systems to derive the performance. AESL confirm that, all data provided to TUVI, has been passed through QA/QC function. The majority of the data and information was verified by TUVI's assurance team (on sample basis) during the BRSR verification and found to be fairly accurate. All data is reported transparently, in a neutral tone and without material error.
- g) **Consistency and comparability:** The information presented in the BRSR is on yearly basis. and found reliable and complete manner. Thus, the principle of consistency and comparability is established.

**Independence and Code of Conduct:** TUVI follows IESBA (International Ethics Standards Board for Accountants) Code which, adopts a threats and safeguards approach to independence. We recognize the importance of maintaining independence in our engagements and actively manage threats such as self-interest, self-review, advocacy, and familiarity. The assessment team was safeguarded from any type of intimidation. By adhering to these principles, we uphold the trust and confidence of our clients and stakeholders. In line with the requirements of the SEBI [circular SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122, dated 12/07/2023](#), TUVI confirms that there is no conflict of interest with AESL. TUVI solely focuses on delivering verification and assurance services and does not engage in the sale of service or the provision of any non-audit/non-assurance services, including consulting.

**Quality control:** The assurance team complies with quality control standards, ensuring that the engagement partner possesses requisite expertise, and the assigned team collectively has the necessary competence to perform engagements in reference to standards and regulations. Assurance team follows the fundamental principles of integrity, objectivity, professional competence, due care, confidentiality, and professional behaviour. In accordance with International Standard on Quality Control, TUVI maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

#### Our Assurance Team and Independence

TUVI is an independent, neutral third-party providing ESG Assurance services with qualified environmental and social specialists. TUVI states its independence and impartiality and confirms that there is "no conflict of interest" with regard to this assurance engagement. In the reporting year, TUVI did not work with AESL on any engagement that could compromise the independence or impartiality of our findings, conclusions, and observations. TUVI was not involved in the preparation of any content or data included in the BRSR, with the exception of this assurance statement. TUVI maintains complete impartiality towards any individuals interviewed during the assurance engagement.

For and on behalf of TUV India Private Limited



Manojkumar Borekar  
Product Head - Sustainability Assurance Service  
TUV India Private Limited



Date: 24/05/2024  
Place: Mumbai, India  
Project Reference No: 8122416141

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# Standalone Financial Statements





# Independent Auditor's Report

## To the Members of Adani Energy Solutions Limited (formerly known as Adani Transmission Limited)

### Report on the Audit of the Standalone Financial Statements

#### Qualified Opinion

1. We have audited the accompanying standalone financial statements of Adani Energy Solutions Limited (formerly known as Adani Transmission Limited) ('the Company'), which comprise the Balance Sheet as at 31 March, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including material accounting policy information and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March, 2024, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

#### Basis for Qualified Opinion

3. As stated in Note 52 to the accompanying standalone financial statements, a Short Seller Report was published during the previous year in which certain allegations were made on certain Adani Group Companies, including the Company and its subsidiaries. The management based on internal evaluation and an independent assessment from an external law firm has represented that the Company and its subsidiaries are in compliance with the requirements of applicable laws and regulations and

therefore these standalone financial statements do not warrant any adjustment in this regard. However, pending adjudications / outcome of the investigations by the Securities and Exchange Board of India and based on our review of related documents, we are unable to comment on the possible adjustments and /or disclosures, if any, that may be required in the accompanying standalone financial statements in respect of the above matter.

The audit report dated 29 May, 2023 issued by the predecessor auditor on the standalone financial statements of the Company for the year ended 31 March, 2023 was also qualified in respect of this matter.

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

#### Key Audit Matter

5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
6. In addition to the matter described in the Basis for Qualified Opinion Section, we have determined the matter described below to be the key audit matter to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
<p>Assessment of carrying values of investments in and loans given to subsidiaries</p> <p>Refer note 3(b)(ii) in material accounting policy information and 6 and 7 in notes forming part of standalone financial statements in relation to investments in and loans to subsidiaries.</p> <p>As at 31 March, 2024, the Company has investments in and loans aggregating to ₹ 14,092.41 crore, given to subsidiaries constituting 85.95% of the total assets.</p> <p>At each period end, the management reviews whether any impairment indicators exist in the carrying value of investments in accordance with the requirements of Ind AS 36, Impairment of Assets, and whether there is any significant increase in credit risk in loans receivables in accordance with the requirements of Ind AS 109, Financial instruments. In respect of investments and loans where impairment indicators are identified or significant increase in credit risk is noted, the management performs a detailed impairment test by determining the recoverable value of such investments.</p> <p>Considering the significance of aforesaid balances to the overall financial statements, the large number of entities and significant management efforts involved, we have considered assessment of carrying value of investments in and loans given to subsidiaries as a key audit matter for the current year audit.</p>	<p>Our audit procedures relating to assessment of the carrying values of investments in and loans given to subsidiaries included, but were not limited to the following:</p> <ol style="list-style-type: none"> <li>a. Obtained an understanding of the management's process for identification of impairment indicators and significant increase in credit risk of loans, and evaluated the design and tested the operating effectiveness of the internal financial controls relating to such process;</li> <li>b. Evaluated the Company's accounting policies with respect to impairment assessment and assessed its compliance with the requirements of Ind AS 36 and Ind AS 109;</li> <li>c. Obtained impairment indicators assessment working prepared by the management and checked the mathematical accuracy of the underlying calculations and traced such information to source financial information relating to subsidiary companies;</li> <li>d. Reviewed the regularity of repayment of principal and payments of interest relating to loans given to the subsidiary companies;</li> <li>e. Evaluated the appropriateness and adequacy of disclosures given in the standalone financial statements in accordance with applicable accounting standards.</li> </ol>

### Information other than the Standalone Financial Statements and Auditor's Report thereon

7. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Directors' report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of

this other information, we are required to report that fact. As described in the Basis for Qualified Opinion section above, pending adjudications / outcome of the investigations by the Securities and Exchange Board of India, as described in note 52 to the standalone financial statements, we are unable to comment on the possible consequential adjustments and/or disclosures, if any, that may be required in the accompanying standalone financial statements. Accordingly, we are unable to conclude whether or not the other information is materially misstated with respect to this matter.

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

8. The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these standalone financial

statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

9. In preparing the standalone financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
10. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

### Auditor's Responsibilities for the Audit of the Standalone Financial Statements

11. Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.
12. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of

the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

13. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
14. 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.
15. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matter

16. The standalone financial statements of the Company for the year ended 31 March, 2023 were audited by the predecessor auditor, Deloitte Haskins & Sells LLP, who have expressed a qualified opinion on those standalone financial statements vide their audit report dated 29 May, 2023.

### Report on Other Legal and Regulatory Requirements

17. As required by section 197(16) of the Act based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
18. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure A a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
19. Further to our comments in Annexure A, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, that:
  - a) We have sought and except for the matter described in the Basis for Qualified Opinion

section, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying standalone financial statements;

- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the possible effects of the matter described in the Basis for Qualified Opinion section and except for the matters stated in paragraph 19(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);
- c) The standalone financial statements dealt with by this report are in agreement with the books of account;
- d) Except for the possible effects of the matter described in the Basis for Qualified Opinion section, in our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;
- e) The matters described in paragraph 3 under the Basis for Qualified Opinion section, in our opinion, may have an adverse effect on the functioning of the Company;
- f) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2024 from being appointed as a director in terms of section 164(2) of the Act;
- g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion section, paragraph 19(b) above on reporting under section 143(3)(b) of the Act and paragraph 19(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);
- h) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company as on 31 March, 2024 and the operating effectiveness of such controls, refer to our separate report in Annexure B wherein we have expressed a modified opinion; and
- i) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules,



2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company does not have any pending litigation which would impact its financial position as at 31 March, 2024;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March, 2024;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March, 2024;
- iv.
  - a. The management has represented that, to the best of its knowledge and belief, other than as disclosed in note 37(i) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
  - b. The management has represented that, to the best of its knowledge and belief, as disclosed in note 37(ii) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall,

whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

- c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- v. The Company has not declared or paid any dividend during the year ended 31 March, 2024.
- vi. Based on our examination which included test checks, the Company, in respect of financial year commencing on 1 April, 2023, has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that, audit trail feature was not enabled at database level for accounting software SAP S/4 HANA to log any direct data changes, as described in note 50 to the standalone financial statements. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of the accounting software where such feature is enabled.

For **Walker Chandiok & Co LLP**  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013

**Neeraj Goel**  
Partner

Place: Gurugram

Date: 30 April, 2024

Membership No.: 99514

UDIN: 24099514BKCMUQ7487

## Annexure A

**referred to in Paragraph 18 of the Independent Auditor's Report of even date to the members of Adani Energy Solutions Limited (formerly known as Adani Transmission Limited) on the standalone financial statements for the year ended 31 March, 2024**

**In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:**

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and capital work-in-progress.
- (B) The Company does not have any intangible assets and accordingly, reporting under clause 3(i)(a)(B) of the Companies (Auditor's Report) Order, 2020 (hereinafter referred to as 'the Order') is not applicable to the Company.
- (b) The Company has a regular programme of physical verification of its property, plant and equipment and capital work-in-progress under which the assets are physically verified in a phased manner over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain property, plant and equipment and capital work-in-progress were verified during the year and no material discrepancies were noticed on such verification.
- (c) The Company does not own any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee). Accordingly, reporting under clause 3(i)(c) of the Order is not applicable to the Company.
- (d) The Company has adopted cost model for its Property, Plant and Equipment. Further, the Company does not hold right-of-use assets and intangible assets. Accordingly, reporting under clause 3(i)(d) of the Order is not applicable to the Company.
- (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed as compared to book records.
- (b) As disclosed in note 23 to the standalone financial statements, the Company has been sanctioned a working capital limit in excess of ₹ 5 crore by banks or financial institutions based on the security of current assets. The quarterly returns, in respect of the working capital limits have been filed by the Company with such banks or financial institutions and such returns are in agreement with the books of account of the Company for the respective periods, which were subject to review.
- (iii) The Company has not provided any security or granted any advances in the nature of loans to companies, firms, limited liability partnerships during the year. Further, the Company has made investments in, provided guarantee and granted secured/unsecured loans to companies during the year, in respect of which:
- (a) The Company has provided loans and guarantee to subsidiaries during the year as per details given below:

(₹ in crore)

Particulars	Guarantees	Loans
Aggregate amount provided/granted during the year:		
- Subsidiaries	3,715.36	4,706.62
Balance outstanding as at balance sheet date in respect of above cases:		
- Subsidiaries	3,715.36	1,540.67

- (b) In our opinion, and according to the information and explanations given to us, the investments made, guarantees provided, and terms and conditions of the grant of all loans and guarantees provided are, prima facie, not prejudicial to the interest of the Company.

## Annexure A

referred to in Paragraph 18 of the Independent Auditor's Report of even date to the members of Adani Energy Solutions Limited (formerly known as Adani Transmission Limited) on the standalone financial statements for the year ended 31 March, 2024 (Contd...)

- (c) In respect of loans amounting to ₹ 5,062.47 crore and ₹ 400.01 crore granted by the Company as disclosed in note 7 and 15 to the accompanying standalone financial statements, the schedule of repayment of principal and payment of interest has been stipulated and the repayment/receipts of principal and interest are regular. Further, in respect of perpetual loans amounting to ₹ 37.67 crore granted by the Company as disclosed in note 6(iii) to the accompanying standalone financial statements, the schedule of repayment of principal and the payment of the interest has not been stipulated and accordingly, we are unable to comment as to whether the repayments/receipts of principal and interest are regular.
- (d) There is no overdue amount in respect of loans or advances in the nature of loans granted to such companies, firms, LLPs or other parties.
- (e) The Company has granted loans or advance in the nature of loans which had fallen due during the year and such loans were renewed/extended during the year. The details of the same has been given below:

Name of the party	Total loan amount granted (₹ in crore)	Aggregate amount of overdues of existing loans renewed or extended or settled by fresh loans (₹ in crore)	Nature of extension (i.e. renewed/extended/fresh loan provided)	Percentage of the aggregate to the total loans or advances in the nature of loans granted during the year
Essar Power Limited (refer note 39(iv) to the standalone financial statements)	469.17	469.17	Extended till 31 March, 2025	8.48%

- (f) The Company has not granted any loans or advances in the nature of loans, which are repayable on demand or without specifying any terms or period of repayment. Accordingly, reporting under clause 3(vi) of the Order is not applicable.
- (iv) In our opinion, and according to the information and explanation given to us, the Company has complied with the provisions of sections 185 and 186 of the Act in respect of loans and investments made and guarantees and security provided by it, as applicable.
- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's products/ services / business activities. (vii) (a) In our opinion, and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, income-tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no statutory dues referred to in subclause (a) above that have not been deposited with the appropriate authorities on account of any dispute.
- (viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of

## Annexure A

**referred to in Paragraph 18 of the Independent Auditor's Report of even date to the members of Adani Energy Solutions Limited (formerly known as Adani Transmission Limited) on the standalone financial statements for the year ended 31 March, 2024 (Contd...)**

1961) which have not been previously recorded in the books of accounts.

- (ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us including representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information and explanations given to us, money raised by

way of term loans were applied for the purposes for which these were obtained.

- (d) In our opinion and according to the information and explanations given to us, and on an overall examination of the standalone financial statements of the Company, funds raised by the Company on short term basis have, prima facie, not been utilised for long term purposes.
- (e) In our opinion and according to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, except for the following:

Nature of fund taken	Name of lender	Amount involved (₹ in crore)	Name of the subsidiary, joint venture, associate	Relation	Nature of transaction for which funds were utilized	Remarks, if any
Inter corporate loan and bank borrowings	Corporate and bank	4,059.50	Refer note 48 to the accompanying standalone financial statements	Subsidiaries	Working capital and capital expenditure	None

- (f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.

- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion section in our audit report on the standalone financial statements, no fraud by the Company or no material fraud on the Company has been noticed or reported during the period covered by our audit.
- (b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.
- (c) According to the information and explanations given to us, the Company has received whistle blower complaints during the year, which have



## Annexure A

**referred to in Paragraph 18 of the Independent Auditor's Report of even date to the members of Adani Energy Solutions Limited (formerly known as Adani Transmission Limited) on the standalone financial statements for the year ended 31 March, 2024 (Contd...)**

been considered by us while determining the nature, timing and extent of audit procedures.

- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanation given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.
- (xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system which is commensurate with the size and nature of its business as required under the provisions of section 138 of the Act.
- (b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.
- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a),(b) and (c) of the Order are not applicable to the Company.
- (b) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.
- (xvii) The Company has not incurred any cash losses in the current financial year as well as the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) According to the information and explanations given to us, the Company does not have any unspent amounts towards Corporate Social Responsibility in respect of any ongoing or other than ongoing project as at the end of the financial year. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.
- (xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **Walker Chandiok & Co LLP**  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013

**Neeraj Goel**  
Partner

Place: Gurugram  
Date: 30 April, 2024

Membership No.: 99514  
UDIN: 24099514BKCMUQ7487

**Annexure B** to the Independent Auditor's Report of even date to the members of Adani Energy Solutions Limited (formerly known as Adani Transmission Limited) on the standalone financial statements for the year ended 31 March, 2024

**Independent Auditor's Report on the internal financial controls with reference to the standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')**

1. In conjunction with our audit of the standalone financial statements of Adani Energy Solutions Limited (formerly known as Adani Transmission Limited) ('the Company') as at and for the year ended 31 March, 2024, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

**Responsibilities of Management and Those Charged with Governance for Internal Financial Controls**

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

**Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements**

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the

Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. Except for the matter described in the Basis for Qualified Section, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the Company's internal financial controls with reference to financial statements.

**Meaning of Internal Financial Controls with Reference to Financial Statements**

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance

## **Annexure B to the Independent Auditor's Report of even date to the members of Adani Energy Solutions Limited (formerly known as Adani Transmission Limited) on the standalone financial statements for the year ended 31 March, 2024 (Contd...)**

with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls with Reference to Financial Statements**

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

### **Qualified Opinion**

8. According to the information and explanation given to us and based on our audit, pending adjudication/ outcome of the investigations by the Securities and Exchange Board of India as stated in the 'Basis for Qualified Opinion' paragraph of our audit report, and the consequential impact it may have on the Company's processes and internal controls including related party transactions and compliance with applicable laws and regulations, to that extent we are unable to comment on whether there is any material weakness in the Company's internal controls as at 31 March, 2024.

9. A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial controls with reference to financial statements, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.
10. In our opinion, except for the possible effects of the material weakness described above on the achievement of the objectives of the control criteria, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March, 2024, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.
11. We have considered the material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the standalone financial statements of the Company as at and for the year ended 31 March, 2024, and we have issued a qualified opinion on the said standalone financial statements.

**For Walker Chandio & Co LLP**  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013

**Neeraj Goel**  
Partner

Place: Gurugram  
Date: 30 April, 2024

Membership No.: 99514  
UDIN: 24099514BKCMUQ7487

# Balance Sheet

as at March 31, 2024

		(₹ in crore)	
Particulars	Notes	As at March 31, 2024	As at March 31, 2023
<b>ASSETS</b>			
<b>Non-current Assets</b>			
Property, Plant and Equipment	5	8.58	0.49
Capital Work-In-Progress	5.1	4.27	7.52
Financial Assets			
(i) Investments	6	9,029.94	6,721.06
(ii) Loans	7	5,062.47	4,732.25
(iii) Other Financial Assets	8	587.62	94.81
Income Tax Assets (Net)	9	12.40	11.37
Other Non-current Assets	10	0.69	16.14
<b>Total Non-current Assets</b>		<b>14,705.97</b>	<b>11,583.64</b>
<b>Current Assets</b>			
Inventories	11	9.91	-
Financial Assets			
(i) Trade Receivables	12	60.36	2.25
(ii) Cash and Cash Equivalents	13	2.36	2.64
(iii) Bank Balances other than (ii) above	14	658.72	814.16
(iv) Loans	15	400.01	469.17
(v) Other Financial Assets	16	265.20	75.55
Other Current Assets	17	292.71	18.94
<b>Total Current Assets</b>		<b>1,689.27</b>	<b>1,382.71</b>
<b>Total Assets</b>		<b>16,395.24</b>	<b>12,966.35</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	18	1,115.49	1,115.49
Other Equity	19	9,806.05	9,211.16
<b>Total Equity</b>		<b>10,921.54</b>	<b>10,326.65</b>
<b>Liabilities</b>			
<b>Non-current Liabilities</b>			
Financial Liabilities			
(i) Borrowings	20	4,101.78	1,740.41
(ia) Lease Liabilities		1.40	1.44
Other Non-Current Liabilities	21	20.51	-
Provisions	22	0.18	0.04
<b>Total Non-current Liabilities</b>		<b>4,123.87</b>	<b>1,741.89</b>
<b>Current Liabilities</b>			
Financial Liabilities			
(i) Borrowings	23	1,062.90	860.00
(ia) Lease Liabilities		0.04	0.03
(ii) Trade Payables	24		
i. Total outstanding dues of micro enterprises and small enterprises		1.27	0.21
ii. Total outstanding dues of creditors other than micro enterprises and small enterprises		97.77	2.46
(iii) Other Financial Liabilities	25	78.37	24.76
Other Current Liabilities	26	95.82	10.33
Provisions	22	13.66	0.02
<b>Total Current Liabilities</b>		<b>1,349.83</b>	<b>897.81</b>
<b>Total Liabilities</b>		<b>5,473.70</b>	<b>2,639.70</b>
<b>Total Equity and Liabilities</b>		<b>16,395.24</b>	<b>12,966.35</b>
Summary of material accounting policy information	3		
<b>See accompanying notes forming part of the financial statements</b>			

As per our report of even date attached

**For Walker Chandio & Co LLP**  
Chartered Accountants  
Firm Registration no. 001076N/N500013

**NEERAJ GOEL**  
Partner  
Membership No. 99514

Place : Gurugram  
Date : April 30, 2024

For and on behalf of the Board of Directors  
**ADANI ENERGY SOLUTIONS LIMITED**  
(Formerly Known as Adani Transmission Limited)

**GAUTAM S. ADANI**  
Chairman  
DIN: 00006273

**KANDARP PATEL**  
Chief Executive Officer

**JALADHI SHUKLA**  
Company Secretary

Place : Ahmedabad  
Date : April 30, 2024

**ANIL SARDANA**  
Managing Director  
DIN: 00006867

**KUNJAL MEHTA**  
Chief Financial Officer



# Statement of Profit and Loss

for the year ended March 31, 2024

(₹ in crore)

Particulars	Notes	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Income</b>			
Revenue from Operations	27	1,517.35	688.00
Other Income	28	994.54	614.79
<b>Total Income</b>		<b>2,511.89</b>	<b>1,302.79</b>
<b>Expenses</b>			
Purchases of Stock - in - Trade	29	1,006.08	685.24
Operating Expenses	30	461.06	0.59
Employee Benefits Expense	31	2.05	1.18
Finance Costs	32	347.84	416.08
Depreciation and Amortisation Expense	5 & 5.2	0.34	0.15
Other Expenses	33	35.18	29.26
<b>Total Expenses</b>		<b>1,852.55</b>	<b>1,132.50</b>
<b>Profit before tax</b>		<b>659.34</b>	<b>170.29</b>
<b>Tax Expense:</b>			
Current Tax	34	64.43	0.01
Deferred Tax		-	-
<b>Total Tax Expense</b>		<b>64.43</b>	<b>0.01</b>
<b>Profit after tax</b>		<b>594.91</b>	<b>170.28</b>
<b>Other Comprehensive Income</b>			
(a) Items that will not be reclassified to Profit or Loss			
- Remeasurement gain / (loss) of Defined Benefit Plan		(0.02)	0.00
(b) Tax relating to items that will not be reclassified to Profit or Loss		-	-
(c) Items that will be reclassified to Profit or Loss			
- Effective portion of gains/(losses) on designated portion of hedging instruments in a cash flow hedge		-	(40.49)
(d) Tax relating to items that will be reclassified to Profit or Loss		-	-
<b>Total Other Comprehensive (Loss) for the year (Net of Tax)</b>		<b>(0.02)</b>	<b>(40.49)</b>
<b>Total Comprehensive Income for the year</b>		<b>594.89</b>	<b>129.79</b>
<b>Earnings Per Equity Share (EPS) (in ₹)</b>			
(Face Value ₹ 10 Per Share)			
Basic & Diluted Earnings Per Share	35	5.33	1.35
Summary of material accounting policy information	3		
<b>See accompanying notes forming part of the financial statements</b>			

As per our report of even date attached

## For Walker Chandio & Co LLP

Chartered Accountants

Firm Registration no. 001076N/N500013

## NEERAJ GOEL

Partner

Membership No. 99514

For and on behalf of the Board of Directors

## ADANI ENERGY SOLUTIONS LIMITED

(Formerly Known as Adani Transmission Limited)

## GAUTAM S. ADANI

Chairman

DIN: 00006273

## KANDARP PATEL

Chief Executive Officer

## JALADHI SHUKLA

Company Secretary

## ANIL SARDANA

Managing Director

DIN: 00006867

## KUNJAL MEHTA

Chief Financial Officer

Place : Gurugram

Date : April 30, 2024

Place : Ahmedabad

Date : April 30, 2024

# Statement of Cash Flows

for the year ended March 31, 2024

Particulars	(₹ in crore)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>A. Cash flows from operating activities</b>		
Profit before tax	659.34	170.29
Adjustments for:		
- Depreciation and amortisation expense	0.34	0.15
- Gain on sale / fair Value of Current Investments measured at FVTPL	(58.79)	(16.99)
- Finance costs	347.84	416.08
- Dividend income	(255.99)	-
- Unclaimed liabilities / excess provision written back	(2.14)	-
- Other income	(2.67)	(3.60)
- Interest income	(674.95)	(594.20)
<b>Operating Profit / (Loss) before working capital changes</b>	<b>12.98</b>	<b>(28.27)</b>
Movement in working capital:		
(Increase) / decrease in assets :		
- Other financial assets and other assets	(340.34)	31.86
- Inventories	(9.91)	-
- Trade receivables	(58.11)	(2.24)
Increase / (decrease) in liabilities :		
- Other financial liabilities, other liabilities and provisions	152.85	(19.86)
- Trade Payables	98.50	(0.34)
<b>Cash used in operations</b>	<b>(144.03)</b>	<b>(18.85)</b>
Income Tax paid (net of refunds)	(65.46)	3.57
<b>Net cash flows used in operating activities (A)</b>	<b>(209.49)</b>	<b>(15.28)</b>
<b>B. Cash flows from investing activities</b>		
Payment for acquisition of property, plant and equipment (including capital advance and CWIP)	(5.18)	(22.45)
Payment for purchase of non-current financial assets		
- Acquisition of subsidiaries	(34.79)	(36.74)
- Advance for Acquisition of SPV	-	(6.35)
- Investment in Application money of Equity shares pending for allotment of Subsidiary Companies	(4.80)	-
- Investment in Application money of Optionally Convertible Debenture pending for allotment of Subsidiary Companies	(15.15)	-
- Investment in Equity shares of Subsidiary Companies	(508.75)	(2.71)
- Investment in Optionally Convertible Debentures of Subsidiary Companies	(914.24)	(7.80)
- Investment in Compulsory Convertible Debentures of Subsidiary Company	(840.00)	-
- Interest on Optionally Convertible Debentures received	21.68	-
- Interest on Compulsory Convertible Debentures received	2.03	-
Proceeds from / (deposits in) Bank deposits (net) (Including Margin money deposit)	(203.87)	(68.03)
Non-current Loans given	(4,333.55)	(3,643.48)
Non-current Loans received back	4,376.41	1,757.53
Current loans (given) / received back (net)	(0.01)	184.16
Dividend received	255.99	-
Interest received	203.28	260.85
<b>Net cash flows used in investing activities (B)</b>	<b>(2,000.95)</b>	<b>(1,585.02)</b>

# Statement of Cash Flows (Contd...)

for the year ended March 31, 2024

(₹ in crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>C. Cash flows from financing activities</b>		
Proceeds from issuance of share capital (including share premium)	-	3,850.00
Proceeds from Long-term borrowings	3,767.86	4,201.22
Repayment of Long-term borrowings	(1,458.40)	(3,182.28)
Proceeds /repayment from Short-term borrowings (net)	102.96	167.65
Proceeds from issue of unsecured perpetual equity Instrument	-	8.00
Repayment of unsecured perpetual equity instrument (including distribution)	-	(3,075.49)
Finance costs paid (net of realized gain on hedge)	(202.10)	(288.15)
Payment for lease liability (including interest ₹ 0.12 crore (P.Y. ₹ 0.13 crore))	(0.16)	(0.16)
<b>Net cash flows generated from financing activities (C)</b>	<b>2,210.16</b>	<b>1,680.79</b>
<b>Net (decrease) / increase in cash and cash equivalents (A+B+C)</b>	<b>(0.28)</b>	<b>80.49</b>
Cash and cash equivalents at the beginning of the year	2.64	2.15
Transfer of restricted reserve pursuant to transaction referred in note (ii) below (D)	-	(80.00)
<b>Cash and cash equivalents at the end of the year (A+B+C+D)</b>	<b>2.36</b>	<b>2.64</b>

(₹ in crore)

Cash and cash equivalents includes - Refer note 13	As at March 31, 2024	As at March 31, 2023
Balances with banks		
- In current accounts	1.00	1.28
- Fixed Deposits (with original maturity for three months or less)	1.36	1.36
<b>Total Cash and cash equivalents</b>	<b>2.36</b>	<b>2.64</b>

## Note:

### Non - Cash transaction :

- For the year ended on March 31, 2024, interest accrued on ICD given to related party amounting to ₹ 338.28 crore (Previous year : ₹ 303.82 crore) have been converted to the Loan given as per the terms of contract and interest accrued on ICD taken from related party amounting to ₹ 151.78 crore (Previous year : ₹ 43.19 crore) have been converted to the Loan taken as per the terms of contract.
- As referred in note - 38, certain assets and liabilities were transferred to Adani Transmission Step-one Limited for a consideration in the form of Compulsorily Convertible Debentures. The same being non-cash transactions are excluded from the aforesaid cash flow statement except for transfer of cash equivalent to restricted reserve referred in "D" above.

### Notes to Statement of Cash Flows:

- The Statement of Cash Flows has been prepared under the Indirect method as set out in Ind AS 7 "Statement of Cash Flows"
- Disclosure under Para 44A as set out in Ind AS on cash flow statements under Companies (Indian Accounting Standards) Rules, 2015 (as amended) is given below:

## Statement of Cash Flows (Contd...)

for the year ended March 31, 2024

### Changes in liabilities arising from financing activities

(₹ in crore)

Particulars	April 1, 2023	Cash Flows	Non-cash transactions	March 31, 2024
Long-term Borrowings (Including Current Maturities of Long Term Debt)	1,740.41	2,309.46	151.85	4,201.72
Short term Borrowings	860.00	102.96	-	962.96
Interest accrued	3.19	(202.10)	202.09	3.18
Lease Liabilities	1.47	(0.16)	0.13	1.44
<b>TOTAL</b>	<b>2,605.07</b>	<b>2,210.16</b>	<b>354.07</b>	<b>5,169.30</b>

### Changes in liabilities arising from financing activities

(₹ in crore)

Particulars	April 1, 2022	Cash Flows	Non-cash transactions*	March 31, 2023
Long-term Borrowings (Including Current Maturities of Long Term Debt) (Refer note below - i)	7,635.02	1,018.94	(6,913.55)	1,740.41
Short term Borrowings (Refer note below - ii)	912.35	167.65	(220.00)	860.00
Unsecured Perpetual Equity Instrument including Distribution (Net of Tax) (Refer note below - iii)	3,131.28	(3,067.49)	(63.79)	-
Interest accrued	77.89	(288.15)	213.45	3.19
Lease Liabilities	1.50	(0.16)	0.13	1.47
<b>TOTAL</b>	<b>11,758.04</b>	<b>(2,169.21)</b>	<b>(6,983.76)</b>	<b>2,605.07</b>

\* Note :

- Other includes long term borrowing (USD Bonds) of ₹ Nil (P.Y. ₹ 7391.00 crore) transferred to subsidiary under restructuring scheme, ₹ Nil (P.Y. ₹ 83.62 crore) has been converted from unsecured perpetual equity instrument to ICD, ₹ Nil (P.Y. ₹ 4.53 crore) towards ancillary cost and ₹ Nil (P.Y. ₹ 43.19 crore) towards interest capitalized on long term borrowings.
- Short term loan of ₹ Nil (P.Y. ₹ 220.00 crore) transferred to subsidiary under restructuring scheme.
- Distribution on perpetual Equity Instrument ₹ Nil (P.Y. ₹ 19.83 crore) and conversion from perpetual equity to inter corporate deposit of ₹ Nil (P.Y. ₹ 83.62 crore)

See accompanying notes forming part of the financial statements

As per our report of even date attached

#### For Walker Chandio & Co LLP

Chartered Accountants  
Firm Registration no. 001076N/N500013

#### NEERAJ GOEL

Partner  
Membership No. 99514

Place : Gurugram  
Date : April 30, 2024

For and on behalf of the Board of Directors

#### ADANI ENERGY SOLUTIONS LIMITED

(Formerly Known as Adani Transmission Limited)

#### GAUTAM S. ADANI

Chairman  
DIN: 00006273

#### KANDARP PATEL

Chief Executive Officer

#### JALADHI SHUKLA

Company Secretary

Place : Ahmedabad  
Date : April 30, 2024

#### ANIL SARDANA

Managing Director  
DIN: 00006867

#### KUNJAL MEHTA

Chief Financial Officer



# Statement of Changes in Equity

for the year ended March 31, 2024

## A. Equity Share Capital

Particulars	No. Shares	(₹ in crore)
<b>Balance as at April 1, 2022</b>	<b>1,09,98,10,083</b>	<b>1,099.81</b>
i) Issue of shares during the year	1,56,82,600	15.68
<b>Balance as at March 31, 2023</b>	<b>1,11,54,92,683</b>	<b>1,115.49</b>
i) Issue of shares during the year	-	-
<b>Balance as at March 31, 2024</b>	<b>1,11,54,92,683</b>	<b>1,115.49</b>

## B. Unsecured Perpetual Equity Instrument

Particulars	(₹ in crore)
<b>Balance as at April 1, 2022</b>	<b>3,131.28</b>
i) Add: Aailed during the year	8.00
ii) Add: Distribution on Unsecured Perpetual Equity Instrument	19.80
iii) Less: Repaid during the year	(3,075.46)
iv) Less: Conversion into Inter corporate deposit during the year	(83.62)
<b>Balance as at March 31, 2023</b>	<b>-</b>
i) Add: Aailed during the year	-
ii) Add: Distribution on Unsecured Perpetual Equity Instrument (Net of Tax)	-
iii) Less: Repaid during the year	-
<b>Balance as at March 31, 2024</b>	<b>-</b>

## C. Other Equity

(₹ in crore)

Particulars	Reserves and Surplus						Item of Other Comprehensive Income	Total
	Capital Reserve	General Reserve	Retained Earnings	Self Insurance Reserve	Security premium	Restructuring reserve	Effective portion of Cash flow Hedge	
<b>Balance as at April 1, 2022</b>	<b>11.47</b>	<b>1,201.95</b>	<b>(1,326.72)</b>	<b>18.65</b>	-	-	<b>(159.63)</b>	<b>(254.28)</b>
Profit for the year	-	-	170.28	-	-	-	-	170.28
Add: Other Comprehensive Income / (loss) for the year (Net of Tax)	-	-	0.00	-	-	-	(40.49)	(40.49)
<b>Total Comprehensive income</b>	<b>-</b>	<b>-</b>	<b>170.28</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(40.49)</b>	<b>129.79</b>
Add: Addition on account of issuance of equity shares	-	-	-	-	3,834.32	-	-	3,834.32
(Less) : Transferred to self Insurance Reserve	-	(25.01)	-	25.01	-	-	-	-
Reserve created on account of restructuring (Refer Note - 38)	-	-	-	-	-	5,321.04	200.12	5,521.16
(Less): Distribution on Unsecured Perpetual Equity Instrument	-	-	(19.83)	-	-	-	-	(19.83)

## Statement of Changes in Equity (Contd...)

for the year ended March 31, 2024

(₹ in crore)

Particulars	Reserves and Surplus						Item of Other Comprehensive Income	Total
	Capital Reserve	General Reserve	Retained Earnings	Self Insurance Reserve	Security premium	Restructuring reserve	Effective portion of Cash flow Hedge	
Balance as at March 31, 2023	11.47	1,176.94	(1,176.27)	43.66	3,834.32	5,321.04	-	9,211.16
Profit for the year	-	-	594.91	-	-	-	-	594.91
(Less): Other Comprehensive Income / (loss) for the year (Net of Tax)	-	-	(0.02)	-	-	-	-	(0.02)
Total Comprehensive income	-	-	594.89	-	-	-	-	594.89
(Less) : Transferred to Self Insurance Reserve	-	(24.67)	-	24.67	-	-	-	-
Balance as at March 31, 2024	11.47	1,152.27	(581.38)	68.33	3,834.32	5,321.04	-	9,806.05

See accompanying notes forming part of the financial statements

As per our report of even date attached

**For Walker Chandiok & Co LLP**  
Chartered Accountants  
Firm Registration no. 001076N/N500013

**NEERAJ GOEL**  
Partner  
Membership No. 99514

Place : Gurugram  
Date : April 30, 2024

For and on behalf of the Board of Directors  
**ADANI ENERGY SOLUTIONS LIMITED**  
(Formerly Known as Adani Transmission Limited)

**GAUTAM S. ADANI**  
Chairman  
DIN: 00006273  
**KANDARP PATEL**  
Chief Executive Officer

**JALADHI SHUKLA**  
Company Secretary

Place : Ahmedabad  
Date : April 30, 2024

**ANIL SARDANA**  
Managing Director  
DIN: 00006867  
**KUNJAL MEHTA**  
Chief Financial Officer

# Notes to Financial Statements

for the year ended March 31, 2024

## 1. Corporate information

- > Adani Energy Solutions Limited (Formerly known as Adani Transmission Limited ) ("The Company") ("AESL") (CIN no. L40300GJ2013PLC077803) is a public limited company incorporated and domiciled in India. It's ultimate holding entity is S. B. Adani Family Trust (SBAFT), having its registered office at 'Adani Corporate House', Shantigram, Near Vaishno Devi Circle, S.G.Highway, Khodiyar, Ahmedabad - 382421, Gujarat, India. The Company and its subsidiaries (together referred to as "the Group") are engaged in the business of generation, transmission and distribution of power through India. The Group develops, owns and operates transmission lines across the States of Gujarat, Rajasthan, Bihar, Jharkhand, Uttar Pradesh, Maharashtra, Haryana, Chhattisgarh, Madhya Pradesh, West Bengal, Tamil Nadu, Andhra Pradesh, Telangana. Apart from the above the Company deals in below business activities:

### Business Activities :

The Company deals in various bullions. The Company has also entered in to new business opportunities through Optical Ground Wire (OPGW) fibres on transmission lines with the ambition of expanding its telecom solutions to Telcos, Internet service providers and long distance communication operators. The commercialization of the network shall be done through leasing out spare capacities to potential communication players. Company also offers utility services related to Telecommunications, Fibre connectivity and business operations includes in construction and development of infrastructure assets of transmission line. The company is further engaged to supply, install and operation and maintenance services of smart meter and software applications required for Advanced Metering Infrastructure on Design, Build, Finance, Own, Operate and Transfer (DBFOOT) basis in accordance with terms and conditions set forth in a agreement with North Bihar Power Distribution Company Limited.

The Company has its primary listings on the BSE Limited and NSE India Limited, in India.

## 2. Basis of preparation and presentation

- > These financial statements have been prepared on the historical cost basis except for certain financial

instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

- > The Financial Statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under the Companies (Indian Accounting Standards) Rules, 2015 read with section 133 of the Companies Act, 2013 ("the Act") (as amended from time to time).
- > The financial statements are presented in Indian Rupee (₹) which is also Company's functional currency and all values are rounded off to the nearest crore (Transactions below ₹ 50,000.00 denoted as ₹ 0.00), unless otherwise indicated.

## 3. Material accounting policy information

### a. Property, Plant and Equipment (PPE)

- > All items of property, plant and equipment, including freehold land, are initially recorded at cost. Subsequent to initial recognition, property, plant and equipment other than freehold land are measured at cost less accumulated depreciation and any accumulated impairment losses. Freehold land has an unlimited useful life and therefore is not depreciated.
- > Capital work-in-progress is stated at cost, net of accumulated impairment loss, if any. Other Indirect expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre-operative expenses and disclosed under Capital Work-in-Progress.
- > 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 :

- > Depreciation is recognised based on the cost of assets (other than freehold land) less their

# Notes to Financial Statements

for the year ended March 31, 2024

residual values 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.

- > Estimated useful lives of assets are as follows:-

Type of Assets	Useful lives
Plant and Equipment	3-15 Years
Furniture and Fixtures	10 Years
Office Equipment	5 Years
Computer Equipment	3 Years
Vehicles	10 Years

## Derecognition :

- > 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.

## b. Financial instruments

- > Financial assets (except for trade receivables) 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 measured at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.
- > An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company entity are recognised at the proceeds received, net of direct issue costs.

## (A) Financial assets

### Initial Recognition and measurement :

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

### Subsequent measurement :

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

## i) Classification and measurement of financial assets

### a) Financial assets at amortised cost

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

### b) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if both of the following criteria are met;

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

All financial assets that do not meet the criteria for amortised cost or FVTOCI are



# Notes to Financial Statements

for the year ended March 31, 2024

measured at FVTPL. Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in Consolidated profit or loss. The net gain or loss recognised in Consolidated profit or loss incorporates any dividend or interest earned on the financial asset.

## ii) Impairment of financial assets

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

## iii) Derecognition of financial assets

A financial asset is primarily derecognised when:

- the right to receive cash flows from the asset have expired, or
- the Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

## (B) Financial liabilities and equity instruments

### i) Classification as debt or equity

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

## ii) Financial liabilities

### Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

### Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost (loans and borrowings)

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

Trade and other payables are recognised at the transaction cost, which is its fair value, and subsequently measured at amortised cost. Similarly, interest bearing loans (inter corporate deposits), trade credits and borrowings (including bonds) are subsequently measured at amortised cost using effective interest rate method. Trade credits include Buyer's credit, Foreign Letter of Credit and Inland Letter of Credit.

Financial liabilities measured at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Financial liabilities are classified as held

# Notes to Financial Statements

for the year ended March 31, 2024

for trading if these are incurred for the purpose of repurchasing in the near term. Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in the Statement of Profit and Loss

## iii) Derecognition of Financial Liability

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

## c. Derivative financial instruments and hedge accounting

### Initial recognition and subsequent measurement:

The Company uses derivative financial instruments, such as forward currency contracts, interest rate swaps and forward commodity contracts, to hedge its foreign currency risks, interest rate risks and commodity price risks, respectively. 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.

At the inception of a hedge relationship, the Company formally designates and documents the

hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

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

### 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.

## d. Inventories

Costs of inventories are determined on weighted average basis. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Unserviceable/damaged stores and spares are identified and written down based on technical evaluation.

## e. Fair value measurement

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 Company uses valuation techniques that are appropriate in the circumstances and for which

# Notes to Financial Statements

for the year ended March 31, 2024

sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised 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:

- (i) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- (ii) Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;
- (iii) Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For the purpose of fair value disclosures, the Company 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 Company expects to be entitled in exchange for those goods or services.

### Sale of Goods :

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

- The Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- The amount of revenue can be measured reliably; and

- it is probable that the economic benefits associated with the transaction will flow to the Company;
- there is no significant judgement involved while evaluating the timing as to when customers obtain control of promised goods and services.

### Service concession arrangements :

The Company had been set up for installing, operating and maintaining smart meters used to provide public service on "Design-Build-Finance-Own-Operate-Transfer" (DBFOOT) basis. These smart meters will be transferred to relevant authority at the end of the terms of the contract. There are two separate performance obligation - (1) Supply and Installation of Smart meters and (2) Operation and maintenance of smart meter for 90 months.

In terms of application of Ind AS 115, Appendix. C & D - Service Concession Arrangements (SCA), these arrangements are accounted for based on the nature of the consideration. The fair value of future cash flows receivable for supply & installation of smart meter(i.e. construction services) under the above project have been initially recognised under financial assets as 'Receivables under Service Concession Arrangements' and have been recognised at amortised cost subsequently.

With respect to SCA, revenue and costs are allocated between those relating to procurement and installation of smart meters i.e., 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 smart meters installed when the amounts are separately identifiable. The infrastructure used in the concession arrangements is classified as financial asset, based on the nature of the payment entitlements established in the SCA.

Services related to operation and maintenance will be accounted as per output method (percentage of completion) of IND As 115 by allocating total consideration in fair value of operation and maintenance services.

# Notes to Financial Statements

for the year ended March 31, 2024

## Assets covered under Service Concession Arrangement :

The Company manages service concession arrangements which include the Installation of smart meters followed by a period in which the Company maintains and services the Smart meters. 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.

## Contract Assets :

A contract asset is the right to consideration in exchange for services transferred to the customer. If the entity performs by transferring services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. Contract assets are transferred to services concession agreement receivables when the rights become unconditional.

## Construction and Development of Infrastructure Assets :

The Company's business operations includes in construction and development of infrastructure assets (transmission assets). Where the outcome of the project cannot be estimated reasonably, Revenue from contracts for such construction and development activities is recognized on completion of relevant activities under the contract and the

transfer of control of the infrastructure when all significant risks and rewards of ownership in the infrastructure assets are transferred to the customer.

## Other Income :

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

## Financing component:

The Company receives advance payments from customers for the setup and sale of customised Sub-station and transmission line with a construction lead time of 6 months after signing the contract and receipt of payment. There is a significant financing component for these contracts considering the length of time between the customers' payment and the transfer of the equipment, as well as the prevailing interest rate in the market. As such, the transaction price for these contracts is discounted, using the interest rate implicit in the contract. This rate is commensurate with the rate that would be reflected in a separate financing transaction between the Company and the customer at contract inception.

The Company applies the practical expedient for short-term advances received from customers. That is, the promised amount of consideration is not adjusted for the effects of a significant financing component if the period between the transfer of the promised good or service and the payment is one year or less.

## g. Borrowing costs

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



# Notes to Financial Statements

for the year ended March 31, 2024

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. All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

## h. Employee benefits

### i) Defined benefit plans:

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees through Group Gratuity Fund Scheme of Life Insurance Corporation of India. The Company 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.

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.

### 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 Company in respect of services provided by employees up to the reporting date.

## i. Leases

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

### As a lessee

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

### Right-of-use assets

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

# Notes to Financial Statements

for the year ended March 31, 2024

## Lease Liabilities

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

## j. Taxation

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

### Current tax :

Tax on income for the current period is determined on the basis on estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognised outside statement of profit and loss is

recognised outside statement of profit and loss (either in Other Comprehensive Income or in Equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. 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.

### Deferred tax :

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

## 4. Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the year ended March 31, 2024 MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

# Notes to Financial Statements

for the year ended March 31, 2024

## 5. Property, Plant and Equipment

(₹ in crore)

Description of Assets	Tangible Assets						Total
	Land (Free hold)	Plant and Equipment	Furniture and Fixtures	Office Equipment	Vehicles	Computer Equipment	
<b>I. Gross Carrying Amount</b>							
Balance as at April 1, 2022	0.04	0.40	0.07	-	0.74	-	1.25
Additions during the Year	-	-	-	-	-	-	-
Disposals / transferred during the Year *	(0.04)	-	-	-	-	-	(0.04)
Balance as at March 31, 2023	-	0.40	0.07	-	0.74	-	1.21
Additions during the Year	-	8.35	0.04	0.04	-	0.00	8.43
Disposals / transferred during the Year	-	-	-	-	-	-	-
Balance as at March 31, 2024	-	8.75	0.11	0.04	0.74	0.00	9.64
<b>II. Accumulated depreciation</b>							
Balance as at April 1, 2022	-	0.19	0.05	-	0.35	-	0.59
Depreciation for the Year	-	0.03	0.01	-	0.09	-	0.13
Eliminated on disposal of assets	-	-	-	-	-	-	-
Balance as at March 31, 2023	-	0.22	0.06	-	0.44	-	0.72
Depreciation for the Year	-	0.24	0.01	0.00	0.09	0.00	0.34
Eliminated on disposal of assets	-	-	-	-	-	-	-
Balance as at March 31, 2024	-	0.46	0.07	0.00	0.53	0.00	1.06
Net Carrying value as at March 31, 2023	-	0.18	0.01	-	0.30	-	0.49
Net Carrying value as at March 31, 2024	-	8.29	0.04	0.04	0.21	0.00	8.58

(Figures below ₹ 50,000 denoted as ₹ 0.00 crore)

\* Refer Note 38

### 5.1 Capital work-in-progress:

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Balance	7.52	0.42
Add: Expenditure incurred during the year	5.18	7.10
Less : Capitalised during the year	8.43	-
Closing Balance	4.27	7.52

## Notes to Financial Statements

for the year ended March 31, 2024

### 5. Property, Plant and Equipment (Contd...)

Capital-work-in progress ageing schedule:

(₹ in crore)

Particulars	Amount in CWIP for a period of				Total
	<1 year	1-2 years	2-3 years	> 3 years	
<b>As at March 31, 2024</b>					
- Projects in progress	3.95	0.32	-	-	4.27
- Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>3.95</b>	<b>0.32</b>	<b>-</b>	<b>-</b>	<b>4.27</b>

Capital-work-in progress ageing schedule:

(₹ in crore)

Particulars	Amount in CWIP for a period of				Total
	<1 year	1-2 years	2-3 years	> 3 years	
<b>As at March 31, 2023</b>					
- Projects in progress	7.10	0.42	-	-	7.52
- Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>7.10</b>	<b>0.42</b>	<b>-</b>	<b>-</b>	<b>7.52</b>

Note :

There are no project whose completion is overdue or has exceeded its cost compared to its original plan during the financial year.

### 5.2 : Right of Use Assets

(₹ in crore)

Particulars	Right of Use Assets	
	Plant and Equipment	Total
<b>I. Gross carrying value</b>		
<b>Balance as at April 1, 2022</b>	<b>0.48</b>	<b>0.48</b>
Additions during the year	-	-
Disposals during the year	-	-
<b>Balance as at March 31, 2023</b>	<b>0.48</b>	<b>0.48</b>
Additions during the year	-	-
Disposals during the year	-	-
<b>Balance as at March 31, 2024</b>	<b>0.48</b>	<b>0.48</b>
<b>II. Accumulated Amortisation</b>		
<b>Balance as at April 1, 2022</b>	<b>0.46</b>	<b>0.46</b>
Depreciation / Amortisation Charge for the year	0.02	0.02
Eliminated on disposal of assets	-	-
<b>Balance as at March 31, 2023</b>	<b>0.48</b>	<b>0.48</b>
Depreciation / Amortisation Charge for the year	-	-
Eliminated on disposal of assets	-	-
<b>Balance as at March 31, 2024</b>	<b>0.48</b>	<b>0.48</b>
<b>Net Carrying Value As at March 31, 2023</b>	<b>-</b>	<b>-</b>
<b>Net Carrying value as at March 31, 2024</b>	<b>-</b>	<b>-</b>



# Notes to Financial Statements

for the year ended March 31, 2024

## 6. Non Current Financial Assets - Investments

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>I. Investments - carried at Cost.</b>		
<b>(a) Investments in Equity Instruments fully paid up- Unquoted</b>		
<b>Investments in Subsidiary Companies (Face value of ₹ 10 each)</b>		
4,40,00,000 (31.03.2023 : 4,40,00,000) Equity Shares of Sipat Transmission Limited	44.00	44.00
9,11,00,000 (31.03.2023 : 9,11,00,000) Equity Shares of Raipur - Rajnandgaon-Warora Transmission Limited	91.10	91.10
6,80,00,000 (31.03.2023 : 6,80,00,000) Equity Shares of Chhattisgarh-WR Transmission Limited	68.00	68.00
84,99,999 (31.03.2023 : 84,99,999) Equity Shares of Adani Transmission (Rajasthan) Limited	8.50	8.50
50,000 (31.03.2023 : 50,000) Equity Shares of North Karanpura Transco Limited	0.05	0.05
89,40,000 (31.03.2023 : 89,40,000) Equity Shares of Maru Transmission Service Company Limited	8.94	8.94
52,30,000 (31.03.2023 : 52,30,000) Equity Shares of Aravali Transmission Service Company Limited	5.23	5.23
1,00,00,000 (31.03.2023 : 1,00,00,000) Equity Shares of Hadoti Power Transmission Service Limited	10.00	10.00
80,00,000 (31.03.2023 : 80,00,000) Equity Shares of Barmer Power Transmission Service Limited	8.00	8.00
70,00,000 (31.03.2023 : 70,00,000) Equity Shares of Thar Power Transmission Service Limited	7.00	7.00
1,00,00,000 (31.03.2023 : 1,00,00,000) Equity Shares of Western Transco Power Limited	11.84	11.84
1,00,00,000 (31.03.2023 : 1,00,00,000) Equity Shares of Western Transmission (Gujarat) Limited	13.01	13.01
2,55,00,000 (31.03.2023 : 2,55,00,000) Equity Shares of Fatehgarh-Bhadla Transmission Limited	25.50	25.50
12,19,55,000 (31.03.2023 : 12,19,55,000) Equity Shares of Ghatampur Transmission Limited (Refer note 1 below)	160.90	160.90
301,15,96,827 (31.03.2023 : 301,15,96,827) Equity Shares of Adani Electricity Mumbai Limited	3,427.06	3,427.06
99,99,999 (31.03.2023 : 99,99,999) Equity Shares of Adani Transmission Bikaner Sikar Private Limited (Refer note 1 below)	51.06	51.06
5,55,00,000 (31.03.2023 : 5,55,00,000) Equity Shares of OBRA-C Badaun Transmission Limited	55.50	55.50
10,000 (31.03.2023 : 10,000) Equity Shares of Adani Electricity Navi Mumbai Limited (Formerly know as AEML Infrastructure Limited)	0.01	0.01

## Notes to Financial Statements

for the year ended March 31, 2024

### 6. Non Current Financial Assets - Investments (Contd...)

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
5,40,00,000 (31.03.2023 : 5,40,00,000) Equity Shares of Bikaner Khetri Transmission Limited	54.00	54.00
50,000 (31.03.2023 : 50,000) Equity Shares of WRSS XXI (A) Transco Limited	0.05	0.05
50,000 (31.03.2023 : 50,000) Equity Shares of Lakadia Banaskantha Transco Limited	0.05	0.05
2,12,50,000 (31.03.2023 : 2,12,50,000) Equity Shares of Jam Khambaliya Transco Limited	21.25	21.25
10,000 (31.03.2023 : 10,000) Equity Shares of Arasan Infra Limited (Formerly known as 'Arasan Infra Private Limited')	0.01	0.01
10,000 (31.03.2023 : 10,000) Equity Shares of Sunrays Infra Space Limited (Formerly known as 'Sunrays Infra Space Private Limited')	0.01	0.01
7,490 (31.03.2023 : 7,490) Equity Shares of Power Distribution Services Limited	0.01	0.01
50,000 (31.03.2023 : 50,000) Equity Shares of Kharghar Vikhroli Transmission Limited	0.05	0.05
5,56,31,020 (31.03.2023 : 5,56,31,020) Equity Shares of Alipurduar Transmission Limited**	415.33	415.33
10,000 (31.03.2023 : 10,000) Equity Shares of Adani Transmission Step One Limited (Refer note 1 below)	17.50	3.61
53,70,00,000 (31.03.2023 : 53,70,00,000) Equity Shares of Warora-Kurnool Transmission Limited	240.00	240.00
10,000 (31.03.2023 : 10,000) Equity Shares of ATL HVDC Limited	0.01	0.01
11,97,92,060 (31.03.2023 : 50,000) Equity Shares of MP Power Transmission Package-II Limited (Refer note 1 below)	121.75	0.05
1,31,35,000 (31.03.2023 : 1,31,35,000) Equity Shares of MPSEZ Utilities Limited	116.27	116.27
10,000 (31.03.2023 : 10,000) Equity Shares of Karur Transmission Limited	0.01	0.01
13,81,60,000 (31.03.2023 : 10,000) Equity Shares of Khavda-Bhuj Transmission Limited (Refer note 1 below)	139.92	0.01
10,000 (31.03.2023 : 10,000) Equity Shares of Adani Transmission Step Two Limited	0.01	0.01
10,000 (31.03.2023 : 10,000) Equity Shares of Adani Electricity Jewar Limited	0.01	0.01
10,000 (31.03.2023 : 10,000) Equity Shares of Adani Cooling Solutions Limited	0.01	0.01
10,000 (31.03.2023 : 10,000) Equity Shares of Best Smart Metering Limited	0.01	0.01

# Notes to Financial Statements

for the year ended March 31, 2024

## 6. Non Current Financial Assets - Investments (Contd...)

Particulars	(₹ in crore)	
	As at March 31, 2024	As at March 31, 2023
10,000 (31.03.2023 : 10,000) Equity Shares of Adani Transmission Step-Three Limited	0.01	0.01
50,000 (31.03.2023 : 10,000) Equity Shares of Adani Transmission Step-Four Limited	0.50	0.01
10,000 (31.03.2023 : 10,000) Equity Shares of Adani Transmission Step-Five Limited	0.01	0.01
10,000 (31.03.2023 : 10,000) Equity Shares of Adani Transmission Step- Six Limited	0.01	0.01
10,000 (31.03.2023 : 10,000) Equity Shares of Adani Transmission Step-Seven Limited	0.01	0.01
10,000 (31.03.2023 : 10,000) Equity Shares of Adani Transmission Step-Eight Limited	0.01	0.01
10,000 (31.03.2023 : 10,000) Equity Shares of NE Smart Metering Limited (formely known as 'Adani Transmission Step-Nine Limited)	0.01	0.01
16,08,20,000 (31.03.2023 : 50,000) Equity Shares of WRSR Power Transmission Limited (Refer note 1 below)	164.40	0.05
8,73,80,000 (31.03.2023 : 50,000) Equity Shares of Khavda II-A Transmission Limited (Refer note 1 below)	89.42	0.05
10,000 (31.03.2023 : Nil) Equity Shares of Adani Electricity Aurangabad Limited (w.e.f. March 15, 2023)	0.01	-
10,000 (31.03.2023 : Nil) Equity Shares of Adani Electricity Nashik Limited (w.e.f. March 16, 2023)	0.01	-
50,000 (31.03.2023 : Nil) Equity Shares of KPS1 Transmission Limited (w.e.f. August 16, 2023)^	2.12	-
50,000 (31.03.2023 : Nil) Equity Shares of Sangod Transmission Service Limited (w.e.f. October 5, 2023)	0.05	-
10,000 (31.03.2023 : Nil) Equity Shares of Halvad Transmission Limited (w.e.f. December 27, 2023)	0.01	-
10,000 (31.03.2023 : Nil) Equity Shares of Sunrays Infra Space Two Limited (w.e.f. January 19, 2024)	0.01	-
10,000 (31.03.2023 : Nil) Equity Shares of Arasan Infra Two Limited (w.e.f. January 20, 2024)	0.01	-
10,000 (31.03.2023 : Nil) Equity Shares of Adani Energy Solutions Step-Twelve Limited (w.e.f. January 25, 2024)	0.01	-
Nil (31.03.2023 : Nil) Equity Shares of Adani Energy Solutions Step-Thirteen Limited (w.e.f. February 13, 2024)#	-	-
<b>Total (a)</b>	<b>5,378.55</b>	<b>4,846.63</b>

## Notes to Financial Statements

for the year ended March 31, 2024

### 6. Non Current Financial Assets - Investments (Contd...)

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>(b) Investments in Compulsory Convertible Debentures (CCD) fully paid up - Unquoted</b>		
<b>Investments in wholly owned Subsidiary Companies (Face value of ₹ 100 each)</b>		
0% 31,57,031 (31.03.2023 : 31,57,031) CCD of North Karanpura Transco Limited	31.57	31.57
9% 53,45,250 (31.03.2023 : 53,45,250) CCD of Bikaner Khetri Transmission Limited * (Refer note 2(c))	63.74	60.82
0% 25,00,00,000 (31.03.2023 : 25,00,00,000) CCD of Adani Transmission Step-One Limited (Refer Note 38)	1,246.60	1,246.60
0% 8,40,00,000 (31.03.2023 : Nil) CCD of Adani Transmission Step-One Limited	840.00	-
<b>Total (b)</b>	<b>2,181.91</b>	<b>1,338.99</b>
<b>Total I (a + b)</b>	<b>7,560.46</b>	<b>6,185.62</b>

\* During the year interest of ₹ 2.92 crore (net of redemption) (PY ₹ 5.02 crore) has been added to the carrying value of the instrument.

\*\* The Company has signed definitive agreements with Kalpataru Power Transmission Limited (KPTL) on July 5, 2020 for acquisition of Alipurduar Transmission Limited ("APTL") in a manner consistent with Transmission Service Agreement and applicable consents. The Company has already acquired of 49% Equity Shares of Alipurduar Transmission Limited ("APTL") and during the previous year, Company has further acquired additional 25% equity shares of APTL from KPTL in a manner consistent with Transmission Service Agreement and applicable consents. Further, the balance 26% equity shares of APTL will be acquired from KPTL after obtaining requisite approvals.

^^ The Company has acquired under-development transmission company 'KPS 1 Transmission Limited' from Megha Engineering & Infrastructures Limited. The acquisition involves the implementation of the KPS1 - Khavda PS GIS (KPS2) 765 kV double circuit line and the augmentation of Khavda PS1 in the state of Gujarat. The Company has signed definitive agreements with Megha Engineering & Infrastructures Limited (MEIL) on August 16, 2023 for acquisition of KPS1 Transmission Limited ("KPS1") in a manner consistent with Transmission Service Agreement and applicable consents. The Company has acquired of 49% Equity Shares of KPS1 Transmission Limited ("KPS1") during the year, and the balance equity shares of KPS1 will be acquired from MEIL after obtaining requisite approvals. Considering the rights available to the Company under the Share Purchase Agreement (SPA), the company has concluded that it controls KPS1 with effect from August 16, 2023.

# Company has incorporated wholly owned subsidiary company and investment in equity share capital is pending as on reporting date.

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>II. Investments - carried at Fair Value through profit or loss (FVTPL)</b>		
<b>(a) Investments in 0% Optionally Convertible Redeemable Preference Shares fully paid up - Unquoted</b>		
<b>Investments in wholly owned Subsidiary Company (Face value of ₹ 10 each)</b>		
3,45,00,000 (31.03.2023 : 3,45,00,000) Preference Shares of Adani Transmission Bikaner Sikar Private Limited (Refer note 2(b))	10.84	9.86
<b>Total (a)</b>	<b>10.84</b>	<b>9.86</b>



# Notes to Financial Statements

for the year ended March 31, 2024

## 6. Non Current Financial Assets - Investments (Contd...)

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>(b) Investments in Optionally Convertible Debentures (OCD) fully paid up - Unquoted</b>		
<b>Investments in wholly owned Subsidiary Companies (Face value of ₹ 100 each)</b>		
9.73% (P.Y. 9.00%) 3,56,22,873 (31.03.2023 : 3,56,22,873) OCD of Ghatampur Transmission Limited (Refer note (i) below and note 2(d))	376.90	357.35
10.05% (P.Y. 9.00%) 1,06,90,500 (31.03.2023 : 1,06,90,500) OCD of Bikaner Khetri Transmission Limited (Refer note (ii) below and note 2 (d))	116.72	121.87
0% 18,60,68,844 (31.03.2023 : 18,60,68,844) OCD of Warora-Kurnool Transmission Limited	0.00	0.00
10.20% 4,14,48,000 (31.03.2023 : Nil) OCD of Khavda-Bhuj Transmission Limited (Refer note (iii) below and note 2 (d))	417.72	-
0% 80,39,025 (31.03.2023 : Nil) OCD of WRSR Power Transmission Limited (Refer note 2 (d))	80.39	-
0% 59,84,910 (31.03.2023 : Nil) OCD of Khavda II A Transmission Limited (Refer note 2 (d))	59.85	-
0.01% 3,26,56,365 (31.03.2023 : Nil) OCD of MP Power Transmission Package II Limited (Refer note 2 (d))	359.52	-
<b>Total (b)</b>	<b>1,411.10</b>	<b>479.22</b>
<b>Total II (a+b)</b>	<b>1,421.94</b>	<b>489.08</b>

### Notes:

- During the year fair value gain of ₹ 19.55 crore (net of redemption & tax) (31.03.2023 : ₹ 9.87 crore (net)) has been added to the carrying value of the instrument.
- During the year fair value gain of ₹ (5.15) crore (net of redemption & tax) (31.03.2023 : ₹ 0.42 crore (net)) has been added to the carrying value of the instrument.
- During the year fair value gain of ₹ 3.24 crore (net of tax) (31.03.2023 : Nil) has been added to the carrying value of the instrument.

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>III. Investments - Loan to subsidiary company in the nature of Equity support carried at Cost - Unquoted</b>		
0.01 % Bikaner Khetri Transmission Limited (Refer note below)	37.67	37.67
<b>Total III</b>	<b>37.67</b>	<b>37.67</b>

### Note:

The Company has invested in a subordinated perpetual debt, with a fixed coupon rate having no specific maturity date.

## Notes to Financial Statements

for the year ended March 31, 2024

### 6. Non Current Financial Assets - Investments (Contd...)

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>IV. Investment in Compulsorily Convertible Preference Shares fully paid up carried at amortised cost (Unquoted)</b>		
<b>0.01% Compulsorily Convertible Preference Shares in wholly owned subsidiary companies:</b>		
10,00,000 (31.03.2023 : 10,00,000) Preference Shares of Western Transco Power Limited of ₹ 10 each	5.79	5.42
10,00,000 (31.03.2023 : 10,00,000) Preference Shares of Western Transmission (Gujarat) Limited of ₹ 10 each	4.08	3.27
<b>Total IV</b>	<b>9.87</b>	<b>8.69</b>
<b>V. Investment in Partnership firm</b>		
Adani LCC JV (Participation ratio 20%) (w.e.f December 12, 2022)	0.00	0.00
<b>Total V</b>	<b>0.00</b>	<b>0.00</b>
<b>Total (I + II + III + IV + V)</b>	<b>9,029.94</b>	<b>6,721.06</b>

(Figures below ₹ 50,000 are denominated by ₹ 0.00 crore)

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Aggregate carrying value of unquoted investments</b>		
Investment in Equity Instruments (Refer note 38)	5,378.55	4,846.63
Investment in Compulsory Convertible Debentures	2,181.91	1,338.99
Investment in Optionally Convertible Redeemable Preference Shares	10.84	9.86
Investment in Optionally Convertible Debentures	1,411.10	479.22
Investment in Loan in the nature of Equity	37.67	37.67
Investment in Compulsorily Convertible Preference Shares	9.87	8.69
Investment in Partnership firm	0.00	0.00
<b>Total</b>	<b>9,029.94</b>	<b>6,721.06</b>

For Charge created on aforesaid assets, (Refer note 23)

(Figures below ₹ 50,000 are denominated by ₹ 0.00 crore)

# Notes to Financial Statements

for the year ended March 31, 2024

## 6. Non Current Financial Assets - Investments (Contd...)

Notes:

### 1) Value of Deemed Investment accounted in subsidiaries in term of fair valuation under Ind AS 109

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Ghatampur Transmission Limited	38.94	38.94
Adani Transmission Bikaner Sikar Private Limited	28.88	28.88
Adani Transmission Step-One Limited	17.49	3.60
MP Power Transmission Package-II Limited	1.91	-
Khavda-Bhuj Transmission Limited	1.76	-
Khavda II-A Transmission Limited	2.04	-
WRSR Power Transmission Limited	3.58	-
<b>Total</b>	<b>94.60</b>	<b>71.42</b>

### 2) Number of Equity Shares/OCRPS/CCD/OCD pledged with Lenders against borrowings by the parent company and its subsidiaries are as per below :

Particulars	Number of Equity Shares Pledged	
	As at March 31, 2024	As at March 31, 2023
<b>A. Equity Shares</b>		
<b>Subsidiary Companies</b>		
Sipat Transmission Limited	4,39,99,400	4,39,99,400
Raipur – Rajnandgaon – Warora Transmission Limited	9,10,99,400	9,10,99,400
Chhattisgarh – WR Transmission Limited	6,79,99,400	6,79,99,400
Adani Transmission (Rajasthan) Limited	84,99,993	84,99,993
Maru Transmission Service Company Limited	37,54,800	37,54,800
Aravali Transmission Service Company Limited	52,29,994	52,29,994
Hadoti Power Transmission Service Limited	99,99,994	99,99,994
Barmer Power Transmission Service Limited	79,99,994	79,99,994
Thar Power Transmission Service Limited	69,99,994	69,99,994
Western Transco Power Limited	38,57,143	38,57,143
Western Transmission (Gujarat) Limited	30,00,000	30,00,000
Adani Transmission Bikaner Sikar Private Limited	99,99,993	99,99,993
Fatehgarh-Bhadla Transmission Limited	1,52,99,640	1,52,99,640
Ghatampur Transmission Limited	6,21,97,100	6,21,97,100
Adani Electricity Mumbai Limited	3,01,15,96,821	3,01,15,96,821
OBRA-C Badaun Transmission Limited	2,83,05,000	2,83,05,000
Alipurduar Transmission Limited	2,83,71,820	2,83,71,820
Bikaner Khetri Transmission Limited	2,75,40,006	2,75,40,006
Jam Khambaliya Transco Limited	63,75,000	63,75,000
Warora-Kurnool Transmission Limited	27,38,70,000	27,38,70,000
Kharghar Vikhroli Transmission Limited	49,994	49,994
Lakadia Banaskantha Transco Limited	49,994	49,994
WRSS XXI (A) Transco Limited	49,994	49,994
ATL HDVC Limited	9,994	-
Khavda II-A Transmission Limited	4,45,63,800	-
Khavda-Bhuj Transmission Limited	13,75,07,485	-
MP Power Transmission Package-II Limited	5,50,06,260	-
WRSR Power Transmission Limited	8,20,18,200	-

## Notes to Financial Statements

for the year ended March 31, 2024

### 6. Non Current Financial Assets - Investments (Contd...)

Particulars	Number of Equity Shares Pledged	
	As at March 31, 2024	As at March 31, 2023
<b>B. Optionally Convertible Redeemable Preference Shares</b>		
<b>Subsidiary Companies</b>		
Adani Transmission Bikaner Sikar Private Limited	3,45,00,000	3,45,00,000
<b>C. Compulsory Convertible Debentures</b>		
<b>Subsidiary Companies</b>		
Bikaner Khetri Transmission Limited	27,26,080	27,26,080
<b>D. Optionally Convertible Debentures</b>		
<b>Subsidiary Companies</b>		
Ghatampur Transmission Limited	1,81,67,670	1,81,67,670
Bikaner Khetri Transmission Limited	54,52,157	54,52,157
Khavda-Bhuj Transmission Limited	4,12,52,425	-
MP Power Transmission Package-II Limited	1,65,02,130	-
Khavda II-A Transmission Limited	10,62,750	-
WRSR Power Transmission Limited	44,66,025	-

### 7. Non Current Financial Assets - Loans

(At Amortised Cost)

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>(Unsecured, considered good)</b>		
Loans to Subsidiary Companies (Refer Note 44, 48 & 38)	5,062.47	4,732.25
<b>Total</b>	<b>5,062.47</b>	<b>4,732.25</b>

- Loans to subsidiaries are receivable on mutually agreed terms within period of five years from the date of agreement and carry an interest rate ranging from 9.65% p.a. to 11.00% p.a.
- Unrealised interest at the year end is added with the principal amount as per the terms of agreement, (Refer note - (i) of Cashflow Statement.

### 8. Non Current Financial Assets - Others

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Balances held as Margin Money or security against borrowings	360.00	-
Security Deposits	0.01	0.01
Share Application Money - Pending for Allotment	19.95	-
Interest Accrued & not due	205.39	92.46
Lease Receivable	2.27	2.34
<b>Total</b>	<b>587.62</b>	<b>94.81</b>

For Charge created on aforesaid assets, (Refer note 20 & 23)



# Notes to Financial Statements

for the year ended March 31, 2024

## 9. Income Tax Assets (Net)

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Advance Income Tax (net of provision)	12.40	11.37
<b>Total</b>	<b>12.40</b>	<b>11.37</b>

## 10. Non Current Assets - Others

(Unsecured, considered good)

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Capital Advances	0.69	15.84
Group Gratuity Fund	-	0.30
<b>Total</b>	<b>0.69</b>	<b>16.14</b>

For Charge created on aforesaid asset, (Refer note 20)

## 11. Inventories

(Valued at lower of Cost and Net Realisable Value)

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Stores & spares	9.91	-
<b>Total</b>	<b>9.91</b>	<b>-</b>

## 12. Trade Receivables

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured, Considered Good	60.36	2.25
Credit Impaired	9.61	9.61
	<b>69.97</b>	<b>11.86</b>
Less : Allowance for Doubtful Debts	9.61	9.61
<b>Total</b>	<b>60.36</b>	<b>2.25</b>

## Notes to Financial Statements

for the year ended March 31, 2024

### 12. Trade Receivables (Contd...)

#### Trade Receivables ageing Schedule

(₹ in crore)

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
<b>As at March 31, 2024</b>							
(i) Undisputed Trade receivables – considered good	18.41	39.71	2.23	0.00	-	0.01	60.36
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	9.61	9.61
<b>Total</b>	<b>18.41</b>	<b>39.71</b>	<b>2.23</b>	<b>0.00</b>	<b>-</b>	<b>9.62</b>	<b>69.97</b>

(₹ in crore)

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
<b>As at March 31, 2023</b>							
(i) Undisputed Trade receivables – considered good	-	2.23	0.01	-	0.01	-	2.25
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	9.61	9.61
<b>Total</b>	<b>-</b>	<b>2.23</b>	<b>0.01</b>	<b>-</b>	<b>0.01</b>	<b>9.61</b>	<b>11.86</b>

i) For Charge created on aforesaid assets, (Refer note 20 & 23)

ii) Refer Note - 45

# Notes to Financial Statements

for the year ended March 31, 2024

## 13. Cash and Cash Equivalents

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with banks		
In current accounts	1.00	1.28
Fixed Deposits (with original maturity for three months or less)	1.36	1.36
<b>Total</b>	<b>2.36</b>	<b>2.64</b>

For Charge created on aforesaid assets, (Refer note 20 & 23)

Note - Cash and cash equivalents include balances with banks which are unrestricted for withdrawal and usage.

## 14. Bank Balance Other than Cash and Cash Equivalents

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Fixed Deposits (with original maturity for more than three months but less than twelve months)		
- Margin Money *	644.17	800.28
- Others	14.55	13.88
<b>Total</b>	<b>658.72</b>	<b>814.16</b>

\* Margin Money against short term borrowing

For Charge created on aforesaid assets, (Refer note 20 & 23)

## 15. Current Financial Assets - Loans (At Amortised Cost)

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>(Unsecured, Considered Good)</b>		
Loans to others (Refer note 39 (iv))	-	69.17
Loans to Employees	0.01	-
<b>Total (a)</b>	<b>0.01</b>	<b>69.17</b>
<b>(Secured, Considered Good)</b>		
Loans to others (interest bearing loan towards acquisition) (Refer note 39 (iv))	400.00	400.00
<b>Total (b)</b>	<b>400.00</b>	<b>400.00</b>
<b>Total (a+b)</b>	<b>400.01</b>	<b>469.17</b>

For Charge created on aforesaid assets, (Refer note 20 & 23)

## Notes to Financial Statements

for the year ended March 31, 2024

### 16. Current Financial Assets - Other

(Unsecured, considered good)

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Interest receivable	74.46	42.31
Unbilled Revenue	167.10	-
Security deposits	0.02	0.05
Other Receivable	23.55	33.13
Other Financial Assets	-	0.01
Lease Receivable	0.07	0.05
<b>Total</b>	<b>265.20</b>	<b>75.55</b>

### 17. Other Current Assets

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Advance for Acquisition of SPV (Unsecured, Considered Good)	69.17	6.35
Advances to Vendors (Unsecured, Considered Good)	83.44	2.66
Security deposit	51.44	-
Contract Assets	31.98	-
Balances with Government authorities	48.93	8.44
Prepaid Expenses	7.72	1.49
Advance to Employees	0.03	-
<b>Total</b>	<b>292.71</b>	<b>18.94</b>

For Charge created on aforesaid assets, (Refer note 20 & 23)

### 18. Equity Share Capital

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Authorised Share Capital</b>		
150,00,00,000 (31.03.2023 - 150,00,00,000) Equity shares of ₹ 10 each	1,500.00	1,500.00
<b>Total</b>	<b>1,500.00</b>	<b>1,500.00</b>
<b>Issued, Subscribed and Paid-up Equity Shares Capital</b>		
111,54,92,683 (31.03.2023 - 111,54,92,683) Equity shares of ₹ 10 each fully paid up.	1,115.49	1,115.49
<b>Total</b>	<b>1,115.49</b>	<b>1,115.49</b>



# Notes to Financial Statements

for the year ended March 31, 2024

## 18. Equity Share Capital (Contd...)

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

Equity Shares	As at March 31, 2024		As at March 31, 2023	
	No. Shares	(₹ in crore)	No. Shares	(₹ in crore)
At the beginning of the year	1,11,54,92,683	1,115.49	1,09,98,10,083	1,099.81
Issued during the year	-	-	1,56,82,600	15.68
<b>Outstanding at the end of the year</b>	<b>1,11,54,92,683</b>	<b>1,115.49</b>	<b>1,11,54,92,683</b>	<b>1,115.49</b>

### b. Terms/rights attached to equity shares

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

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

Equity Shares	As at March 31, 2024		As at March 31, 2023	
	No. Shares	(₹ in crore)	No. Shares	(₹ in crore)
<b>Equity shares of ₹ 10 each fully paid</b>				
- Shri Gautam S. Adani / Shri Rajesh S. Adani (on behalf of S.B. Adani Family Trust)	60,16,34,660	53.94%	60,16,34,660	53.94%
- Adani Tradeline Private Limited (Formerly known as Adani Tradeline LLP) *	9,58,04,325	8.59%	9,94,91,719	8.92%
	<b>69,74,38,985</b>	<b>62.53%</b>	<b>70,11,26,379</b>	<b>62.86%</b>

\*Adani Tradeline LLP has been converted into Company with the name Adani Tradeline Pvt. Limited w.e.f. July 6, 2022.

### d. Details of Shareholding of Promoters

Particulars	No. of shares	% of total shares	% Change during the year
<b>As at March 31, 2024</b>			
Shri Gautambhai Shantilal Adani	1	0.00%	-
Shri Rajeshbhai Shantilal Adani	1	0.00%	-
Shri Gautam S. Adani / Shri Rajesh S. Adani (on behalf of S. B. Adani Family Trust)	60,16,34,660	53.94%	-
Adani Tradeline Private Limited (Formerly known as Adani Tradeline LLP)	9,58,04,325	8.59%	-3.71%
Afro Asia Trade and Investments Limited	3,02,49,700	2.71%	-
Fortitude Trade and Investment Limited	-	-	-100.00%
Worldwide Emerging Market Holding Limited	3,02,49,700	2.71%	-
Flourishing Trade And Investment Limited	36,88,000	0.33%	-
Gelt Bery Trade and Investment Limited	5,51,33,600	4.94%	5,51,33,500.00%
	<b>81,67,59,987</b>	<b>73.22%</b>	

## Notes to Financial Statements

for the year ended March 31, 2024

### 18. Equity Share Capital (Contd...)

Particulars	No. of shares	% of total shares	% Change during the year
<b>As at March 31, 2023</b>			
Shri Gautambhai Shantilal Adani	1	0.00%	0.00%
Shri Rajeshbhai Shantilal Adani	1	0.00%	0.00%
Shri Gautam S. Adani / Shri Rajesh S. Adani (on behalf of S. B. Adani Family Trust)	60,16,34,660	53.94%	-3.15%
Shri Gautam S. Adani / Smt. Priti G. Adani (on behalf of Gautam S. Adani Family Trust)	-	0.00%	-100.00%
Adani Tradeline Private Limited (Formerly known as Adani Tradeline LLP)	9,94,91,719	8.92%	0.00%
Afro Asia Trade and Investments Limited	3,02,49,700	2.71%	0.00%
Fortitude Trade and Investment Limited	3,39,17,200	3.04%	12.12%
Worldwide Emerging Market Holding Limited	3,02,49,700	2.71%	0.00%
Flourishing Trade And Investment Limited	36,88,000	0.33%	0.00%
Gelt Bery Trade and Investment Limited	100	0.00%	100.00%
	<b>79,92,31,081</b>	<b>71.65%</b>	

### Unsecured Perpetual Equity Instrument

Particulars	(₹ in crore)	
	As at March 31, 2024	As at March 31, 2023
Opening Balance	-	3,131.28
Add: Availed during the year	-	8.00
Add: Distribution on Unsecured Perpetual Equity Instrument (Net of Tax)	-	19.80
Less: Repaid during the year	-	(3,075.46)
Less: Conversion into inter corporate deposit during the year	-	(83.62)
<b>Closing Balance</b>	<b>-</b>	<b>-</b>

- a) The Company had issued Unsecured Perpetual Equity Instrument (the "Instrument") to Adani Infra (India) Limited. This Instrument carrying a interest rate (i.e. P.Y. 11.80% on ₹ 1,496.11 crore & 0% on ₹ 1,559.55 crore) are perpetual in nature with no maturity or redemption and are callable only at the option of the Company. During previous year, the company has repaid the ₹ 3,075.46 crore (including distribution on perpetual equity instrument) to Adani Infra (India) Limited.

# Notes to Financial Statements

for the year ended March 31, 2024

## 19. Other Equity

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>a. Capital Reserve (refer note (i) below)</b>		
Opening Balance	11.47	11.47
Add : Addition during the year	-	-
<b>Total (a)</b>	<b>11.47</b>	<b>11.47</b>
<b>b. Effective portion of cash flow Hedge (refer note (ii) below)</b>		
<b>Hedge Reserve</b>		
Opening Balance	-	(159.63)
Add: Effective portion of cash flow hedge for the year	-	(40.49)
Less ; Transfer on account of restructuring #	-	200.12
<b>Closing Balance Total (b)</b>	<b>-</b>	<b>-</b>
<b>c. General Reserve (refer note (iii) below)</b>		
Opening Balance	1,176.94	1,201.95
Less : Transferred to self insurance reserve	(24.67)	(25.01)
<b>Closing Balance Total (c)</b>	<b>1,152.27</b>	<b>1,176.94</b>
<b>d. Self Insurance Reserve (refer note (iv) below)</b>		
Opening Balance	43.66	18.65
Add : Addition during the year	24.67	25.01
<b>Closing Balance Total (d)</b>	<b>68.33</b>	<b>43.66</b>
<b>e. Retained Earnings (refer note (v) below)</b>		
Opening Balance	(1,176.27)	(1,326.72)
Add: Profit/(Loss) for the year	594.91	170.28
Add: Other comprehensive income arising from remeasurement of Defined Benefit Plans	(0.02)	0.00
(Less): Distribution on Unsecured Perpetual Equity Instrument	-	(19.83)
<b>Closing Balance Total (e)</b>	<b>(581.38)</b>	<b>(1,176.27)</b>
<b>f. Security premium (refer note (vi) below)</b>		
Opening Balance	3,834.32	-
Add : Addition during the year	-	3,834.32
<b>Closing Balance Total (f)</b>	<b>3,834.32</b>	<b>3,834.32</b>
<b>g. Restructring reserve (refer note (vii) below)</b>		
Opening Balance	5,321.04	-
Add: Reserve created on account of restructuring #	-	5,321.04
<b>Closing Balance Total (g)</b>	<b>5,321.04</b>	<b>5,321.04</b>
<b>Total (a + b + c + d + e + f + g)</b>	<b>9,806.05</b>	<b>9,211.16</b>

### Notes:

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

## Notes to Financial Statements

for the year ended March 31, 2024

### 19. Other Equity (Contd...)

- iii. **General Reserve** : It has been created pursuant to the demerger of transmission undertaking of Adani Enterprises Limited into the company. The general reserve is used from time to time to transfer profit from retained earnings for apportion purposes.
- iv. **Self Insurance Reserve** : The company has decided that insurance of the transmission lines of subsidiary companies would be through the self-insurance to mitigate the loss of assets hence a reserve has been created in current year. The insurance of sub stations of subsidiary companies are covered through insurance companies under all risk policy.
- v. **Retained Earnings** : Retained earnings represents the amount of profits or losses of the company earned till date net of appropriation.
- vi. **Security premium** : In FY 2022-23 the Company has received an aggregate consideration of ₹ 3,850.00 crore from Green Transmission Investment Holding RSC Limited towards subscription of 15682600 equity shares of the company of the face value of ₹ 10 each at price of ₹ 2,454.95 per equity share which includes a premium of ₹ 2,444.95 per equity share aggregating to ₹ 3,834.32 crore
- vii. **Restructuring reserve** : During the previous year, Company has transferred/novated, its investments in equity shares (at fair value), and Inter Corporate Deposits placed with ATIL and MEGPTCL, USD denominated borrowings of Senior Secured Notes / Bonds (aggregating USD 937.50 million) along with corresponding hedge contracts, identified fixed assets, cash equivalent to restricted reserve and working capital loans to ATSOL. The Company has received the consideration on transfer of the said assets and liabilities in form of 0% Compulsorily Convertible Debentures from ATSOL. The transaction being a common control transaction, the difference between net liabilities transferred and the value of CCD recorded, being ₹ 5,321.04 crore has been recognized in Other Equity of the Company.

# Refer Note 38

### 20. Non Current Financial Liabilities - Borrowings

(₹ in crore)

Particulars	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
<b>Unsecured</b>				
From Subsidiaries (Refer note 48)	3,616.26	1,535.84	-	-
From Other Related Parties (Refer note 48)	485.52	104.70	-	-
8.5% Unsecured Non-Convertible Redeemable Debenture	-	99.87	99.94	-
<b>Total</b>	<b>4,101.78</b>	<b>1,740.41</b>	<b>99.94</b>	<b>-</b>
Amount disclosed under the head Current Financial Liabilities - Borrowings (Refer note 23)			(99.94)	-
<b>Total</b>	<b>4,101.78</b>	<b>1,740.41</b>	<b>-</b>	<b>-</b>

#### Notes

Borrowings	Security	Terms of Repayment
Inter Corporate Loan	- Unsecured	Inter-corporate loan of ₹ 4,101.78 crore (As on March 31, 2023 ₹ 1,640.54 crore ) is unsecured and carries interest in rage of 6.92 % to 11.10% p.a. and repayable by way of bullet installment as per agreement in Mar'26, Aug'26 & Apr'28.
Non Convertible Debenture	- Unsecured	8.50 % ₹ 100.00 crore (March 31, 2023 - ₹ 100.00 crore ) NCD are Half yearly Interst payment starting from May 2023 to Dec 2024. Principal repayment by Bullet payment in December 2024.

Note : During the year, the Company has complied with all the covenants as required under debenture agreement.



# Notes to Financial Statements

for the year ended March 31, 2024

## 21. Other Non-Current Liabilities

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Unearned financial guarantee commission	20.51	-
<b>Total</b>	<b>20.51</b>	<b>-</b>

## 22. Provisions

(₹ in crore)

Particulars	Non-Current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Provision for Gratuity	0.08	-	-	-
Provision for Compensated Absences (Refer Note 43)	0.10	0.04	0.06	0.02
Provision for Encashment of Bank guarantee	-	-	13.60	-
<b>Total</b>	<b>0.18</b>	<b>0.04</b>	<b>13.66</b>	<b>0.02</b>

## 23. Current Financial Liabilities - Borrowings

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Secured Borrowings</b>		
Bank Over Draft (secured by way of Margin money deposits (Refer note 8 & 13))	946.99	761.29
<b>Total (a)</b>	<b>946.99</b>	<b>761.29</b>
<b>Unsecured Borrowings</b>		
From Banks (working capital loan)	15.97	98.71
<b>Total (b)</b>	<b>15.97</b>	<b>98.71</b>
Current maturities of long-term borrowings (Refer Note 20)	99.94	-
<b>Total (c)</b>	<b>99.94</b>	<b>-</b>
<b>Total</b>	<b>1,062.90</b>	<b>860.00</b>

### Notes:

- The Bank Over draft amounting to ₹ 946.99 crore (March 31, 2023 - ₹ 761.29 crore) relating to working capital demand loan having rate of 7.75% to 10.00% p.a.
- The Unsecured borrowing amounting to ₹ 15.97 crore (March 31, 2023 - ₹ 98.71 crore) relating to working capital demand loan having rate of 9.65 % p.a.
- The Company has submitted all requisite filing on quarterly basis and there is no mismatch between these quarterly submissions and books of accounts.

## Notes to Financial Statements

for the year ended March 31, 2024

### 24. Trade Payables

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Trade Payables		
- Total outstanding dues of micro enterprise and small enterprise	1.27	0.21
- Total outstanding dues of creditors other than micro enterprise and small enterprise	97.77	2.46
<b>Total</b>	<b>99.04</b>	<b>2.67</b>

The Disclosure in respect of the amounts payable to Micro and Small Enterprises have been made in the standalone Financial Statements based on the information received and available with the company.

#### Note (a) Disclosure as per Micro, Small and Medium Enterprises Development Act, 2006

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) The principal amount remaining unpaid to any supplier at the end of each accounting year	1.27	0.21
(b) Interest due on principal amount remaining unpaid to any supplier at the end of each accounting year	-	-
(c) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
(d) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(e) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
(f) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

# Notes to Financial Statements

for the year ended March 31, 2024

## 24. Trade Payables (Contd...)

Note (b) : Trade payable ageing schedule

(₹ in crore)

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		<1 year	1-2 years	2-3 years	>3 years	
<b>As at March 31, 2024</b>						
(a) MSME	1.22	0.05	-	-	-	1.27
(b) Others	81.51	16.26	-	-	-	97.77
(c) Disputed dues – MSME	-	-	-	-	-	-
(d) Disputed dues - Others	-	-	-	-	-	-
<b>Total</b>	<b>82.73</b>	<b>16.31</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>99.04</b>

(₹ in crore)

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		<1 year	1-2 years	2-3 years	>3 years	
<b>As at March 31, 2023</b>						
(a) MSME	0.21	-	-	-	-	0.21
(b) Others	1.55	0.91	-	-	-	2.46
(c) Disputed dues - MSME	-	-	-	-	-	-
(d) Disputed dues - Others	-	-	-	-	-	-
<b>Total</b>	<b>1.76</b>	<b>0.91</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2.67</b>

(Figures below ₹ 50,000 are denominated by ₹ 0.00 crore)

## 25. Current Financial Liabilities - Others

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Interest accrued but not due on borrowings	3.18	3.19
Retention money	57.38	0.66
Other financial liabilities	17.81	20.91
<b>Total</b>	<b>78.37</b>	<b>24.76</b>

## 26. Other Current Liabilities

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Statutory liabilities	9.88	3.64
Advance from customers	85.94	6.69
<b>Total</b>	<b>95.82</b>	<b>10.33</b>

## Notes to Financial Statements

for the year ended March 31, 2024

### 27. Revenue from Operations

(₹ in crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Sale of Traded Goods	1,006.59	685.56
Sale of Services	478.78	2.44
Construction revenue relating to Service Concession Arrangements (SCA)	31.98	-
<b>Total</b>	<b>1,517.35</b>	<b>688.00</b>

#### Details of Revenue from Contract with Customer

##### Contract balances:

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

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Trade receivables (Refer note 12)	60.36	2.25
Unbilled Revenue (Refer note 16)	167.10	-
Contract assets on account of Service Arrangements (Refer note 17)	31.98	-
Contract liabilities (Refer note 26)	85.94	6.69

##### Contract assets :

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

##### Contract liabilities :

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

#### Reconciliation the amount of revenue recognised in the statement of profit and loss with the contracted price:

(₹ in crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue as per contracted price	1,517.35	688.00
<b>Adjustments</b>		
Discounts	-	-
<b>Revenue from contract with customers</b>	<b>1,517.35</b>	<b>688.00</b>



# Notes to Financial Statements

for the year ended March 31, 2024

## 27. Revenue from Operations (Contd...)

The following table provides information about contract liabilities with customers.

### Contract liabilities :

Particulars	(₹ in crore)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Opening Balance</b>		
Liabilities towards consumers	6.69	-
Addition during the year	94.85	6.69
Income adjusted during the year	(15.60)	-
<b>Closing Balance</b>		
Liabilities towards consumers	85.94	6.69

## 28. Other Income

Particulars	(₹ in crore)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Interest Income</b>		
- Bank	90.51	59.87
- Loans & Advance	584.23	533.37
- Others	0.21	0.96
<b>Dividend Income</b>		
- From Subsidiary	255.99	-
<b>Gain / (Loss) on Investments</b>		
- Gain / (Loss) on Fair/Sale Value on instrument / investment measured at FVTPL	58.79	16.99
<b>Other Non-operating Income</b>		
- Unclaimed liabilities / Excess provision written back	2.14	-
- Others	2.67	3.60
<b>Total</b>	<b>994.54</b>	<b>614.79</b>

## 29. Purchases of Stock - In - Trade

Particulars	(₹ in crore)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Purchases of Stock - in - trade	1,006.08	685.24
<b>Total</b>	<b>1,006.08</b>	<b>685.24</b>

## 30. Operating Expenses

Particulars	(₹ in crore)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Cost of material consumed	429.08	-
Construction Expenses relating to Service Concession Arrangements (SCA)	31.98	-
Repairs and maintenance	-	0.59
<b>Total</b>	<b>461.06</b>	<b>0.59</b>

## Notes to Financial Statements

for the year ended March 31, 2024

### 31. Employee Benefits Expense

(₹ in crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries, Wages and Bonus	1.86	1.08
Contribution to Provident and Other Funds *	0.04	0.01
Staff Welfare Expenses	0.15	0.09
<b>Total</b>	<b>2.05</b>	<b>1.18</b>

\* Including contribution to Gratuity expense of ₹ (0.01) crore (PY ₹ (0.04) crore)

### 32. Finance Costs

(₹ in crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest Expenses	324.70	262.95
Interest on Lease Obligation	0.13	0.13
Bank Charges & Other Borrowing Costs	23.01	17.52
Hedging Cost (including premium / interest)	-	135.48
<b>Total</b>	<b>347.84</b>	<b>416.08</b>

### 33. Other Expenses

(₹ in crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Stores and Spares Consumed	0.13	-
Service charges	-	0.08
Repairs and Maintenance - Others	0.01	0.06
Rates and Taxes	-	0.00
Legal & Professional Expenses	22.99	9.84
Directors' Sitting Fees	0.55	0.31
Corporate Social Responsibility (Refer Note 41)	0.56	-
Payment to Auditors (Refer note below)	0.54	0.58
Advertisement expense	6.13	2.50
Bid & Tender Expense	1.61	14.50
Communication Expenses	0.04	0.01
Travelling & Conveyance Expenses	0.90	0.28
Forex gain or loss on Non - financing activities	0.03	-
Miscellaneous Expenses	1.69	1.10
<b>Total</b>	<b>35.18</b>	<b>29.26</b>

# Notes to Financial Statements

for the year ended March 31, 2024

## 33. Other Expenses (Contd...)

### Payment to Auditors

(Excluding Goods and Service Tax)

Particulars	(₹ in crore)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>As auditor:</b>		
Statutory Audit Fees	0.30	0.44
Out of pocket expenses	0.06	0.00
Others	0.18	0.14
	<b>0.54</b>	<b>0.58</b>

(Figures below ₹ 50,000 are denominated by ₹ 0.00 crore)

## 34. Income Tax

Particulars	(₹ in crore)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Income Tax Expenses</b>		
<b>Current Tax :</b>		
Income Tax Charge	64.43	0.01
	<b>64.43</b>	<b>0.01</b>

The Government of India inserted Section 115BAA in the Income Tax Act, 1961 which provides domestic companies a non-reversible option to pay corporate tax at reduced rates effective from April 1, 2019 subject to certain conditions. The Company has adopted to pay the tax at concessional rate by adopting to the said scheme.

Particulars	(₹ in crore)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Accounting profit/(loss) before tax</b>	659.34	170.29
<b>Income tax using the company's domestic tax rate @ 25.168% (P.Y - tax rate @ 25.168%)</b>	165.94	42.86
<b>Tax Effect of :</b>		
i) Incremental depreciation / allowance allowable on assets	(0.00)	(0.00)
ii) Non deductible expenses	(0.00)	(0.00)
iii) Interest accrued on perpetual equity instrument	-	(4.99)
iv) Credit taken for previous year losses for which no DTA was recognized	(101.65)	(37.86)
v) Unabsorbed Depreciation and Business loss	0.14	-
	<b>64.43</b>	<b>0.01</b>
<b>Tax provisions :</b>		
Current tax for the year	64.43	0.01
<b>Income tax recognised in statement of profit and loss at effective rate</b>	<b>64.43</b>	<b>0.01</b>

## Notes to Financial Statements

for the year ended March 31, 2024

### 34. Income Tax (Contd...)

#### Unrecognised deductible temporary differences, unused tax losses and unused tax credits

Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised are attributable to the following :

Particulars	(₹ in crore)	
	As at March 31, 2024	As at March 31, 2023
Unused tax losses (Revenue in nature) and Unabsorbed depreciation*	763.58	1,196.53

\* Note -

- The Company is having carried forward losses aggregating to ₹ 763.58 crore (Previous Year ₹ 1,196.53 crore) under the Income Tax Act, 1961.
- Deferred tax assets has not been recognised in respect of the unabsorbed depreciation and unabsorbed losses of the Company aggregating to ₹ 763.58 crore (Previous year ₹ 1,196.53 crore), in the absence of certainty of future profits. The expiry of unrecognised Deferred Tax Asset is as detailed below:

(₹ in crore)			
As at March 31, 2024	Business Losses	Unabsorbed Depreciation	Total
<b>Unrecognised deferred tax assets</b>			
Within One Year	-	-	-
Greater than one year, less than five years	-	-	-
Greater than five years	763.58	-	763.58
No expiry date	-	-	-
<b>Total</b>	<b>763.58</b>	<b>-</b>	<b>763.58</b>

(₹ in crore)			
As at March 31, 2023	Business Losses	Unabsorbed Depreciation	Total
<b>Unrecognised deferred tax assets</b>			
Within One Year	6.31	-	6.31
Greater than one year, less than five years	739.57	-	739.57
Greater than five years	450.10	-	450.10
No expiry date	-	0.55	0.55
<b>Total</b>	<b>1,195.98</b>	<b>0.55</b>	<b>1,196.53</b>

(Figures below ₹ 50,000 are denominated by ₹ 0.00 crore)

### 35. Earnings Per Share (EPS)

(₹ in crore)		
Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Basic and Diluted EPS - From Total Operations</b>		
Profit after tax (₹ in crore)	594.91	170.28
Less: Distribution on Unsecured Perpetual Equity Instrument (₹ in crore)	-	(19.83)
Profit attributable to equity shareholders (₹ in crore)	594.91	150.45
Weighted average number of equity shares outstanding during the year	No. 1,11,54,92,683	1,11,37,31,076
Nominal Value of equity share ₹	10	10
Basic and Diluted EPS ₹	5.33	1.35



# Notes to Financial Statements

for the year ended March 31, 2024

## 36. Contingent Liabilities and Commitments

(₹ in crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>(i) Contingent liabilities :</b>		
<b>Claims against the Company not acknowledged as debts</b>		
- Performance bank guarantee given by the Company on behalf of Subsidiary companies	1,567.01	427.14
	<b>1,567.01</b>	<b>427.14</b>

**Note:**

- Performance Bank guarantee given by the Company on behalf of Subsidiary companies against which the Subsidiary companies have taken counter guarantees from their respective EPC contractors.

<b>(ii) Commitments :</b>		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advance)	403.06	20.47

**Note :**

- The Company has funding commitments to a subsidiary, the occurrence and amounts of which are contingent on occurrence of future events.

## 37. (i) Details of the funds loaned by the Company to Intermediaries for further Loan or investment to the Ultimate beneficiaries

(₹ in crore)

Name of the intermediary to which the funds are advanced	Date on which funds are Loaned to Intermediary	Amount of funds Loaned	Date on which funds are further Loaned or invested by Intermediaries to other intermediaries or Ultimate Beneficiaries	Amount of fund further loaned or invested by such Intermediaries to other intermediaries or Ultimate Beneficiaries	Ultimate Beneficiary
ATL HVDC Limited	April 6, 2023	2.50	April 06, 2023	2.50	Adani Electricity Mumbai Infra Limited
	May 12, 2023	0.20	May 12, 2023	0.20	
	May 18, 2023	0.20	May 18, 2023	0.20	
	May 23, 2023	5.00	May 23, 2023	5.00	
	May 31, 2023	15.00	May 31, 2023	15.00	
	June 6, 2023	1.20	June 06, 2023	1.20	
	June 13, 2023	110.37	June 13, 2023	110.37	
	June 23, 2023	1.00	June 23, 2023	1.00	
	June 30, 2023	1.50	June 30, 2023	1.50	
	July 6, 2023	1.35	July 06, 2023	1.35	
	July 7, 2023	1.59	July 07, 2023	1.59	
	July 13, 2023	0.58	July 13, 2023	0.58	
	July 20, 2023	37.00	July 20, 2023	37.00	

## Notes to Financial Statements

for the year ended March 31, 2024

Name of the entity	Registered Address	Relationship with the company
Adani Electricity	Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad, Gujarat, India, 382421	Subsidiary
Mumbai Infra Limited	Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad, Gujarat, India, 382421	Company
ATL HVDC Limited	Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad, Gujarat, India, 382421	Subsidiary
		Company

- (ii) No funds have been received by the Parent or its subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

**38.** During the previous year, the Company has consequent to an agreement (as part of internal restructuring) entered into between itself and its wholly own subsidiaries, viz; Adani Transmission Step-One Limited ('ATSOL'), Adani Transmission (India) Limited ('ATIL'), and Maharashtra Eastern Grid Power Transmission company Limited ('MEGPTCL'), has transferred/novated, as the case may be, its investments in equity shares of (at fair value), and Inter Corporate Deposits placed with ATIL and MEGPTCL, USD denominated borrowings of Senior Secured Notes / Bonds (aggregating USD 937.50 million) along with corresponding hedge contracts, identified fixed assets, cash equivalent to restricted reserve and working capital loans to ATSOL after obtaining requisite approvals. ATSOL has discharged the consideration towards acquisition of the said assets and liabilities by way of issuance of twenty five crore Compulsorily Convertible Debentures (CCD) of face value of ₹ 100 to AESL amounting to ₹ 2,500.00 crore. The transaction being "Common control transaction" has been accounted at book value and the difference being ₹ 5,321.04 crore between net liabilities transferred and the consideration received in form of CCD, is recognised under the head 'Restructuring reserve' (Other equity).

### Assets transferred :

Particulars	(₹ in crore)
Fixed assets (Land)	0.04
Investment in equity share of ATIL & MEGPTCL (having fair value ₹ 7,821.05 crore)	1,246.60
Loans & Advance (current & non current)	1,751.65
Cash Equivalent to Restricted Reserve	80.00
Derivative instruments designated in hedge accounting relationship (current & non current)	293.12
Pre-Paid expenditure (consent Fees)	17.07
<b>Total A :</b>	<b>3,388.48</b>

### Liabilities transferred :

Particulars	(₹ in crore)
Senior Secured USD Bonds (including unamortised cost)	7,391.00
Hedge Reserve	(200.12)
Working Capital	220.00
Interest Accrued but Not Due on bonds	52.04
<b>Total B :</b>	<b>7,462.92</b>

Particulars	(₹ in crore)
Net liabilities transferred to ATSOL (A-B)	4,074.44
Consideration received in form of CCD (having face value ₹ 2,500.00 crore)	1,246.60
<b>Restructuring reserve arise on account of restructuring</b>	<b>5,321.04</b>

## Notes to Financial Statements

for the year ended March 31, 2024

- 39. (i)** During the year, Company has signed a Share Purchase Agreement (SPA) and completed the acquisition of : Under-development transmission company 'KPS 1 Transmission Limited' from Megha Engineering & Infrastructures Limited (MEIL). The acquisition involves the implementation of the KPS1 - Khavda PS GIS (KPS2) 765 kV double circuit line and the augmentation of Khavda PS1 in the state of Gujarat. The Company has signed definitive agreements with MEIL on August 16, 2023 for acquisition of KPS1 Transmission Limited ("KPS1") in a manner consistent with Transmission Service Agreement and applicable consents. The Company has acquired of 49% Equity Shares of KPS1 Transmission Limited ("KPS1") during the year and the balance equity shares of KPS1 will be acquired from MEIL after obtaining requisite approvals.
- (ii) Company has signed share purchase agreement with PFC Consulting Limited and acquired 100 per cent shares of Halvad Transmission Limited. The acquisition involves setting up a 765 kV Halvad switching station with a 2x330 MVA bus reactors and Line-in, Line-Out of Lakadia-Ahmedabad 765 kV D/c line at Halvad.
- (iii) Company has acquired a 100% stake in Sangod Transmission Service Limited from Rajasthan Rajya Vidyut Prasaran Nigam Limited. The project includes implementation of transmission project – RAJ/PPP – 11 – 2X 400/220 kV, 500 MVA grid substation in Sangod, in addition to a 220/132kV, 160 MVA transformer, and the associated transmission line infrastructure.
- (iv) During the previous year, the Company had signed definitive agreements with Essar Power Limited ('EPL') for acquiring 673 Ckt. kms operational inter-state transmission project (stage II) owned and operated by Essar Power Transmission Company Limited (EPTCL), a subsidiary of EPL. The Enterprise value for the transaction is ₹ 1,913.00 crore. Pursuant to the agreement, the Company has given an interest-bearing loan of ₹ 400.00 crore and advance of ₹ 69.17 crore toward acquisition to EPL. The transaction is expected to be completed by June 2024 as the approval of Central Electricity Regulatory Commission ("CERC") and National Company Law Tribunal ("NCLT") for bifurcation of the license is received.

### 40. Lease

#### Disclosure under Ind AS 116 Leases:

(₹ in crore)	
Particulars	Amount
<b>Balance as at April 1, 2023</b>	<b>1.47</b>
Addition in Lease Liabilities	-
Finance Costs incurred during the year	0.13
Net Payments of Lease Liabilities	(0.16)
<b>Balance as at March 31, 2024</b>	<b>1.44</b>

(₹ in crore)	
Particulars	Amount
<b>Balance as at April 1, 2022</b>	<b>1.50</b>
Addition in Lease Liabilities	-
Finance Costs incurred during the year	0.13
Net Payments of Lease Liabilities	(0.16)
<b>Balance as at March 31, 2023</b>	<b>1.47</b>

The company has entered Optical Fibre Lease Agreement with the Adani Transmission (India) Limited for grant to "Indefeasible Right of Use" of Dark fibres on lease to the company for the fixed period of 15 years from Mundra to Mohindergarh for approx. 1020 Kms and can be renew the agreement by mutual agreement. Further, company is liable to pay the O&M Fees for at the rate of 3% per annum of each Link's IRU Fee on quarterly basis in advance.

The expenses relating to payments not included in the measurement of the lease liability and recognised as expenses in the statement of profit and loss during the year is as follows : Low Value leases & Short-term leases : ₹ 0.01 crore ( PY - ₹ 0.01 crore).

## Notes to Financial Statements

for the year ended March 31, 2024

### 41. Corporate Social Responsibility (CSR)

As per section 135 of the Companies Act, 2013, a Corporate Social Responsibility (CSR) committee has been formed by the Company. The funds are utilized on the activities which are specified in Schedule VII of the Companies Act, 2013. The utilisation is done by way of contribution towards various activities.

- (a) Gross amount as per the limits of Section 135 of the Companies Act, 2013 : ₹ 0.56 crore (Previous year : ₹ Nil)
- (b) Amount spent and paid during the year ended March 31, 2024 : ₹ 0.56 crore (Previous year : ₹ Nil)

#### Details of Corporate Social Responsibilities

Particulars	(₹ in crore)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
(i) Amount required to be spent by the company during the year	0.09	-
(ii) Amount of expenditure incurred		
(a) Construction / Acquisition of asset	-	-
(b) On purposes other than (a) above	0.56	-
(iii) (Excess) / shortfall at the end of the year	(0.47)	-
(iv) Total of previous years shortfall	-	-
<b>Total amount contributed during the year</b>	<b>0.09</b>	<b>-</b>
(v) Reason for shortfall : N.A.		
(vi) Nature of CSR activities	Activities related to sustainable livelihood, education and rural infrastructure development in various places of Rajasthan & Maharastra states.	
(vii) Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	0.56	-
(viii) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year	N.A.	N.A.

### 42. Segment Reporting

The Company prepares separate financial statements as well consolidated financial and hence segment reporting as required under Ind AS 108 - 'Operating Segment' has been given in consolidated financial statements. Hence, no separate disclosure of segment reporting is required.

### 43. As per Ind AS 19 "Employee Benefits", the disclosures are given below.

- The Company has a defined benefit gratuity plan (funded) and is governed by the Payment of Gratuity Act, 1972. Under the Act, every employee who has completed at least five year of service is entitled to gratuity benefits on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with Life Insurance Corporation of India (LIC) in form of a qualifying insurance policy for future payment of gratuity to the employees.
- Each year, the management reviews the level of funding in the gratuity fund. Such review includes the asset – liability matching strategy. The management decides its contribution based on the results of this review. The management aims to keep annual contributions relatively stable at a level such that no plan deficits (based on valuation performed) will arise.

# Notes to Financial Statements

for the year ended March 31, 2024

## 43. As per Ind AS 19 "Employee Benefits", the disclosures are given below. (Contd...)

### (a) (i) Defined Benefit Plan

The Company operates a defined benefit plan (the Gratuity plan) covering eligible employees, which provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment.

The status of gratuity plan as required under Ind AS-19:

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>i). Reconciliation of Opening and Closing Balances of defined benefit obligation</b>		
Present Value of Defined Benefit Obligations at the beginning of the Year	0.12	0.12
Current Service Cost	0.03	0.01
Interest Cost	0.01	0.01
Re-measurement (or Actuarial) (gain) / loss arising from:		
- Change in demographic assumptions	0.05	(0.00)
- Change in financials assumptions	(0.01)	(0.01)
- Experience variance (i.e. Actual experience vs assumptions)	(0.02)	0.01
Liabilities Transfer In/Out	0.10	(0.01)
Benefits paid	(0.09)	-
Present Value of Defined Benefit Obligations at the end of the Year	<b>0.19</b>	<b>0.12</b>
<b>ii). Reconciliation of Opening and Closing Balances of the Fair value of Plan assets</b>		
Fair Value of Plan assets at the beginning of the Year	0.43	0.76
Investment Income	0.03	0.05
Contributions		
Benefits paid	(0.35)	(0.38)
Return on plan assets, excluding amount recognised in net interest expenses	-	-
Fair Value of Plan assets at the end of the Year	<b>0.11</b>	<b>0.43</b>
<b>iii). Reconciliation of the Present value of defined benefit obligation and Fair value of plan assets</b>		
Present Value of Defined Benefit Obligations at the end of the Year	0.19	0.12
Fair Value of Plan assets at the end of the Year	0.11	0.43
Net Asset / (Liability) recognized in balance sheet as at the end of the year	<b>(0.08)</b>	<b>0.31</b>
<b>iv). Composition of Plan Assets</b>		
100% of Plan Assets are administered by LIC		



## Notes to Financial Statements

for the year ended March 31, 2024

### 43. As per Ind AS 19 "Employee Benefits", the disclosures are given below. (Contd...)

(₹ in crore)		
Particulars	As at March 31, 2024	As at March 31, 2023
<b>v). Gratuity Cost for the Year</b>		
Current service cost	0.03	0.01
Interest cost	0.01	0.01
Expected return on plan assets	(0.03)	(0.05)
Actuarial Gain / (Loss)	-	-
Net Gratuity cost recognised in the statement of Profit and Loss	<b>0.01</b>	<b>(0.04)</b>
<b>vi). Other Comprehensive Income</b>		
Actuarial (gains) / losses		
- Change in demographic assumptions	0.05	(0.00)
- Change in financial assumptions	(0.01)	(0.01)
- Experience variance (i.e. Actual experiences assumptions)	(0.02)	0.01
Return on plan assets, excluding amount recognised in net interest expense	-	-
Components of defined benefit costs recognised in other comprehensive income	0.02	(0.00)
<b>vii). Actuarial Assumptions</b>		
Discount Rate (per annum)	7.20%	7.50%
Annual Increase in Salary Cost	9.00%	10.00%
Mortality rate	100% of IALM 2012-14	100% of IALM 2012-14
Normal retirement age	58 years	58 years
Attrition / Withdrawal rate	14.29%	0.00%

viii). The Company has defined benefit plans for Gratuity to eligible employees, the contributions for which are made to Life Insurance Corporation of India who invests the funds as per Insurance Regulatory Development Authority guidelines.

#### ix). Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase, attrition rate and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

(₹ in crore)		
Particulars	As at March 31, 2024	As at March 31, 2023
Defined Benefit Obligation (Base)	0.19	0.12

# Notes to Financial Statements

for the year ended March 31, 2024

## 43. As per Ind AS 19 "Employee Benefits", the disclosures are given below. (Contd...)

(₹ in crore)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%)	0.22	0.16	0.13	0.11
(% change compared to base due to sensitivity)	19.5%	-15.8%	6.3%	-5.7%
Salary Growth Rate (- / + 1%)	0.16	0.22	0.11	0.13
(% change compared to base due to sensitivity)	-15.7%	18.9%	-5.7%	6.1%
Attrition Rate (- / + 50%)	0.19	0.19	0.13	0.12
(% change compared to base due to sensitivity)	0.0%	0.0%	6.5%	-3.8%
Mortality Rate (- / + 10%)	0.19	0.19	0.12	0.12
(% change compared to base due to sensitivity)	0.1%	0.1%	0.0%	0.0%

These plans typically expose the Company to actuarial risks such as below :

**Interest Rate risk:** The plan exposes the Company to the risk off all in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.

**Salary Escalation Risk:** The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

**Demographic Risk:** The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

**Investment Risk:** The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

### x). Asset Liability Matching Strategies

The Company has purchased insurance policy, which is basically a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance Company, as part of the policy rules, makes payment of all gratuity outgoes happening during the year (subject to sufficient funds under the policy). The policy, thus, mitigates the liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Company is exposed to movement in interest rate (in particular, the significant fall in interest rates, which should result in a increase in liability without corresponding increase in the asset).

## Notes to Financial Statements

for the year ended March 31, 2024

### 43. As per Ind AS 19 "Employee Benefits", the disclosures are given below. (Contd...)

#### xi). Effect of Plan on Entity's Future Cash Flows

##### a) Funding arrangements and Funding Policy

The Company has purchased an insurance policy to provide for payment of gratuity to the employees of the group. Every year, the insurance company carries out a funding valuation based on the latest employee data provided by the Company. Any deficit in the assets arising as a result of such valuation is funded by the Company.

##### b) Expected Contribution during the next annual reporting period

The Company's best estimate of Contribution during the next year is 0.15 crore

##### c) Maturity Profile of Defined Benefit Obligation

Weighted average duration (based on discounted cash flows) - 18 years.

Expected cash flows over the next (valued on undiscounted basis):	(₹ in crore)
1 year	0.00
2 to 5 years	0.00
6 to 10 years	0.07
More than 10 years	0.69

#### xii). The Company has defined benefit plans for Gratuity to eligible employees of the group, the contributions for which are made to Life Insurance Corporation of India who invests the funds as per Insurance Regulatory Development Authority guidelines.

The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.

The expected contributions for Defined Benefit Plan for the next financial year will be in line with FY 2023-24.

The actuarial liability for compensated absences (including Sick Leave) as at the year ended March 31, 2024 is ₹ 0.16 crore (March 31, 2023 is ₹ 0.06 crore).

#### (b) Defined Contribution Plan

##### (i) Provident fund

- Employer's contribution to Employees' State Insurance

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

Particulars	(₹ in crore)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Employer's Contribution to Provident Fund	0.05	0.04

## Notes to Financial Statements

for the year ended March 31, 2024

**44.** The details of loans of the Company outstanding at the end of the year, in terms of regulation 53 (F) & 34(3) read together with para A of Schedule V of SEBI (Listing Obligation and Disclosure Regulation, 2015) and as per section 186(4) of the Companies Act, 2013.

(₹ in crore)

Name of the Company (Subsidiaries)	Outstanding Amount		Maximum amount outstanding during the year	
	As at March 31, 2024*	As at March 31, 2023	2023-24	2022-23
Maharashtra Eastern Grid Power Transmission Company Limited #	-	-	-	1,588.78
Adani Transmission (India) Limited #	-	-	-	552.74
Adani Transmission (Rajasthan) Limited	14.08	14.08	15.52	14.08
North Karanpura Transco Limited	37.38	546.98	546.98	546.98
Aravali Transmission Service Company Limited	23.39	23.19	23.39	28.45
Fatehgarh- Bhadla Transmission Limited	419.71	380.86	419.71	380.86
Ghatampur Transmission Limited	-	48.45	49.61	48.45
OBRA-C Badaun Transmission Limited	271.66	238.00	271.66	238.00
WRSS XXI (A) Transco Limited	678.89	613.00	678.89	613.00
Lakadia Banaskatha Transco Limited	748.31	679.02	748.31	679.02
Adani Transmission Step One Limited	187.24	280.71	864.84	324.35
Jam Khambaliya Transco Limited	80.94	69.19	80.94	69.19
Arasan Infra Private Limited	6.80	1.63	6.80	1.63
Sunrays infra Space Private Limited	3.86	-	4.76	191.60
AEML Infrastructure Limited	9.44	8.57	9.44	8.57
Kharghar Vikhroli Transmission Limited	493.61	422.37	493.61	422.37
MP Power Transmission Package II Limited	18.84	125.61	400.09	125.61
ATL HVDC Limited	404.91	128.73	404.91	128.73
Warora Kurnool Transmission Limited	1,377.59	977.64	1,377.59	977.64
Adani Infra (INDIA) Limited	-	-	-	114.72
Karur Transmission Limited	77.77	14.86	77.77	14.86
Khavda-Bhuj Transmission Limited	27.06	122.61	519.61	122.61
Adani Transmission Step-Two Limited	0.13	0.11	0.13	0.11
WRSR Power Transmission Limited	5.31	18.25	176.42	18.25
Khavda II-A Transmission Limited	3.38	18.39	108.17	18.39
Best Smart Metering Limited	75.64	-	75.64	-
NE Smart Metering Limited	2.44	-	2.44	-
KPS1 Tranmissioin Limited	21.60	-	125.28	-
Sanghod Transmission service Limited	39.29	-	39.29	-
Adani Transmission Step-Five Limited	0.29	-	0.29	-
Adani Cooling solution Limited	0.01	-	0.01	-
Halwad Transmissin Limited	2.64	-	51.53	-

## Notes to Financial Statements

for the year ended March 31, 2024

(₹ in crore)

Name of the Company (Subsidiaries)	Outstanding Amount		Maximum amount outstanding during the year	
	As at March 31, 2024*	As at March 31, 2023	2023-24	2022-23
Adani Transmission Step Six Limited	18.61	-	18.61	-
Adani Transmission Step Seven Limited	9.94	-	9.94	-
Adani Transmission Step Eight Limited	1.71	-	1.71	-
	<b>5,062.47</b>	<b>4,732.25</b>		

\* including amount of Interest accrued.

# Outstanding amount has been transferred to subsidiary company under restructuring scheme. (Refer note - 38)

Type of Borrowers	Amount of loan or advance in the nature of loan outstanding (₹ in crore)		Percentage to the total Loans and Advances in the nature of loans	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Loans to Subsidiary Companies	5,062.47	4,732.25	100.00%	100.00%

### 45. Financial Instruments and Risk Overview

#### (a) Capital Management

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

The Company sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments.

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

(₹ in crore)

Particulars	Refer Note	As at March 31, 2024	As at March 31, 2023
Total Borrowings (Including current maturities)	20 & 23	5,164.68	2,600.41
Less: Cash and bank balances	13 & 14	661.08	816.80
<b>Net Debt(A)</b>		<b>4,503.60</b>	<b>1,783.61</b>
Equity Share Capital & Other Equity (Net)	18 & 19	10,921.54	10,326.65
<b>Total Equity (B)</b>		<b>10,921.54</b>	<b>10,326.65</b>
<b>Total Equity and Net Debt (C=A+B)</b>		<b>15,425.14</b>	<b>12,110.26</b>
<b>Gearing Ratio : (A)/(C)</b>		<b>0.29</b>	<b>0.15</b>

- No changes were made in the objectives, policies or processes for managing capital during the year ended as at March 31, 2024 and as at March 31, 2023.



# Notes to Financial Statements

for the year ended March 31, 2024

## 45. Financial Instruments and Risk Overview (Contd...)

### (b) Financial Risk Management Objectives

- The Company's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations/projects. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.
- In the ordinary course of business, the Company is mainly exposed to risks resulting from exchange rate fluctuation (currency risk), interest rate movements (interest rate risk) collectively referred as Market Risk, Credit Risk, Liquidity Risk and other price risks such as equity price risk. The Company'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 and foreign currency forward contract to manage these risks. These derivative instruments reduce the impact of both favorable and unfavorable fluctuations.

The Company's risk management activities are subject to the management, direction and control of Central Treasury Team of the Group under the framework of Risk Management Policy for Currency and Interest rate risk as approved by the Board of Directors of the Company. The Group's central treasury team ensures appropriate financial risk governance framework for the Company 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 Company 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 current year, Company have no any foreign borrowing exposure and hence no derivative contracts.
- In the ordinary course of business, the Company is exposed to Market risk, Credit risk, and Liquidity risk.

#### Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and foreign currency risk.

#### 1) Interest rate risk

The company is exposed to changes in market interest rates due to financing, investing and cash management activities. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates and period of borrowings. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

#### Interest rate sensitivity

The sensitivity analysis below have been determined based on the exposure to interest rates at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease represents management's assessment of the reasonably possible change in interest rates. If interest rates had been 50 basis points higher / lower and all other variables were held constant, the Company's profit for the year ended March 31, 2024 would decrease / increase by ₹ 0.6 crore (P.Y. ₹ 1.50 crore). This is mainly attributable to interest rates on variable rate borrowings.

## Notes to Financial Statements

for the year ended March 31, 2024

### 45. Financial Instruments and Risk Overview (Contd...)

#### 2) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities. Accordingly, as at period end the Company does not have any unhedged outstanding foreign exposure and hence the Company is not exposed to any foreign currency risk as at period end.

\* Refer note - 38

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

Nature	Currency	As at March 31, 2024		As at March 31, 2023	
		millions	₹ in crore	millions	₹ in crore
Creditors	USD	0.28	2.32	0.01	0.08
Creditors	AED	14.08	31.68	-	-

#### Foreign Currency Risk Sensitivity

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

Particulars	For the Year 2023-24		For the Year 2022-23	
	1% Increase	1% Decrease	1% Increase	1% Decrease
<b>Risk Sensitivity</b>				
Rupee / USD - (Increase) / Decrease	(0.02)	0.02	(0.00)	0.00
Rupee / AED - (Increase) / Decrease	(0.32)	0.32	-	-

(₹ in crore)

#### Derivative Financial Instrument

- The Company uses derivatives instruments as part of its management of risks relating to exposure to fluctuation in foreign currency exchange rates. The Company does not acquire derivative financial instruments for trading or speculative purposes neither does it enter into complex derivative transactions to manage the above risks. The derivative transactions are normally in the form of Principal Only Swaps and Forward Currency Contracts to hedge its foreign currency risks and are subject to the Company's guidelines and policies.
- The fair values of all derivatives are separately recorded in the balance sheet within current and non current assets and liabilities. Derivative that are designated as hedges are classified as current or non current depending on the maturity of the derivative.
- The use of derivative can give rise to credit and market risk. The Company tries to control credit risk as far as possible by only entering into contracts with stipulated / reputed banks and financial institutions. The use of derivative instrument is subject to limits, authorities and regular monitoring by appropriate levels of management. The limits, authorities and monitoring systems are periodically reviewed by management and the Board. The market risk on derivative is mitigated by changes in the valuation of underlying assets, liabilities or transactions, as derivatives are used only for risk management purpose.

# Notes to Financial Statements

for the year ended March 31, 2024

## 45. Financial Instruments and Risk Overview (Contd...)

- The Company enters into derivative financial instruments, such as principal only swaps and forward currency contracts for hedging the liabilities incurred/recorded and accounts for them as cash flow hedges and states them at fair value. The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss. Amounts recognised in OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs. These hedges have been effective for the year period till August, 2022 (Refer note - 38).

### Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a loss to the company. The Company 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 Company measures the expected credit loss of trade receivable based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends. Based on the historical data, loss on collection of receivable is not material and hence no additional provision considered.

The carrying amount of financial assets recorded in the financial statements represents the Company's maximum exposure to credit risk.

The Company has issued corporate guarantees to banks and financial institutions on behalf of and in respect of loan / credit facilities availed by subsidiary companies. The value of corporate guarantee contracts given by the Company as at March 31, 2024 is ₹ 10,693.84 crore (as at March 31, 2023 ₹ 7,198.48 crore). The value of financial guarantee contracts denotes outstanding amount of credit facilities availed by subsidiary companies.

### Liquidity risk

The Company 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 Company'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 is analysis of derivative and non-derivative financial liabilities of the Company 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 crore)				
As at March 31, 2024	Less than 1 year	1-5 years	More than 5 years	Total
Borrowings *#	424.50	4,906.24	-	5,330.74
Trade Payables and Other Financial Liabilities **	177.41	-	-	177.41
Lease liability	0.17	0.91	1.36	2.44

## Notes to Financial Statements

for the year ended March 31, 2024

### 45. Financial Instruments and Risk Overview (Contd...)

(₹ in crore)

As at March 31, 2023	Less than 1 year	1-5 years	More than 5 years	Total
Borrowings **	893.04	1,932.53	-	2,825.57
Trade Payables and Other Financial Liabilities **	27.43	-	-	27.43
Lease liability	0.16	0.86	1.58	2.60

\* 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 Company.

### 46. Fair Value Measurement

The carrying value of financial instruments by categories as on March 31, 2024:

(₹ in crore)

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 Subsidiaries (Compulsory Convertible Debentures)	-	-	2,181.91	2,181.91	2,181.91
Investments in Subsidiaries (Optionally Convertible Debentures)	-	1,411.10	-	1,411.10	1,411.10
Investments in Subsidiaries (Optionally Convertible Redeemable Preference Shares)	-	10.84	-	10.84	10.84
Investments in Subsidiaries (Compulsorily Convertible Preference Shares)	-	-	9.87	9.87	9.87
Trade Receivables	-	-	60.36	60.36	60.36
Cash and Cash Equivalents	-	-	2.36	2.36	2.36
Other Balances with Bank	-	-	1,018.72	1,018.72	1,018.72
Loans	-	-	5,462.48	5,462.48	5,462.48
Other Financial Assets	-	-	492.82	492.82	492.82
<b>Total</b>	<b>-</b>	<b>1,421.94</b>	<b>9,228.52</b>	<b>10,650.46</b>	<b>10,650.46</b>
<b>Financial Liabilities</b>					
Borrowings (Including Interest Accrued)	-	-	5,167.86	5,167.86	5,167.86
Trade Payables	-	-	99.04	99.04	99.04
Other Financial Liabilities	-	-	75.19	75.19	75.19
Lease liability	-	-	1.44	1.44	1.44
<b>Total</b>	<b>-</b>	<b>-</b>	<b>5,343.53</b>	<b>5,343.53</b>	<b>5,343.53</b>

# Notes to Financial Statements

for the year ended March 31, 2024

## 46. Fair Value Measurement (Contd...)

The carrying value of financial instruments by categories as on March 31, 2023:

(₹ in crore)

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 Subsidiaries (Compulsory Convertible Debentures)	-	-	1,338.99	1,338.99	1,338.99
Investments in Subsidiaries (Optionally Convertible Debentures)	-	479.22	-	479.22	479.22
Investments in Subsidiaries (Optionally Convertible Redeemable Preference Shares)	-	9.86	-	9.86	9.86
Investments in Subsidiaries (Compulsorily Convertible Preference Shares)	-	-	8.69	8.69	8.69
Trade Receivables	-	-	2.25	2.25	2.25
Cash and Cash Equivalents	-	-	2.64	2.64	2.64
Other Balances with Bank	-	-	814.16	814.16	814.16
Loans	-	-	5,201.42	5,201.42	5,201.42
Other Financial Assets	-	-	170.35	170.35	170.35
<b>Total</b>	<b>-</b>	<b>489.08</b>	<b>7,538.51</b>	<b>8,027.59</b>	<b>8,027.59</b>
<b>Financial Liabilities</b>					
Borrowings (Including Interest Accrued & Current Maturities)	-	-	2,603.60	2,603.60	2,603.60
Trade Payables	-	-	2.67	2.67	2.67
Other Financial Liabilities	-	-	21.57	21.57	21.57
Lease liability	-	-	1.47	1.47	1.47
<b>Total</b>	<b>-</b>	<b>-</b>	<b>2,629.31</b>	<b>2,629.31</b>	<b>2,629.31</b>

- Above excludes carrying value of equity nature Investments in subsidiaries accounted at cost in accordance with Ind AS 27.
- The management assessed that the fair value of cash and cash equivalents, other balance with banks, investments, 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.



## Notes to Financial Statements

for the year ended March 31, 2024

### 47. Fair Value hierarchy

(₹ in crore)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Level 1	Level 2	Level 1	Level 2
<b>Assets measured at fair value</b>				
Investments in Subsidiaries	-	1,421.94	-	489.08
<b>Total</b>	<b>-</b>	<b>1,421.94</b>	<b>-</b>	<b>489.08</b>
<b>Liabilities for which fair values are disclosed</b>				
Borrowings (Including Interest Accrued & Current Maturities)	100.00	-	100.00	-
<b>Total</b>	<b>100.00</b>	<b>-</b>	<b>100.00</b>	<b>-</b>

- The fair value of Investments in Subsidiaries has been determined using Discounted Cash Flow Method.
- The fair value of Loans given is equivalent to amortised cost.

### 48. Related party disclosures

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

> <b>Ultimate Controlling Entity</b>	S. B. Adani Family Trust (SBAFT)
> <b>Subsidiary Company</b>	Sipat Transmission Limited
	Raipur – Rajnandgaon – Warora Transmission Limited
	Chhattisgarh – WR Transmission Limited
	Adani Transmission (Rajasthan) Limited
	North Karanpura Transco Limited
	Maru Transmission Service Company Limited
	Aravali Transmission Service Company Limited
	Hadoti Power Transmission Service Limited
	Barmer Power Transmission Service Limited
	Thar Power Transmission Service Limited
	Western Transco Power Limited
	Western Transmission (Gujarat) Limited
	Fatehgarh-Bhadla Transmission Limited
	Ghatampur Transmission Limited
	Adani Electricity Mumbai Limited
	Adani Electricity Navi Mumbai Limited
	(Formerly know as AEML Infrastructure Limited ( w.e.f October 21, 2022)
	OBRA-C Badaun Transmission Limited
	Adani Transmission Bikaner Sikar Private Limited
	Bikaner Khetri Transco Limited
	WRSS XXI(A) Transco Limited
	Arasan Infra Limited (Formerly known as 'Arasan Infra Private Limited')
	Sunrays Infra Space Limited
	(Formerly known as 'Sunrays Infra Space Private Limited')
	Lakadia Banaskantha Transco Limited

# Notes to Financial Statements

for the year ended March 31, 2024

## 48. Related party disclosures (Contd...)

> <b>Subsidiary Company</b>	Jam Khambaliya Transco Limited
	Power Distribution Service Limited (Formerly known as 'Adani Electricity Mumbai Services Limited')
	Adani Electricity Mumbai Infra Limited
	Kharghar Vikhroli Transmission Limited (Formerly known as 'Kharghar Vikhroli Transmission Private Limited')
	Adani Transmission Step-One Limited
	Alipurduar Transmission Limited
	AEML Seepz Limited
	Warora - Kurnool Transmission Limited
	MP Power Transmission Package-II Limited
	ATL HVDC Limited
	MPSEZ Utilities Limited (Formerly known as 'MPSEZ Utilities Private Limited')
	Karur Transmission Limited
	Khavda-Bhuj Transmission Limited
	Adani Transmission Step Two Limited (w.e.f. August 2, 2022)
	Adani Electricity Jewar Limited (w.e.f. September 12, 2022)
	Adani Cooling Solutions Limited (w.e.f. December 13, 2022)
	Best Smart Metering Limited (w.e.f. December 27, 2022)
	Adani Transmission Step-Three Limited (w.e.f. January 12, 2023)
	Adani Transmission Step-Four Limited (w.e.f. January 12, 2023)
	Adani Transmission Step-Five Limited (w.e.f. January 11, 2023)
	Adani Transmission Step- Six Limited (w.e.f. January 13, 2023)
	Adani Transmission Step-Seven Limited (w.e.f. January 12, 2023)
	Adani Transmission Step-Eight Limited (w.e.f. January 12, 2023)
	NE Smart Metering Limited (w.e.f. January 16, 2023) (formely known as 'Adani Transmission Step-Nine Limited')
	Adani Electricity Aurangabad Limited (w.e.f. March 15, 2023)
	Adani Electricity Nashik Limited (w.e.f. March 16, 2023)
	WRSR Power Transmission Limited (w.e.f. January 17, 2023)
	Khavda II-A Transmission Limited (w.e.f. March 28, 2023)
	KPS1 Transmission Limited (w.e.f. August 16, 2023)
	Sangod Transmission Service Limited (w.e.f. October 5, 2023)
	Halvad Transmission Limited (w.e.f. December 27, 2023)
	Sunrays Infra Space Two Limited (w.e.f. January 19, 2024)
	Arasan Infra Two Limited (w.e.f. January 20, 2024)
	Adani Energy Solutions Step-Twelve Limited (w.e.f. January 25, 2024)
	Adani Energy Solutions Step-Thirteen Limited (w.e.f. February 13, 2024)
> <b>Step-down Subsidiary Company</b>	Adani Transmission (India) Limited (from September 1, 2022)
	Maharashtra Eastern Grid Power Transmission Company Limited (from September 1, 2022)
	Adani Green Energy Thirty Limited
	Adani Transmission Mahan Limited (w.e.f. September 9, 2022)

## Notes to Financial Statements

for the year ended March 31, 2024

### 48. Related party disclosures (Contd...)

> Investment in Partnership firm	Adani LCC JV (w.e.f. December 12, 2022)
> Key Managerial Personnel (KMP)	Mr. Gautam S. Adani, Chairman
	Mr. Rajesh S. Adani, Director
	Mr. Anil Sardana, Managing Director
	Mr. K. Jairaj - Non Executive Director
	Dr. Ravindra H. Dholakia - Non Executive Director
	Ms. Meera Shankar - Non Executive Director
	Ms. Lisa Caroline Maccallum - Non Executive Director
	Mr. Kandarp Patel, Chief Executive Officer (Appointed w.e.f November 2, 2022)
	Mr. Kunjal Mehta - Chief Financial Officer (Appointed w.e.f April 1, 2024)
	Mr. Bimal Dayal, Chief Executive Officer (Resigned w.e.f December 8, 2023)
	Mr. Rohit Soni - Chief Financial Officer (Resigned w.e.f March 31, 2024)
	Mr. Jaladhi Shukla, Company Secretary
> Entities over which ultimate controlling entity or KMP above have control or significant influence (with whom transactions are done)	Adani Infra (India) Limited
	Adani Power (Mundra) Limited (amalgamated with Adani Power Limited w.e.f. March 7, 2023)
	Adani Power Limited
	Mundra Solar PV Limited
	Adani Infrastructure Management Service Limited
	Adani Enterprises Limited
	Adani Foundation
	Belvedere Golf and Country Club Private Limited
	Adani Digital Labs Private Limited
	DC Development Hyderabad Private Limited
	DC Development Noida Limited
	Adani Connex Private Limited
	Kutch Copper Limited
	Adani Green Energy Limited

### (A) Transactions with Related Parties

		(₹ in crore)	
Nature of transactions	Name of related party	For the year ended March 31, 2024	For the year ended March 31, 2023
Distribution on Unsecured Perpetual Equity Instruments (Refer Note: 1)	Adani Infra (India) Limited	-	19.83
Loan Given (Refer Note: 3)	Adani Infra (India) Limited	-	119.72
	Adani Transmission (India) Limited	-	51.47
	Adani Transmission Step-One Limited	1,852.89	659.15
	Adani Transmission Step-Two Limited	0.01	0.11
	Adani Electricity Navi Mumbai Limited	-	0.05

# Notes to Financial Statements

for the year ended March 31, 2024

## 48. Related party disclosures (Contd...)

(₹ in crore)

Nature of transactions	Name of related party	For the year ended March 31, 2024	For the year ended March 31, 2023
	Adani Cooling Solutions Limited	0.01	-
	Adani Transmission Step-Five Limited	0.28	-
	Adani Transmission Step- Six Limited	18.55	-
	Adani Transmission Step-Seven Limited	9.91	-
	Adani Transmission Step-Eight Limited	1.70	-
	Arasan Infra Limited	4.72	0.05
	Aravali Transmission Service Company Limited	-	3.10
	ATL HVDC Limited	273.28	29.85
	Fatehgarh-Bhadla Transmission Limited	-	2.00
	Ghatampur Transmission Limited	1.16	63.36
	Jam Khambaliya Transco Limited	4.36	0.60
	Halvad Transmission Limited	52.53	-
	Karur Transmission Limited	61.18	7.43
	Kharghar Vikhroli Transmission Limited	27.25	-
	Khavda-Bhuj Transmission Limited	405.54	103.39
	Lakadia Banaskantha Transco Limited	0.03	-
	Maharashtra Eastern Grid Power Transmission Company Limited	-	365.25
	MP Power Transmission Package-II Limited	388.28	120.72
	North Karanpura Transco Limited	325.00	612.40
	OBRA-C Badaun Transmission Limited	26.70	0.09
	Sunrays Infra Space Limited	4.76	618.74
	Warora Kurnool Transmission Limited	399.95	588.30
	WRSS XXI (A) Transco Limited	0.30	4.80
	KHAVDA II A Transmission Limited	89.78	18.39
	WRSR Power Transmission Limited	159.17	18.25
	NE Smart Metering Limited	2.41	-
	Best Smart Metering Limited	74.38	-
	KPS1 Transmission Limited	145.34	-
	Sangod Transmission Service Limited	38.87	-
Loan Given received back (Refer Note: 3)	Adani Infra (India) Limited	-	179.32
	Adani Transmission (India) Limited	-	224.87
	Adani Transmission Step One Limited	1,949.19	344.22
	Adani Transmission (Rajasthan) Limited	0.00	-
	Aravali Transmission Service Company Limited	2.00	10.65
	ATL HVDC Limited	27.21	-
	Ghatampur Transmission Limited	49.61	16.50
	Halvad Transmission Limited	50.00	-
	Karur Transmission Limited	2.50	-

## Notes to Financial Statements

for the year ended March 31, 2024

### 48. Related party disclosures (Contd...)

		(₹ in crore)	
Nature of transactions	Name of related party	For the year ended March 31, 2024	For the year ended March 31, 2023
	Khavda-Bhuj Transmission Limited	502.23	-
	Khavda II A Transmission Limited	108.17	-
	KPS1 Transmission Limited	125.00	-
	Maharashtra Eastern Grid Power Transmission Company Limited	-	506.56
	MP Power Transmission Package-II Limited	496.20	19.80
	North Karanpura Transco Limited	868.14	195.20
	OBRA-C Badaun Transmission Limited	17.44	1.30
	Sunrays Infra Space Limited	1.00	618.74
	WRSS XXI (A) Transco Limited	0.30	-
	WRSR Power Transmission Limited	177.42	-
Loan Taken	Adani Infra (India) Limited	445.00	104.58
	Adani Transmission (India) Limited	805.53	320.50
	Adani Transmission Bikaner Sikar Private Limited	-	10.00
	Adani Transmission Step One Limited	-	598.05
	Adani Transmission Step-Three Limited	400.00	-
	Alipurduar Transmisison Limited	52.18	42.25
	Barmer Power Transmission Service Limited	10.11	16.53
	Chhattisgarh-WR Transmission Limited	54.20	62.84
	Hadoti Power Transmission Service Limited	12.55	20.75
	Maharashtra Eastern Grid Power Transmission Company Limited	1,621.27	751.46
	Maru Transmission Service Company Limited	6.85	5.00
	MPSEZ Utilities Limited	122.00	274.15
	Raipur-Rajnandgaon-Warora Transmission Limited	83.41	68.51
	Sipat Transmission Limited	29.77	28.45
	Sunrays Infra Space Limited	87.22	1,985.33
	Thar Power Transmission Service Limited	8.51	16.53
	Western Transco Power Limited	13.30	23.50
	Western Transmission (Gujarat) Limited	15.97	21.40
Loans repaid	Adani Infra (India) Limited	101.08	-
	Adani Transmission (India) Limited	346.31	37.42
	Adani Transmission Step One Limited	-	597.23
	Adani Transmission Step-Three Limited	387.62	-
	Alipurduar Transmission Limited	18.00	-
	Chhattisgarh-WR Transmission Limited	-	8.14
	Maharashtra Eastern Grid Power Transmission Company Limited	362.51	363.42
	Maru Transmission Service Company Limited	3.06	1.23
	MPSEZ Utilities Limited	84.26	241.34



# Notes to Financial Statements

for the year ended March 31, 2024

## 48. Related party disclosures (Contd...)

(₹ in crore)

Nature of transactions	Name of related party	For the year ended March 31, 2024	For the year ended March 31, 2023
	Sipat Transmission Limited	-	1.50
	Sunrays Infra Space Limited	155.56	2,063.21
Perpetual Securities Issued \$	Maru Transmission Service Company Limited	-	8.00
Perpetual Securities issued Converted into ICD	Raipur-Rajnandgaon-Warora Transmission Limited	-	18.00
	Maru Transmission Service Company Limited	-	24.62
	Hadoti Power Transmission Service Limited	-	17.00
	Barmer Power Transmission Service Limited	-	13.00
	Thar Power Transmission Service Limited	-	11.00
Dividend Income	Adani Electricity Mumbai Limited	255.99	-
Investment in Joint venture	ADANI LCC JV-ICD	-	0.00
Repayment of perpetual securities	Adani Infra (India) Limited	-	3,055.65
Investment Increase in Equity	Adani Cooling Solution Limited	-	0.01
	Adani Electricity Jewar Limited	-	0.01
	Adani Transmission Step- Six Limited	-	0.01
	Adani Transmission Step-Eight Limited	-	0.01
	Adani Transmission Step-Five Limited	-	0.01
	Adani Transmission Step-Four Limited	0.49	0.01
	NE Smart Metering Limited	-	0.01
	Adani Transmission Step-Seven Limited	-	0.01
	Adani Transmission Step-Three Limited	-	0.01
	Adani Transmission Step-Two Limited	-	0.01
	Best Smart Metering Limited	-	0.01
	Ghatampur Transmission Limited	-	2.60
	Sunrays Infra Space Two Limited	0.01	-
	Arasan Infra Two Limited	0.01	-
	Khavda-Bhuj Transmission Limited	138.15	-
	MP Power Transmission Package-II Limited	119.79	-
	Adani Electricity Aurangabad Limited	0.01	-
	Adani Electricity Nashik Limited	0.01	-
	KPS1 Transmission Limited	2.12	-
	Sangod Transmission Service Limited	0.05	-
	KHAVDA II A Transmission Limited	87.33	0.05
	WRSR Power Transmission Limited	160.77	0.05
	Halvad Transmission Limited	0.01	-
Investment in CCD #	Adani Transmission Step One Limited	840.00	1,246.60
Investment in OCD	Ghatampur Transmission Limited	-	7.80
	MP Power Transmission Package-II Limited	359.53	-

## Notes to Financial Statements

for the year ended March 31, 2024

### 48. Related party disclosures (Contd...)

		(₹ in crore)	
Nature of transactions	Name of related party	For the year ended March 31, 2024	For the year ended March 31, 2023
	Khavda-Bhuj Transmission Limited	414.48	-
	Khavda II A Transmission Limited	59.85	-
	Wrsr Power Transmission Limited	80.39	-
Equity share application money - pending for allotment	MP Power Transmission Package-II Limited	4.80	-
OCD Application money - pending for allotment	WRSR Power Transmission Limited	0.75	-
	MP Power Transmission Package-II Limited	14.40	-
Interest Income (Refer Note: 2)	Adani Electricity Navi Mumbai Limited	0.94	0.85
	Adani Infra (India) Limited	-	7.22
	Adani Transmission (India) Limited	-	24.06
	Adani Transmission (Rajasthan) Limited	1.55	1.55
	Adani Transmission Step One Limited	42.98	5.00
	Adani Transmission Step-Two Limited	0.01	-
	Adani Cooling Solutions Limited	0.00	-
	Adani Transmission Step-Eight Limited	0.01	-
	Adani Transmission Step-Five Limited	0.01	-
	Adani Transmission Step-Seven Limited	0.04	-
	Adani Transmission Step- Six Limited	0.07	-
	Arasan Infra Limited	0.50	0.16
	Aravali Transmission Service Company Limited	2.37	2.29
	ATL HVDC Limited	32.96	11.77
	Best Smart Metering Limited	1.35	-
	Bikaner-Khetri Transmission Limited	15.95	5.44
	Fatehgarh-Bhadla Transmission Limited	42.01	37.70
	Ghatampur Transmission Limited	41.90	11.48
	Jam Khambaliya Transco Limited	8.00	6.83
	Karur Transmission Limited	4.64	1.05
	Kharghar Vikhroli Transmission Limited	47.60	41.86
	Khavda-Bhuj Transmission Limited	19.09	4.09
	Khavda II A Transmission Limited	3.70	-
	KPS1 Transmission Limited	1.40	-
	Lakadia Banaskantha Transco Limited	74.90	67.29
	Maharashtra Eastern Grid Power Transmission Company Limited	-	90.07
	Maru Transmission Service Company Limited	-	-
	MP Power Transmission Package-II Limited	11.30	6.79
	NE Smart Metering Limited	0.04	-
	North Karanpura Transco Limited	35.13	32.26

# Notes to Financial Statements

for the year ended March 31, 2024

## 48. Related party disclosures (Contd...)

(₹ in crore)

Nature of transactions	Name of related party	For the year ended March 31, 2024	For the year ended March 31, 2023
	OBRA-C Badaun Transmission Limited	26.40	23.61
	Sunrays Infra Space Limited	0.12	4.02
	Warora - Kurnool Transmission Limited	121.21	63.62
	WRSR Power Transmission Limited	5.84	-
	WRSS XXI (A) Transco Limited	67.61	60.74
	Sangod Transmission Service Limited	0.46	-
	Halvad Transmission Limited	0.12	-
Interest Expense	Adani Infra (India) Limited	39.68	0.12
	Adani Transmission (India) Limited	38.94	3.96
	Adani Transmission Bikaner Sikar Private Limited	0.83	0.05
	Adani Transmission Step One Limited	-	5.41
	Adani Transmission Step-Three Limited	14.43	-
	Alipurduar Transmisison Limited	12.20	10.05
	Barmer Power Transmission Service Limited	2.73	1.20
	Chhattisgarh-WR Transmission Limited	9.91	4.74
	Hadoti Power Transmission Service Limited	3.46	1.47
	Maharashtra Eastern Grid Power Transmission Company Limited	67.79	6.78
	Maru Transmission Service Company Limited	2.27	1.00
	MPSEZ Utilities Limited	3.85	1.35
	Raipur-Rajnandgaon-Warora Transmission Limited	14.37	6.33
	Sipat Transmission Limited	6.52	3.30
	Sunrays Infra Space Limited	9.60	8.68
	Thar Power Transmission Service Limited	2.77	1.28
	Western Transco Power Limited	3.52	1.58
	Western Transmission (Gujarat) Limited	3.29	1.48
CSR Expense	Adani Foundation	0.56	-
Purchase of Inventory	Adani Transmission Step One Limited	-	90.76
	Sunrays Infra Space Limited	24.30	-
	Adani Connex Private Limited	23.00	-
Sale of Inventory	ATL HVDC Limited	141.48	-
	Adani Transmission Step One Limited	370.52	28.63
	DC Development Hyderabad Private Limited	66.83	-
	DC Development Noida Limited	11.66	-
	Adani Transmission Step-Three Limited	24.06	-
	Kutch Copper Limited	30.25	-
Receiving of Services	Adani Digital Labs Private Limited	0.08	-
	Adani Transmission (India) Limited	0.73	0.16
	Mundra Solar PV Limited	-	0.18
	Belvedere Golf and Country Club Private Limited	0.01	0.00

## Notes to Financial Statements

for the year ended March 31, 2024

### 48. Related party disclosures (Contd...)

		(₹ in crore)	
Nature of transactions	Name of related party	For the year ended March 31, 2024	For the year ended March 31, 2023
Reimbursement of Expenses	Alipurduar Transmisison Limited	-	4.38
Rendering of Services	Adani Power Limited	1.65	1.82
	DC Development Hyderabad Private Limited	22.62	-
	DC Development Noida Limited	4.37	-
Tranfer of Cash Equivalent to Restricted Reserve #	Adani Transmission Step One Limited	-	80.00
O & M Charges	Adani Infrastructure Management Service Limited	-	0.59
Employee Balance Transferred	Adani Green Energy Limited	-	0.11
	Sipat Transmission Limited	-	0.05
	Adani Electricity Mumbai Limited	0.02	-
	Kharghar Vikhroli Transmission Limited	0.13	-
	Warora Kurnool Transmission Limited	0.03	-
	Maharashtra Eastern Grid Power Transmission Company Limited	0.05	-
Advance given	Adani Electricity Jewar Limited	-	0.05
Gratuity paid	Adani Transmission (India) Limited	0.10	0.13
	Adani Infrastructure Management Service Limited	0.02	-
	Maharashtra Eastern Grid Power Transmission Company Limited	0.17	0.26
	North Karanpura Transco Limited	0.02	-
	MP Power Transmission Package-II Limited	0.05	-
Performanace bank Guarantee - Non fund base (Refer note 4)	Performance Bank guarantee given by the Company on behalf of Subsidiary companies	1139.87	427.14
Corporate Gurantee released	Adani Transmission Step-One Limited	220.00	-
Corporate Gurantee	Adani Transmission Step-One Limited	-	7,198.48
	Khavda II A Transmission Limited	815.50	-
	WRSR Power Transmission Limited	1,431.75	-
	MP Power Transmission Package II Limited	764.75	-
	Khavda Bhuj Transmission Limited	703.36	-
Director Sitting Fees	Director Sitting Fees	0.37	0.31
Director Commission	Director Commission	0.80	-

\$ - Perpetual security amounting to ₹ Nil (P.Y. ₹ 8.00 crore) converted into Inter-corporate deposit

- # i) During previous year, Company has transferred certain assets and liabilities under restrucrtirng scheme to subsidiary company. Transfer of assets & liabilities (Refer note 38) benig non-cash transactions within the subsidiairy, are not reported in the above related party transactions.
- ii) Below mentioned transactions are executed under this restructuring scheme and are reported under related party transactions.
- Consideration received for ₹ 1,246.60 crore in form of Compulsory Convertible Debentures (face value ₹ 2500.00 crore).
  - Transfer of Cash equivalent restricted reserve amounting to ₹ 80.00 crore
  - All above transactions are in normal course of business and are made on terms equivalent to those that prevail arm's length transactions.

# Notes to Financial Statements

for the year ended March 31, 2024

## 48. Related party disclosures (Contd...)

### Notes :

1. Accrued on Perpetual Equity infused by Entity over which ultimate controlling entity or KMP have control or significant influence.
2. Interest on Loan given to Subsidiary Companies and Entities over which ultimate controlling entity or KMP have control or significant influence.
3. Financial support to Subsidiary Companies primarily for Green field Growth.
4. Performance bank guarantee given by company on behalf of Subsidiary Companies which were taken over to carry out the transmission business awarded under tariff based competitive bidding and advanced Metering Infrastructure on Design, Build, Finance, Own, Operate and Transfer (DBFOOT) basis towards performance of work awarded.
5. Transactions amongst related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2024, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2023: ₹ Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

### (B) Balance with Related Parties

Nature of transactions	Name of related party	(₹ in crore)	
		For the year ended March 31, 2024	For the year ended March 31, 2023
Loans receivable	Adani Electricity Navi Mumbai Limited	9.44	8.57
	Adani Transmission (Rajasthan) Limited	14.08	14.08
	Adani Transmission Step One Limited	187.24	280.71
	Adani Transmission Step-Two Limited	0.13	0.11
	Adani Transmission Step-Seven Limited	9.94	-
	Adani Transmission Step- Six Limited	18.61	-
	Adani Transmission Step-Eight Limited	1.71	-
	Adani Transmission Step-Five Limited	0.29	-
	Adani Cooling Solutions Limited	0.01	-
	Arasan Infra Limited	6.80	1.63
	Aravali Transmission Service Company Limited	23.39	23.19
	ATL HVDC Limited	404.91	128.73
	Best Smart Metering Limited	75.64	-
	Fatehgarh-Bhadla Transmission Limited	419.71	380.86
	Ghatampur Transmission Limited	-	48.45
	Halvad Transmission Limited	2.64	-
	Jam Khambaliya Transco Limited	80.94	69.19
	Karur Transmission Limited	77.77	14.86
	Kharghar Vikhroli Transmission Limited	493.61	422.37
	Khavda II A Transmission Limited	3.38	18.39
	Khavda-Bhuj Transmission Limited	27.06	122.61
	Lakadia Banaskantha Transco Limited	748.31	679.02
	MP Power Transmission Package-II Limited	18.84	125.61
	NE Smart Metering Limited	2.44	-
	North Karanpura Transco Limited	37.38	546.98
	OBRA-C Badaun Transmission Limited	271.66	238.00
	Warora - Kurnool Transmission Limited	1,377.59	977.64
	WRSS XXI (A) Transco Limited	678.89	613.00
	Sangod Transmission Service Limited	39.29	-
	Sunrays Infra Space Limited	3.86	-



## Notes to Financial Statements

for the year ended March 31, 2024

### 48. Related party disclosures (Contd...)

		(₹ in crore)	
Nature of transactions	Name of related party	For the year ended March 31, 2024	For the year ended March 31, 2023
Loans payable	KPS1 Transmission Limited	21.60	-
	WRSR Power Transmission Limited	5.31	18.25
	ADANI INFRA (INDIA) LIMITED	485.52	104.70
	Adani Transmission Step-Three Limited	12.63	-
	Adani Transmission (India) Limited	762.30	286.64
	Adani Transmission Bikaner Sikar Private Limited	10.80	10.05
	Alipurduar Transmisison Limited	185.98	139.61
	Barmer Power Transmission Service Limited	46.58	34.03
	Chhattisgarh-WR Transmission Limited	180.94	116.87
	Hadoti Power Transmission Service Limited	57.70	42.55
	Maharashtra Eastern Grid Power Transmission Company Limited	1,687.34	394.15
	Maru Transmission Service Company Limited	35.34	29.28
	MPSEZ Utilities Limited	101.36	60.16
	Raipur-Rajnandgaon-Warora Transmission Limited	259.48	161.70
	Sipat Transmission Limited	114.93	78.65
	Sunrays Infra Space Limited	-	68.34
	Thar Power Transmission Service Limited	46.55	35.55
	Western Transco Power Limited	58.01	41.20
	Western Transmission (Gujarat) Limited	56.33	37.06
	Adani Transmission (Rajasthan) Limited	1.44	1.09
Interest receivable	Bikaner-Khetri Transmission Limited	4.61	4.61
	Ghatampur Transmission Limited	-	5.41
	MP Power Transmission Package-II Limited	0.02	-
	Warora - Kurnool Transmission Limited	199.33	81.36
	Adani Enterprises Limited	0.13	0.02
Accounts Payable	Adani Transmission Step-One Limited	0.00	-
	Adani Transmission (India) Limited	0.36	-
	Adani Connex Private Limited	27.13	-
	Adani Green Energy Limited	-	0.11
	Adani Krishnapatnam Port Limited	0.00	-
	Adani Infrastructure Management Service Limited	-	0.69
	Belvedere Golf and Country Club Private Limited	0.00	-
	Mundra Solar Energy Limited	0.01	-
	North Karanpura Transco Limited	-	0.00
	Wrsr Power Transmission Limited	0.02	-
Advance from customer	DC Development Hyderabad Limited	27.61	-
Other receivable	Adani Electricity Jewar Limited	0.05	0.05
	Adani Cooling Solutions Limited	0.00	-
	Adani Transmission Step-Eight Limited	0.00	-
	Adani Transmission Step-Five Limited	0.00	-
	Adani Transmission Step-Four Limited	0.03	-
	NE Smart Metering Limited	0.00	-

# Notes to Financial Statements

for the year ended March 31, 2024

## 48. Related party disclosures (Contd...)

(₹ in crore)

Nature of transactions	Name of related party	For the year ended March 31, 2024	For the year ended March 31, 2023
	Adani Transmission Step-Seven Limited	0.00	-
	Adani Transmission Step- Six Limited	0.00	-
	Adani Transmission Step-Three Limited	0.06	-
	Adani Infrastructure Management Services Limited	1.16	-
	Adani Green Energy Thirty Limited	0.00	-
	Adani Electricity Mumbai Limited	0.01	-
	Adani Power Limited	0.35	2.20
	Adani Transmission (India) Limited	-	0.44
	Adani Transmission Bikaner Sikar Private Limited	-	0.26
	Adani Transmission Step One Limited	0.37	3.61
	Adani Transmission (Rajasthan) Limited	0.00	-
	Alipurduar Transmisison Limited	0.03	5.62
	Arasan Infra Limited	0.00	0.00
	ATL HVDC Limited	0.24	0.06
	Barmer Power Transmission Service Limited	0.03	0.10
	Bikaner-Khetri Transmission Limited	0.17	0.17
	Chhattisgarh-WR Transmission Limited	0.01	0.14
	DC Development Noida Limited	4.31	-
	Fatehgarh-Bhadla Transmission Limited	0.13	0.13
	Ghatampur Transmission Limited	2.74	2.68
	Hadoti Power Transmission Service Limited	0.02	0.10
	Jam Khambaliya Transco Limited	0.15	0.31
	Karur Transmission Limited	0.04	-
	Khavda II A Transmission Limited	0.03	-
	Khavda-Bhuj Transmission Limited	0.17	-
	Kharghar Vikhroli Transmission Limited	0.17	-
	Kutch Copper Limited	3.03	-
	Lakadia Banaskantha Transco Limited	0.23	0.20
	Maharashtra Eastern Grid Power Transmission Company Limited	0.05	0.56
	Maru Transmission Service Company Limited	-	0.00
	MP Power Transmission Package-II Limited	3.10	2.35
	MPSEZ Utilities Limited	0.30	0.30
	North Karanpura Transco Limited	0.02	-
	OBRA-C Badaun Transmission Limited	0.21	0.13
	Raipur-Rajnandgaon-Warora Transmission Limited	-	0.00
	Sipat Transmission Limited	0.01	0.05
	Sunrays Infra Space Limited	0.22	0.22
	Thar Power Transmission Service Limited	0.04	0.07
	Warora - Kurnool Transmission Limited	0.19	0.02
	Western Transco Power Limited	0.00	-
	Western Transmission (Gujarat) Limited	0.01	0.04
	WRSS XXI (A) Transco Limited	0.44	0.36

## Notes to Financial Statements

for the year ended March 31, 2024

### 48. Related party disclosures (Contd...)

		(₹ in crore)	
Nature of transactions	Name of related party	For the year ended March 31, 2024	For the year ended March 31, 2023
Performance bank Gurantee - Non fund base	Performance Bank guarantee given by the Company on behalf of Subsidiary companies	1567.01	427.14
Corporate Guarantee	Adani Transmission Step-One Limited	6,978.48	7,198.48
	Khavda II A Transmission Limited	815.50	-
	WRSR Power Transmission Limited	1,431.75	-
	MP Power Transmission Package II Limited	764.75	-
	Khavda Bhuj Transmission Limited	703.36	-

(Transactions below ₹ 50,000.00 denoted as ₹ 0.00 crore)

#### Note :

- Interest accrued on ICD given to related party amounting to ₹ 338.28 crore (P.Y. ₹ 303.82 crore have been converted to the Loan given as per the terms of Contract.
- Interest accrued on ICD taken from related party amounting to ₹ 151.78 crore (P.Y. ₹ 43.19 crore) have been converted to the Loan taken as per the terms of Contract.

### 49. Ratios

						(₹ in crore)
Name of Ratio	Particulars	Numerator / Denominator taken	As at March 31, 2024	As at March 31, 2023	% change in Ratio	Remark - Any change in the ratio by more than 25% as compared to the preceding year.
(a) Current Ratio (in times)	Ratio		1.25	1.54	-18.83%	
	Numerator	Current Assets	1,689.27	1,382.71		
	Denominator	Current Liabilities	1,349.83	897.81		
(b) Debt-Equity Ratio (in times)	Ratio		0.47	0.25	88.00%	Due to increase in long term borrowing (ICD) compare to previous year leads to increase in CY ratio.
	Numerator	Total Debt	5,164.68	2,600.41		
	Denominator	Total Equity (Shareholder's Fund)	10,921.54	10,326.65		
(c) Debt Service Coverage Ratio (in times) (excluding ICD)	Ratio		6.91	1.11	522.52%	Variance due to repayment of principal and interest amount of bond in previous year and no such transaction on account of restructuring.
	Numerator	Net Profit before tax + Depreciation and amortisation expense + Finance costs#	771.35	527.73		
	Denominator	Finance costs# + Principal Repayments of Long Term Borrowings# (excluding repayment of ICD and interest on ICD)	111.67	473.73		
(c) Debt Service Coverage Ratio (in times) (including interest on Group ICD)	Ratio		0.56	0.20	180.00%	Variance due to lower repayment of long term borrowing (ICD) in current year.
	Numerator	Net Profit before tax + Depreciation and amortisation expense + Finance costs#	1,007.52	586.52		

# Notes to Financial Statements

for the year ended March 31, 2024

## 49. Ratios (Contd...)

(₹ in crore)

Name of Ratio	Particulars	Numerator / Denominator taken	As at March 31, 2024	As at March 31, 2023	% change in Ratio	Remark - Any change in the ratio by more than 25% as compared to the preceding year.
	Denominator	Finance costs# + Principal Repayments of Long Term Borrowings# #(including repayment of ICD and interest on ICD)	1,806.24	2,921.32		
(d) Return on Equity Ratio (in %)	Ratio		5.60%	2.10%	166.67%	Variance due to increase in average total equity due to share premium & restructuring reserve.
	Numerator	Earning available to Shareholder	594.9	150.45		
	Denominator	Average Total Equity	10,624.09	7,151.73		
(e) Inventory turnover ratio *	Ratio		NA	NA		
	Numerator	Net Sales	-	-		
	Denominator	Average Inventory	-	-		
(f) Trade Receivables turnover ratio (in times)	Ratio		12.90	608.85	-97.88%	Variation is on account of increase in trade receivable and revenue on account of EPC project.
	Numerator	Revenue from Contract with Customers	1,485.37	688.00		
	Denominator	Average Trade Receivables	115.17	1.13		
(g) Trade payables turnover ratio (in times)	Ratio		29.58	252.06	-88.26%	Variation is on account of increase in trade payable and operating expense on account of EPC project.
	Numerator	Operating expenses, Employee benefits and other expenses	1,504.36	716.28		
	Denominator	Average Trade Payables	50.85	2.84		
(h) Net capital turnover ratio (in times)	Ratio		1.08	0.56	92.86%	Variation is on account of reduce on current maturity liability of bond which were transferred under restructuring scheme.
	Numerator	Revenue from Contract with Customers	1,485.37	688.00		
	Denominator	Average Working Capital (Current assets - Current liabilities (excluding current borrowing))	1,373.62	1,221.35		
(i) Net profit ratio (in %)	Ratio		23.68%	13.07%	81.18%	Variance on account of increase in profit and total income in current year due to new projects and dividend income.
	Numerator	Profit after tax	594.91	170.28		
	Denominator	Total Income	2,511.89	1,302.79		
(j) Return on Capital employed (in %)	Ratio		6.26%	4.54%	38.03%	Variance on account of increase in debt (ICD) compare to previous year
	Numerator	Profit before tax and finance cost	1,007.18	586.37		
	Denominator	Total equity and total Debts	16,086.22	12,927.06		
(k) Return on investment *	Ratio		NA	NA		
	Numerator	Income From Investment	-	-		
	Denominator	Cost of Investment	-	-		

\* Considering the nature of business, Inventory turnover ratio and Return on Investment ratio are not applicable.

During the previous year, company has transferred certain assets and liability under restructuring scheme to subsidiary hence ratio are not comparable with the previous year. (Refer note -38)

## Notes to Financial Statements

for the year ended March 31, 2024

- 50.** The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies, which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

The Company uses an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the accounting software. However, the audit trail feature is not enabled at database level for accounting software SAP S/4 HANA to log any direct data changes for users with certain privileged access rights. Further there is no instance of audit trail feature being tampered with in respect of the accounting software where such feature is enabled.

Presently, the log is enabled at the application level and the privileged access to HANA database continues to be restricted to limited set of users who necessarily require this access for maintenance and administration of the database.

### 51. Summary of adjustments/regrouping in previous year figures is as follows:

Previous year figures have been re-grouped, re-worked and re-classified wherever necessary, to make them comparable with current year figures.

Name of Ratio	Note	Earlier Classification	Reclassification	Current Classification	Remarks
Other Non-current Financial Assets - Loans	7	4,740.94	(8.69)	4,732.25	Reclassification of Investment in Compulsorily Convertible Preference Shares from loan to Investment.
Other Non-current Financial Assets - Investments	6	6,712.37	8.69	6,721.06	

- 52.** During the previous financial year, a short seller report ("SSR") was published in which certain allegations were made on certain Adani Group Companies including the Company and its subsidiaries. In this regard, certain writ petitions were filed with the Hon'ble Supreme Court ("SC") seeking independent investigation of the allegations in the SSR and the Securities and Exchange Board of India ("SEBI") also commenced investigating the allegations made in the SSR for any violations of applicable SEBI Regulations. The SC also constituted an expert committee to investigate and advise into the various aspect of existing laws and regulations, and also directed the SEBI to consider certain additional aspects in its scope. The Expert committee submitted its report dated May 6, 2023, finding no evidence of regulatory failure, in respect of applicable laws and regulations. The SEBI also concluded its investigations in twenty two of the twenty-four matters as per the status report dated August 25, 2023 to the SC.

The SC in it's order dated January 3, 2024, disposed off all matters of appeal in various petitions including petitions for separate independent investigations relating to the allegations in the SSR (including other allegation) and stated that the SEBI should complete the pending two investigations, preferably within 3 months, and take its investigations (including the twenty-two investigations already completed) to their logical conclusion in accordance with law. During the quarter, the Company has received Show Cause Notice (SCN) from the SEBI relating to validity of Peer Review Certificate (PRC) of one of the former statutory auditor in respect an earlier period, which the Company has responded. Based on legal advice obtained, management believes that the matter is technical in nature and has no material consequential effects to relevant financial statements, and that there is no material non-compliance of applicable laws and regulations.

In April 23, the Company had obtained a legal opinion by independent law firm, confirming (a) none of the alleged related parties mentioned in the short-seller report were related parties to the Company or its subsidiaries, under applicable frameworks; and (b) the Company is in compliance with the requirements of applicable laws and regulations. Based on the legal opinions, the SC order and the fact that there are no pending regulatory or adjudicatory proceedings as of date, except as mentioned above, the management concludes that there are no consequences of the allegations mentioned in the SSR and other allegations on the Holding Company and accordingly, these financial statements do not have any adjustments in this regard.



# Notes to Financial Statements

for the year ended March 31, 2024

## 53. Other Disclosures

- (i) There is no transaction with struck off companies during the year.
- (ii) The Company 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 April 30, 2024, there are no subsequent events to be recognized or reported that are not already disclosed.
- (iii) There are no proceedings initiated or pending against the company under section 24 of the Prohibition of Benami Property Transactions Act, 1988 and rules made there under for holding any benami property.
- (iv) The company has not been declared a wilful Defaulter by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters issued by the RBI.
- (v) There is no charge or satisfaction of charge which is yet to be registered with ROC beyond the statutory period.
- (vi) The company does not have any transaction not recorded in the books of accounts that has been surrendered or not disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- (vii) The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- (viii) The company has not entered into any scheme of arrangement in terms of sections 230 to 237 of the Companies Act, 2013.
- (ix) The company has not traded or invested in Crypto currency or Virtual Currency during the reporting periods.
- (x) There is no immovable property in the books of the company whose title deed is not held in the name of the company.
- (xi) Term loans were applied for the purpose for which the loans were obtained.
- (xii) The Financial Statements for the year ended March 31, 2024 have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on April 30, 2024.

As per our report of even date attached

**For Walker Chandio & Co LLP**

Chartered Accountants

Firm Registration no. 001076N/N500013

**NEERAJ GOEL**

Partner

Membership No. 99514

Place : Gurugram

Date : April 30, 2024

For and on behalf of the Board of Directors

**ADANI ENERGY SOLUTIONS LIMITED**

(Formerly Known as Adani Transmission Limited)

**GAUTAM S. ADANI**

Chairman

DIN: 00006273

**KANDARP PATEL**

Chief Executive Officer

**JALADHI SHUKLA**

Company Secretary

Place : Ahmedabad

Date : April 30, 2024

**ANIL SARDANA**

Managing Director

DIN: 00006867

**KUNJAL MEHTA**

Chief Financial Officer

# Consolidated Financial Statements



# Independent Auditor's Report

## To the Members of Adani Energy Solutions Limited (formerly known as Adani Transmission Limited)

### Report on the Audit of the Consolidated Financial Statements

#### Qualified Opinion

1. We have audited the accompanying consolidated financial statements of Adani Energy Solutions Limited (formerly known as Adani Transmission Limited) ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), as listed in Annexure A, which comprise the Consolidated Balance Sheet as at 31 March, 2024, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a material accounting policy information and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India of the consolidated state of affairs of the Group, as at 31 March, 2024, and their consolidated profit (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

#### Basis for Qualified Opinion

3. As stated in note 64 to the accompanying consolidated financial statements, a Short Seller Report was published during the previous year in which certain allegations were made on certain Adani

Group Companies, including the Holding Company and its subsidiaries. The management based on internal evaluation and an independent assessment from an external law firm has represented that the Holding Company and its subsidiaries are in compliance with the requirements of applicable laws and regulations and therefore these consolidated financial statements do not warrant any adjustment in this regard. However, pending adjudications / outcome of the investigations by the Securities and Exchange Board of India and based on our review of related documents, we are unable to comment on the possible adjustments and /or disclosures, if any, that may be required in the accompanying consolidated financial statements in respect of the above matter.

The audit report dated 29 May, 2023 issued by the predecessor auditor on the consolidated financial statements of the Group for the year ended 31 March, 2023 was also qualified in respect of the this matter.

4. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained together with the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 16 of the Other Matters section below, is sufficient and appropriate to provide a basis for our qualified opinion.

#### Key Audit Matters

5. Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries, were of most significance in our audit of the consolidated financial statements of the current

period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

6. In addition to the matter described in the Basis for Qualified Opinion, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
<p>Accrual of regulatory deferral income / expense and corresponding assets / liability.</p> <p>Refer note 3(o) in material accounting policy information and note 54 in notes forming part of consolidated financial statements.</p> <p>The Group recognises regulatory deferral income / expense and corresponding asset / liability basis its understanding and interpretation of regulatory provisions applicable to the distribution business of the Group as per the Electricity Act, 2003 and regulations framed thereunder by the respective State Electricity Regulatory Commission (the 'tariff regulations'), for the difference between entitled return as per tariff regulations (i.e., allowable cost plus return on equity) and revenue collected basis tariff rates approved by the regulator in provisional tariff orders, which are subject to true-ups in the future tariff orders.</p> <p>Significant judgments and assumptions including interpretation of the tariff regulations, past tariff orders, judicial pronouncements etc., are involved in recognition and assessment of recoverability of such regulatory deferral balances.</p> <p>The Group has recognised net regulatory deferral assets of ₹ 1,517.53 crores as at 31 March, 2024 (including expense of ₹ 460.01 crores for the year recognised in statement of profit and loss and income of ₹ 13.71 crores recognised in other comprehensive income).</p> <p>Considering the materiality of the amounts involved, complexity and significant judgement and assumptions involved as mentioned above, accrual of regulatory deferral income / expense and corresponding assets / liability has been considered as key audit matter for the current year audit.</p>	<p>Our audit procedures in relation to accrual of regulatory deferral income / expense and corresponding assets / liability included but were not limited to the following:</p> <ol style="list-style-type: none"> <li>Obtained an understanding of the management process and evaluated the design and tested the operating effectiveness of key internal financial controls over accrual of regulatory deferrals;</li> <li>Evaluated the Group's accounting policies with respect to accrual for regulatory deferrals and assessed its compliance with the requirements of Ind AS 114 'Regulatory Deferral Accounts'</li> <li>Reviewed management's evaluation of recognition of regulatory deferral account balance including key assumptions and estimates used in such evaluation and corroborated them with the understanding obtained on prevailing tariff regulations, past tariff orders and underlying records and verified the arithmetical accuracy and reasonableness of such workings; and</li> <li>Evaluated the appropriateness and adequacy of the related disclosures in the consolidated financial statements in accordance with the applicable Indian Accounting Standards.</li> </ol>

Key audit matter	How our audit addressed the key audit matter
<p><b>Impairment assessment of Transmission Cash Generating Unit (TCGU)</b></p> <p>Refer note 3(b) in material accounting policy information and note 55(i) in notes forming part of the consolidated financial statements.</p> <p>The Group's TCGU includes a transmission license having an indefinite life with a carrying value of ₹ 981.62 crores as at 31 March, 2024. In accordance with the requirements of Ind AS 36 'Impairment of Assets', the Group has performed an annual impairment test of aforesaid transmission license, by determining the recoverable value of the TCGU to which the transmission license pertains, using discounted cash flow method with the help of external valuation experts.</p> <p>The determination of the recoverable value of TCGU requires management to make significant estimates and assumptions in forecasting the future cash flow projections including projected capital expenditure which is subject to regulatory approvals, the estimated useful life of the transmission license and the discount rates.</p> <p>Considering the significance of the carrying amount of TCGU and auditing management judgements and estimates as mentioned above involves high degree of subjectivity and requires significant auditor judgement, impairment assessment of TCGU has been considered as a key audit matter for the current year audit.</p>	<p>Our audit procedures in relation to impairment assessment of TCGU included but were not limited to the following:</p> <ol style="list-style-type: none"> <li>Obtained an understanding of the management's impairment assessment process and reviewed management's assessment of useful life of transmission license.</li> <li>Evaluated the design and tested the operating effectiveness of the key internal financial controls relating to the impairment assessment for TCGU;</li> <li>Assessed the professional competence and objectivity of the management's valuation expert and obtained their valuation report on determination of recoverable value of the TCGU;</li> <li>Traced the cash flow projections provided by management to approved business plans and tested the arithmetical accuracy of such projections;</li> <li>Involved auditor's experts to assist in evaluating the appropriateness of the valuation methodology and reasonableness of the assumptions used by the management's expert to calculate the recoverable value of TCGU;</li> <li>Performed sensitivity analysis on the key assumptions to determine estimation uncertainty involved and ascertain the sufficiency of headroom available; and</li> <li>Evaluated the appropriateness and adequacy of the disclosure made in the consolidated financial statements, in accordance with the applicable Indian Accounting Standards.</li> </ol>
<p><b>Valuation of derivative financial instruments and hedge accounting</b></p> <p>Refer note 3(e) and 48 for material accounting policy information and explanatory note, respectively, in relation to derivative financial instruments and hedge accounting.</p> <p>In line with Group's risk management policy, the Group had purchased various derivative financial instruments to hedge its foreign currency risks in relation to the long-term foreign currency debt.</p> <p>The Management has designated these derivative financial instruments and the aforesaid debt at initial recognition as cash flow hedge relationship as per Ind AS 109, Financial Instruments.</p>	<p>Our audit procedures in relation to valuation of derivative financial instruments and hedge accounting included, but were not limited to the following:</p> <ol style="list-style-type: none"> <li>Evaluated design and tested operating effectiveness of the key internal financial controls over the determination of a hedge, adequacy of hedge documentation, evaluation of the hedge effectiveness, valuation of derivative financial instruments and related hedge accounting;</li> <li>Obtained an understanding of management's process and the risk management policies of the Group in respect of derivative transactions;</li> <li>Engaged auditor's valuation experts to assist in evaluation of hedge effectiveness documentation and re-performing the year-end fair valuations of such derivative financial instruments;</li> </ol>



Key audit matter	How our audit addressed the key audit matter
<p>The valuation of hedging instrument is complex and necessitates a sophisticated system to record and track each contract and calculate the related valuations at each financial reporting date. Such valuation of hedging instruments and assessment of hedge effectiveness involves significant assumptions and judgements such as discount rates, forward exchange rates and future interbank rates.</p> <p>In view of material impact on the Group's consolidated financial statements and significant assumptions, judgements and complexity involved as mentioned above, we have determined valuation of derivative financial instruments and hedge accounting as a key audit matter for the current year audit.</p>	<p>d. Verified the completeness of hedging contracts by tracing from independent confirmations obtained from respective banks;</p> <p>e. Considered the consistent application of accounting policy in respect to derivative financial instruments and hedge accounting and ensured the same is in accordance with the requirements of Ind AS 109; and</p> <p>f. Evaluated the appropriateness and adequacy of the related disclosures in the consolidated financial statements in accordance with the applicable financial reporting framework.</p>

### Information other than the Consolidated Financial Statements and Auditor's Report thereon

7. The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Directors' report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. As described in the Basis for Qualified Opinion section above, pending adjudications / outcome of the investigations by the Securities and Exchange Board of India, as described in note 64 to the consolidated financial statements, we are unable to comment on possible consequential adjustments and/or disclosures, if any, that may be required in the consolidated financial statements. Accordingly, we are unable to conclude whether or not the other information is materially misstated with respect to this matter.

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

8. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India. The Holding Company's Board of Directors are also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. Further, in terms of the provisions of the Act the respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and

completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

9. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
10. Those respective Board of Directors and those charged with governance are also responsible for overseeing the financial reporting process of the companies included in the Group.

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

11. Our objectives are to obtain reasonable assurance about whether the consolidated 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 Standards on Auditing 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 consolidated financial statements.
12. As part of an audit in accordance with Standards on Auditing specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the consolidated 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. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
  - Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;
  - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and
  - Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the consolidated financial statements, of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by the other auditors, such

other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

13. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
14. 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.
15. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Other Matters

16. We did not audit the financial statements of 55 subsidiaries, whose financial statements reflect total assets of ₹ 26,935.37 crores as at 31 March, 2024, total revenues of ₹ 4,011.22 crores and net cash inflows amounting to ₹ 349.58 crores for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of section 143 of the Act in so far as it relates to the aforesaid subsidiaries, are based solely on the reports of the other auditors.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

17. We did not audit the financial statements of one subsidiary, whose financial statements reflect total assets of ₹ nil as at 31 March, 2024, total revenues of ₹ nil and net cash inflows amounting to ₹ nil for the year ended on that date, as considered in the consolidated financial statements. These financial statements are unaudited and have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the aforesaid subsidiaries, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the management, these financial statements are not material to the Group.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matter with respect to our reliance on the financial statements certified by the management.

18. The consolidated financial statements of the Group for the year ended 31 March, 2023 were audited by the predecessor auditor, Deloitte Haskins & Sells LLP, who have expressed a qualified opinion on those consolidated financial statements vide their audit report dated 29 May, 2023.

## Report on Other Legal and Regulatory Requirements

19. As required by section 197(16) of the Act based on our audit and on the consideration of the reports of the other auditors, referred to in paragraph 16 on separate financial statements of the subsidiaries, we report that the Holding Company and its subsidiary companies incorporated in India whose financial statements have been audited under the Act have paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
20. As required by clause (xxi) of paragraph 3 of Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act based on the consideration of the Order reports issued till date by us and by the respective other auditors as mentioned in paragraph 16 above, of companies included in the consolidated financial statements for the year ended 31 March, 2024 and covered under the Act we report that:

- A. Following are the qualifications/adverse remarks reported by us and the other auditors in the Order reports of the companies included in the consolidated financial statements for the year ended 31 March, 2024 for which such Order reports have been issued till date and made available to us:

S No	Name	CIN	Holding Company / subsidiary	Clause number of the CARO report which is qualified or adverse
1	Adani Energy Solutions Limited	L40300GJ2013PLC077803	Holding Company	(xi)(a)
2	Adani Electricity Mumbai Limited	U74999GJ2008PLC107256	Subsidiary	(vi), (xi)(a), (xiii)

- B. Following are the companies included in the consolidated financial statements for the year ended 31 March, 2024 audited by other auditors, for which the reports under section 143(11) of such companies have not yet been issued by the respective other auditors, as per information and explanation given to us by the management in this respect:

S No	Name	CIN	Subsidiary
1	Adani Energy Solutions Step-Thirteen Limited	U27104GJ2024PLC148633	Subsidiary

21. As required by section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and other financial information of the subsidiaries, we report, to the extent applicable, that:
- We have sought and except for the matters described in the Basis for Qualified Opinion section, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
  - In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors, except for the possible effects of the matter described in the Basis for Qualified Opinion section and except for the matters stated in paragraph 21(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).;
  - The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
  - Except for the possible effects of the matter described in the Basis for Qualified Opinion section, in our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015;
  - The matter described in the Basis for Qualified Opinion section, in our opinion, may have an adverse effect on the functioning of the Holding Company and Adani Electricity Mumbai Limited, a subsidiary of the Holding Company respectively;
- On the basis of the written representations received from the directors of the Holding Company, and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, covered under the Act, none of the directors of the Group companies, are disqualified as on 31 March, 2024 from being appointed as a director in terms of section 164(2) of the Act.
  - The qualification relating to the maintenance of accounts and other matters connected therewith with respect to the consolidated financial statements are as stated in the Basis for Qualified Opinion section and paragraph 21(b) above on reporting under section 143(3)(b) of the Act and paragraph 21(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);
  - With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, and its subsidiary companies covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure B' wherein we have expressed a modified opinion; and
  - With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations

given to us and based on the consideration of the report of the other auditors on separate financial statements and other financial information of the subsidiaries incorporated in India whose financial statements have been audited under the Act:

- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group as detailed in Note 42(i), 42(iv) to the consolidated financial statements;
- ii. Provision has been made in these consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, on long-term contracts including derivative contracts, as detailed in note 45 to the consolidated financial statements;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies covered under the Act, during the year ended 31 March, 2024;
- iv. a. The respective managements of the Holding Company and its subsidiary companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, other than as disclosed in note 66(i) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company or its subsidiary companies or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company, or any such subsidiary companies ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
- b. The respective managements of the Holding Company and its subsidiary companies, incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, other than as disclosed in the note 66(i), 66(ii) and 66(iii)

to the accompanying consolidated financial statements, no funds have been received by the Holding Company or its subsidiary companies from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company, or any such subsidiary companies shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

- c. Based on such audit procedures performed by us and that performed by the auditors of the subsidiaries, as considered reasonable and appropriate in the circumstances, nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- v. The interim dividend paid by one of the subsidiary companies during the year ended 31 March, 2024 in respect of such dividend declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.
- vi. Based on our examination which included test checks, the Group, in respect of financial year commencing on 1 April, 2023, has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that, audit trail feature was not enabled at database level for accounting software SAP S/4 HANA to log any direct data changes, as described in note 65 to the consolidated financial statements. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of the accounting software where such feature is enabled.

**For Walker Chandiok & Co LLP**  
Chartered Accountants

Firm's Registration No.: 001076N/N500013

**Neeraj Goel**  
Partner

Place: Gurugram

Membership No.: 99514

Date: 30 April, 2024

UDIN: 24099514BKCMUR4399



## Annexure A to Independent Auditor's Report of even date to the members of Adani Energy Solutions Limited (formerly known as Adani Transmission Limited) on the consolidated financial statements for the year ended 31 March, 2024

### List of entities included in the consolidated financial statements -

S. No.	Name of entities
<b>A</b>	<b>Holding Company</b>
1	Adani Energy Solutions Limited (formerly known as Adani Transmission Limited)
<b>B</b>	<b>Subsidiaries</b>
1	Maharashtra Eastern Grid Power Transmission Company Limited (step-down subsidiary)
2	Adani Transmission (India) Limited (step-down subsidiary)
3	Sipat Transmission Limited
4	Raipur-Rajnandgaon-Warora Transmission Limited
5	Chhattisgarh-WR Transmission Limited
6	Adani Transmission (Rajasthan) Limited
7	North Karanpura Transco Limited
8	Maru Transmission Service Company Limited
9	Aravali Transmission Service Company Limited
10	Fatehgarh-Bhadla Transmission Limited
11	Ghatampur Transmission Limited
12	Hadoti Power Transmission Service Limited
13	Barmer Power Transmission Service Limited
14	Thar Power Transmission Service Limited
15	Western Transco Power Limited
16	Western Transmission (Gujarat) Limited
17	Obra-C Badaun Transmission Limited
18	Adani Transmission Bikaner Sikar Private Limited
19	Bikaner-Khetri Transmission Limited
20	WRSS XXI (A) Transco Limited
21	Lakadia Banaskantha Transco Limited
22	Jam Khambaliya Transco Limited
23	Arasan Infra Limited (formerly known as Arasan Infra Private Limited)
24	Sunrays Infra Space Limited (formerly known as Sunrays Infra Space Private Limited)
25	Kharghar Vikhroli Transmission Limited
26	Alipurduar Transmission Limited
27	Adani Transmission Step-One Limited
28	Warora Kurnool Transmission Limited
29	MP Power Transmission Package-II Limited
30	ATL HVDC Limited
31	MPSEZ Utilities Limited
32	Karur Transmission Limited
33	Khavda-Bhuj Transmission Limited
34	Power Distribution Services Limited
35	Adani Electricity Mumbai Limited
36	Adani Electricity Navi Mumbai Limited (formerly known as AEML Infrastructure Limited)
37	Adani Electricity Mumbai Infra Limited (Step-down subsidiary)
38	AEML Seepz Limited (Step-down subsidiary)
39	Adani Electricity Jewar Limited (w.e.f. September 12, 2022)

**Annexure A** to Independent Auditor's Report of even date to the members of Adani Energy Solutions Limited (formerly known as Adani Transmission Limited) on the consolidated financial statements for the year ended **31 March, 2024** (Contd...)

<b>S. No.</b>	<b>Name of entities</b>
40	Adani Transmission Mahan Limited (Step-down subsidiary) (w.e.f. September 05, 2022)
41	Adani Transmission Step-Two Limited (w.e.f. August 02, 2022)
42	BEST Smart Metering Limited (w.e.f. December 27, 2022)
43	Adani Cooling Solutions Limited (w.e.f. December 12, 2022)
44	WRSR Power Transmission Limited (w.e.f. January 17, 2023)
45	Adani Transmission Step-Three Limited (w.e.f. January 12, 2023)
46	Adani Transmission Step-Four Limited (w.e.f. January 12, 2023)
47	Adani Transmission Step-Five Limited (w.e.f. January 11, 2023)
48	Adani Transmission Step-Six Limited (w.e.f. January 13, 2023)
49	Adani Transmission Step-Seven Limited (w.e.f. January 12, 2023)
50	Adani Transmission Step-Eight Limited (w.e.f. January 12, 2023)
51	NE Smart Metering Limited (formerly known as Adani Transmission Step-Nine Limited (w.e.f. January 16, 2023))
52	Adani Electricity Aurangabad Limited (w.e.f. March 15, 2023)
53	Adani Electricity Nashik Limited (w.e.f. March 16, 2023)
54	Khavda II-A Transmission Limited (w.e.f. March 28, 2023)
55	Adani Green Energy Thirty Limited (Step-down subsidiary) (w.e.f. March 31, 2023)
56	KPS 1 Transmission Limited (w.e.f. August 16, 2023)
57	Halvad Transmission Limited (w.e.f. December 26, 2023)
58	Sangod Transmission Service Limited (w.e.f. October 6, 2023)
59	Sunrays Infra Space Two Limited (w.e.f. January 19, 2024)
60	Arasan Infra Two Limited (w.e.f. January 20, 2024)
61	Adani Energy Solutions Step-Twelve Limited (w.e.f. January 25, 2024)
62	Adani Energy Solutions Step-Thirteen Limited (w.e.f. February 13, 2024)
<b>C</b>	<b>Partnership Firm</b>
1	Adani-LCC JV

## **Annexure B to the Independent Auditor's Report of even date to the members of Adani Energy Solutions Limited (formerly known as Adani Transmission Limited) on the consolidated financial statements for the year ended 31 March, 2024**

### **Independent Auditor's Report on the internal financial controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')**

1. In conjunction with our audit of the consolidated financial statements of Adani Energy Solutions Limited (formerly known as Adani Transmission Limited) ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), as at and for the year ended 31 March, 2024, we have audited the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies, which are companies covered under the Act, as at that date.

### **Responsibilities of Management and Those Charged with Governance for Internal Financial Controls**

2. The respective Board of Directors of the Holding Company and its subsidiary companies which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal controls with reference to the financial statements criteria established by the respective companies considering the essential component of Internal Control stated in Guidance note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### **Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements**

3. Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company and

its subsidiary companies as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. Except for the matter described in the basis for Qualified Section, we believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies as aforesaid.

### **Meaning of Internal Financial Controls with Reference to Financial Statements**

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external

**Annexure B to the Independent Auditor's Report of even date to the members of Adani Energy Solutions Limited (formerly known as Adani Transmission Limited) on the consolidated financial statements for the year ended 31 March, 2024 (Contd...)**

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

**Inherent Limitations of Internal Financial Controls with Reference to Financial Statements**

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

**Qualified Opinion**

8. According to the information and explanation given to us and based on our audit, pending adjudication/ outcome of the investigations by the Securities and Exchange Board of India as stated in the 'Basis for Qualified Opinion' paragraph of our audit report, and the consequential impact it may have on the Group's processes and internal controls including related party transactions and compliance with applicable laws and regulations, to that extent we are unable to comment on whether there is any

material weakness in the Group's internal controls as at 31 March, 2024.

9. A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial controls with reference to financial statements, such that there is a reasonable possibility that a material misstatement of the Holding company's annual or interim financial statements will not be prevented or detected on a timely basis.
10. In our opinion and based on the consideration of the reports of the other auditors on internal financial controls with reference to financial statements of the subsidiary companies, except for the possible effects of the material weakness described above on the achievement of the objectives of the control criteria, the Holding Company and its subsidiary companies which are companies covered under the Act, have, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March, 2024, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.
11. We have considered the material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the consolidated financial statements of the Group as at and for the year ended 31 March, 2024, and we have issued a qualified opinion on the said consolidated financial statements of the Group.

**Other Matter**

12. We did not audit the internal financial controls with reference to financial statements in so far as it relates to 55 subsidiary companies, which are companies covered under the Act, whose financial statements reflect total assets of ₹ 26,935.37 crores and net assets of ₹ 3,549.48 crores as at 31 March, 2024, total revenues of ₹ 4,011.22 crores and net cash inflows amounting to ₹ 349.58 crores for the year ended on that date, as considered in the consolidated financial statements. The internal financial controls with reference to financial statements in so far as it relates to such subsidiary

## **Annexure B to the Independent Auditor's Report of even date to the members of Adani Energy Solutions Limited (formerly known as Adani Transmission Limited) on the consolidated financial statements for the year ended 31 March, 2024 (Contd...)**

companies have been audited by other auditors whose reports have been furnished to us by the management and our report on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements for the Holding Company and its subsidiary companies, as aforesaid, under Section 143(3)(i) of the Act in so far as it relates to such subsidiary companies is based solely on the reports of the auditors of such companies. Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and on the reports of the other auditors.

13. We did not audit the internal financial controls with reference to financial statements in so far as it relates to one subsidiary, which are companies covered under the Act, whose financial statements reflect total assets of ₹ nil and net assets of ₹ nil as at 31 March, 2024, total revenues of ₹ nil and net cash inflows amounting to ₹ nil for the year ended on that date. The internal financial controls with reference to financial statements of these subsidiary companies, which are companies covered under the Act, are unaudited and our opinion under Section 143(3)(i) of the Act on adequacy and operating effectiveness

of the internal financial controls with reference to financial statements in so far as it relates to the aforesaid subsidiary, which are companies covered under the Act, is solely based on the corresponding internal financial controls with reference to financial statements reports certified by the management of such company. In our opinion and according to the information and explanations given to us by the management, these financial statements are not material to the Group. Our opinion is not modified in respect of the above matter with respect to our reliance on the internal financial controls with reference to financial statements reports certified by the management.

**For Walker Chandiok & Co LLP**  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013

**Neeraj Goel**  
Partner  
Place: Gurugram  
Date: 30 April, 2024  
Membership No.: 99514  
UDIN: 24099514BKCMUR4399



# Consolidated Balance Sheet

as at March 31, 2024

Particulars	Notes	(₹ in crore)	
		As at March 31, 2024	As at March 31, 2023
<b>ASSETS</b>			
<b>Non-current Assets</b>			
Property, Plant and Equipment	5.1	36,436.74	30,295.28
Right of Use Assets	5.2	783.11	652.22
Capital Work-In-Progress	5.3	3,002.69	6,200.44
Goodwill	55(ii)	598.29	598.29
Intangible Assets	5.1	1,101.60	1,099.35
<b>Financial Assets</b>			
(i) Investments	6	323.79	312.89
(ii) Loans	7	22.51	26.10
(iii) Other Financial Assets	8	3,841.12	3,974.70
Deferred Tax Assets (Net)	28	40.43	-
Income Tax Assets (Net)	9	57.55	60.78
Other Non-current Assets	10	2,752.86	1,804.84
<b>Total Non-current Assets</b>		<b>48,960.69</b>	<b>45,024.89</b>
<b>Current Assets</b>			
Inventories	11	255.28	151.91
<b>Financial Assets</b>			
(i) Investments	12	442.69	1,056.79
(ii) Trade Receivables	13	1,564.95	1,437.59
(iii) Cash and Cash Equivalents	14	742.06	190.64
(iv) Bank Balances other than (iii) above	15	1,486.08	1,513.50
(v) Loans	16	407.78	477.20
(vi) Other Financial Assets	17	2,360.77	1,906.39
Other Current Assets	18	787.15	209.01
<b>Total Current Assets</b>		<b>8,046.76</b>	<b>6,943.03</b>
<b>Total Assets before Regulatory Deferral Account</b>		<b>57,007.45</b>	<b>51,967.92</b>
Regulatory Deferral Account - Assets	54	1,571.36	1,963.83
<b>Total Assets</b>		<b>58,578.81</b>	<b>53,931.75</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	19	1,115.49	1,115.49
Other Equity	21	11,526.06	10,633.68
<b>Total Equity attributable to Equity Owners of the Company</b>		<b>12,641.55</b>	<b>11,749.17</b>
Non-Controlling Interests		1,061.58	1,126.60
<b>Total Equity</b>		<b>13,703.13</b>	<b>12,875.77</b>
<b>Liabilities</b>			
<b>Non-current Liabilities</b>			
<b>Financial Liabilities</b>			
(i) Borrowings	22	33,559.62	31,330.39
(ia) Lease Liabilities	23	45.49	51.69
(ii) Trade Payables	24	-	-
(A) total outstanding dues of micro enterprises and small enterprises;		-	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		37.39	32.76
(iii) Other Financial Liabilities	25	513.12	338.84
Other Non-Current Liabilities	26	420.37	332.96
Provisions	27	630.23	527.73
Deferred Tax Liabilities (Net)	28	1,652.78	1,424.32
<b>Total Non-current Liabilities</b>		<b>36,859.00</b>	<b>34,038.69</b>
<b>Current Liabilities</b>			
<b>Financial Liabilities</b>			
(i) Borrowings	29	3,449.25	2,868.45
(ia) Lease Liabilities	23	15.29	19.50
(ii) Trade Payables	30	50.92	46.43
(A) Total outstanding dues of micro enterprises and small enterprises;		1,671.19	1,754.00
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		2,043.83	1,837.82
(iii) Other Financial Liabilities	31	630.68	363.79
Other Current Liabilities	32	98.51	119.29
Provisions	27	3.18	8.01
Current Tax Liabilities (Net)	33	7,962.85	7,017.29
<b>Total Current Liabilities</b>		<b>44,821.85</b>	<b>41,055.98</b>
<b>Total Liabilities before Regulatory Deferral Account</b>		<b>44,821.85</b>	<b>41,055.98</b>
Regulatory Deferral Account-Liabilities	54	53.83	-
<b>Total Equity and Liabilities</b>		<b>58,578.81</b>	<b>53,931.75</b>
Summary of material accounting policy information	3		
See accompanying notes forming part of the consolidated financial statements			

As per our report of even date attached

**For Walker Chandio & Co LLP**

Chartered Accountants

Firm Registration no. 001076N/N500013

**NEERAJ GOEL**

Partner

Membership No. 99514

For and on behalf of the Board of Directors

**ADANI ENERGY SOLUTIONS LIMITED**

(Formerly Known as Adani Transmission Limited)

**GAUTAM S. ADANI**

Chairman

DIN: 00006273

**KANDARP PATEL**

Chief Executive Officer

**JALADHI SHUKLA**

Company Secretary

**ANIL SARDANA**

Managing Director

DIN: 00006867

**KUNJAL MEHTA**

Chief Financial Officer

Place : Gurugram

Date : April 30, 2024

Place : Ahmedabad

Date : April 30, 2024

# Consolidated Statement of Profit and Loss

for the year ended March 31, 2024

		(₹ in crore)	
Particulars	Notes	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Income</b>			
Revenue from Operations	34	16,607.36	13,292.72
Other Income	35	610.95	547.74
<b>Total Income</b>		<b>17,218.31</b>	<b>13,840.46</b>
<b>Expenses</b>			
Cost of Power Purchased		4,340.30	3,839.98
Cost of Fuel		1,119.09	1,384.18
Purchases of Stock-in-Trade	36	1,028.95	755.13
Employee Benefits Expense	37	951.70	986.65
Finance Costs	38	2,766.51	2,781.47
Depreciation and Amortisation Expense	5.4	1,776.08	1,607.74
Other Expenses	39	2,996.11	1,809.17
<b>Total Expenses</b>		<b>14,978.74</b>	<b>13,164.32</b>
<b>Profit Before Rate Regulated Activities, Tax and Deferred Assets recoverable/adjustable for the year</b>		<b>2,239.57</b>	<b>676.14</b>
Net movement in Regulatory Deferral Account Balances - Income/(Expenses)	54	(460.01)	1,035.58
<b>Profit Before Tax and Deferred Assets recoverable/adjustable for the year</b>		<b>1,779.56</b>	<b>1,711.72</b>
<b>Tax Expense:</b>	40		
Current Tax		298.60	260.94
Deferred Tax		281.53	174.39
<b>Total Tax expenses</b>		<b>580.13</b>	<b>435.33</b>
<b>Profit After Tax for the year but before Deferred Assets recoverable/adjustable</b>		<b>1,199.43</b>	<b>1,276.39</b>
<b>Deferred assets recoverable/adjustable</b>		<b>(3.82)</b>	<b>4.21</b>
<b>Profit After Tax for the year</b>		<b>1,195.61</b>	<b>1,280.60</b>
<b>Other Comprehensive Income/(Loss)</b>			
(a) Items that will not be reclassified to profit or loss			
- Remeasurement gain / (loss) of Defined Benefit Plan		(14.76)	47.53
- Movement in Regulatory Deferral Balance		13.99	(47.94)
- Tax relating to items that will not be reclassified to Profit or Loss		0.01	(8.36)
(b) Items that will be reclassified to profit or loss			
- Effective portion of gains and losses on designated portion of hedging instruments in a cash flow hedge		(375.33)	(341.59)
- Tax relating to items that will be reclassified to Profit or Loss (Refer Note 61)		93.62	71.64
<b>Other Comprehensive Income/ (Loss) for the year (Net of Tax)</b>		<b>(282.47)</b>	<b>(278.72)</b>
<b>Total Comprehensive Income for the year</b>		<b>913.14</b>	<b>1,001.88</b>
<b>Profit for the year attributable to:</b>			
Owners of the Company		1,137.28	1,256.33
Non-controlling interests		58.33	24.27
		<b>1,195.61</b>	<b>1,280.60</b>
<b>Other Comprehensive Income / (Loss) for the year attributable to:</b>			
Owners of the Company		(246.65)	(265.91)
Non-controlling interests		(35.82)	(12.81)
		<b>(282.47)</b>	<b>(278.72)</b>
<b>Total Comprehensive Income for the year attributable to:</b>			
Owners of the Company		890.63	990.42
Non-controlling interests		22.51	11.46
		<b>913.14</b>	<b>1,001.88</b>
<b>Earnings Per Share (EPS) (in ₹)</b>	41		
<b>(Face Value ₹ 10 Per Share)</b>			
Basic / Diluted Earnings per Equity Share (Face Value of ₹ 10 each) after Net movement in Regulatory Deferral Account Balances (₹)		10.20	11.10
Basic / Diluted Earnings per Equity Share (Face Value of ₹ 10 each) before Net movement in Regulatory Deferral Account Balances (₹)		12.87	5.35
Summary of material accounting policy information	3		
See accompanying notes forming part of the consolidated financial statements			

As per our report of even date attached  
**For Walker Chandio & Co LLP**  
 Chartered Accountants  
 Firm Registration no. 001076N/N500013

**NEERAJ GOEL**  
 Partner  
 Membership No. 99514

Place : Gurugram  
 Date : April 30, 2024

For and on behalf of the Board of Directors  
**ADANI ENERGY SOLUTIONS LIMITED**  
 (Formerly Known as Adani Transmission Limited)

**GAUTAM S. ADANI**  
 Chairman  
 DIN: 00006273

**KANDARP PATEL**  
 Chief Executive Officer

**JALADHI SHUKLA**  
 Company Secretary

Place : Ahmedabad  
 Date : April 30, 2024

**ANIL SARDANA**  
 Managing Director  
 DIN: 00006867

**KUNJAL MEHTA**  
 Chief Financial Officer

# Statement of Consolidated Cash Flows

for the year ended March 31, 2024

Particulars	(₹ in crore)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>A. Cash flows from operating activities</b>		
Profit before tax	1,779.56	1,711.72
Adjustments for:		
Depreciation and Amortisation Expense	1,776.08	1,607.74
Amortisation of Service Line Contribution	(17.46)	(15.03)
Gain on Sale/Fair Value of Current Investments measured at FVTPL	(43.10)	(21.24)
Finance Costs	2,766.51	2,781.47
Interest Income	(386.62)	(494.77)
Gain on buy-back of bond	(136.49)	-
Unclaimed liabilities / Excess provision written back	(8.39)	(0.51)
Bad Debt Written Off	17.09	15.21
Provision for Doubtful Debts, Advances, Deposits	-	18.58
Sundry creditors written back	-	(2.44)
(Gain) / Loss on sale/scrapping of Property, Plant and Equipment	(3.73)	0.20
Foreign Exchange Fluctuation Loss	0.40	0.46
<b>Operating profit before working capital changes</b>	<b>5,743.85</b>	<b>5,601.39</b>
Changes in Working Capital:		
(Increase) / Decrease in Operating Assets :		
Inventories	(103.37)	98.20
Trade Receivables	(144.45)	(394.95)
Other Financial Assets and Other Assets	38.53	(495.57)
Regulatory Deferral Account - Assets	392.47	(839.81)
Increase / (Decrease) in Operating Liabilities :		
Trade Payables	(59.33)	219.55
Other Financial Liabilities, Other Liabilities and Provisions	416.17	105.30
Regulatory Deferral Account - Liabilities	53.83	(271.56)
<b>Cash generated from operations</b>	<b>6,337.70</b>	<b>4,022.55</b>
Income taxes paid (Net)	(300.08)	(245.56)
<b>Net cash generated from operating activities (A)</b>	<b>6,037.62</b>	<b>3,776.99</b>
<b>B. Cash flows from investing activities</b>		
Purchase of Property, Plant and Equipment (including capital advance and contract assets under Service Concession Arrangement)	(5,429.54)	(4,702.21)
Acquisition of Subsidiaries	(34.79)	(36.75)
Advance for Acquisition of SPV	-	(6.35)
Proceeds/(Purchase) of Investments (Contingency Reserve) (net)	(16.10)	(48.67)
Proceeds/(Purchase) of current investment (net)	682.85	(726.02)
Deposits in Bank deposits (net) (Including Margin money deposit)	(494.39)	(279.11)
Non-current Loans Given	-	(2,003.76)
Non-current Loans received back	-	3,106.20
Current Loan (Given to) / Received back (net)	3.83	(469.39)
Interest Received	345.11	467.35
<b>Net cash flows used in investing activities (B)</b>	<b>(4,943.03)</b>	<b>(4,698.71)</b>

# Statement of Consolidated Cash Flows (Contd...)

for the year ended March 31, 2024

(₹ in crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>C. Cash flows from financing activities</b>		
Increase in Service Line Contribution	107.21	59.52
Proceeds from issuance of Share Capital including share premium	-	3,850.00
Proceeds from Long-term borrowings	5,458.95	5,169.59
Repayment of Long-term borrowings	(3,277.27)	(3,573.23)
Proceeds/(repayment) from Short-term borrowings (net)	361.25	731.20
Gain on buy-back of bond	136.49	-
Payment of Dividend on Equity Shares	(85.78)	-
Repayment of Unsecured Perpetual Equity Instrument (including distribution)	-	(3,075.49)
Finance Cost paid	(3,221.95)	(2,212.50)
Payment of Lease Liabilities (including interest paid on lease liabilities CY : ₹ 7.73 Cr [PY : ₹ 9.41 Cr])	(22.14)	(25.87)
<b>Net cash generated from / (used in) financing activities (C)</b>	<b>(543.24)</b>	<b>923.22</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>551.35</b>	<b>1.50</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>190.64</b>	<b>189.05</b>
Cash and cash equivalents acquired on acquisition of transmission business	0.07	0.09
<b>Cash and cash equivalents at the end of the year</b>	<b>742.06</b>	<b>190.64</b>

(₹ in crore)

Cash and cash equivalents includes - (Refer note 14)	As at March 31, 2024	As at March 31, 2023
Balances with banks		
In current accounts	225.15	152.55
Fixed Deposits (with original maturity for three months or less)	501.35	23.53
Cheque / Draft on Hand	14.18	14.13
Cash on Hand	1.38	0.43
<b>Total Cash and Cash Equivalents</b>	<b>742.06</b>	<b>190.64</b>

## Notes to Statement of Consolidated Cash Flows:

- The Statement of Consolidated Cash Flows has been prepared under the Indirect method as set out in Ind AS 7 "Statement of Cash Flows"
- Disclosure under Para 44A as set out in Ind AS 7 on Statement of Cash Flows under Companies (Indian Accounting Standards) Rules, 2017 (as amended) is given below:

(₹ in crore)

Particulars	April 1, 2023	Cash Flows (net)	Non-cash transactions	March 31, 2024
Long-term Borrowings (Including Current Maturities of Long Term Debt)#	32,012.22	2,181.68	267.10	34,461.00
Short term Borrowings	2,186.62	361.25	-	2,547.87
Lease Liabilities	71.19	(22.14)	11.73	60.78
Interest Accrued	272.66	(3,221.95)	3,240.28	290.99
<b>TOTAL</b>	<b>34,542.69</b>	<b>(701.16)</b>	<b>3,519.11</b>	<b>37,360.64</b>

# Statement of Consolidated Cash Flows (Contd...)

for the year ended March 31, 2024

(₹ in crore)

Particulars	April 1, 2022	Cash Flows (net)	Non-cash transactions	March 31, 2023
Long-term Borrowings (Including Current Maturities of Long Term Debt)*	28,359.16	1,596.36	2,056.70	32,012.22
Short term Borrowings	1,455.42	731.20	-	2,186.62
Unsecured perpetual Equity Instrument including Distribution*	3,055.65	(3,075.49)	19.84	-
Lease Liabilities	87.21	(25.87)	9.85	71.19
Interest Accrued	212.03	(2,212.50)	2,273.13	272.66
<b>TOTAL</b>	<b>33,169.47</b>	<b>(2,986.30)</b>	<b>4,359.52</b>	<b>34,542.69</b>

\*Non cash transactions includes Distribution on perpetual Equity Instrument.

\*Non cash transactions includes Balances taken over on acquisition of Subsidiaries, Interest accrued converted to loan, Unrealised foreign exchange gain/loss and amortised cost of borrowings.

See accompanying notes forming part of the consolidated financial statements

As per our report of even date attached  
**For Walker Chandiok & Co LLP**  
Chartered Accountants  
Firm Registration no. 001076N/N500013

**NEERAJ GOEL**  
Partner  
Membership No. 99514

Place : Gurugram  
Date : April 30, 2024

For and on behalf of the Board of Directors  
**ADANI ENERGY SOLUTIONS LIMITED**  
(Formerly Known as Adani Transmission Limited)

**GAUTAM S. ADANI**  
Chairman  
DIN: 00006273  
**KANDARP PATEL**  
Chief Executive Officer

**ANIL SARDANA**  
Managing Director  
DIN: 00006867  
**KUNJAL MEHTA**  
Chief Financial Officer

**JALADHI SHUKLA**  
Company Secretary

Place : Ahmedabad  
Date : April 30, 2024



# Consolidated Statement of Changes in Equity

for the year ended March 31, 2024

## A. Equity Share Capital

Particulars	No. of Shares	(₹ in crore)
<b>Balance as at April 1, 2022</b>	<b>1,09,98,10,083</b>	<b>1,099.81</b>
Issue of shares during the year	1,56,82,600	15.68
<b>Balance as at March 31, 2023</b>	<b>1,11,54,92,683</b>	<b>1,115.49</b>
Issue of shares during the year	-	-
<b>Balance as at March 31, 2024</b>	<b>1,11,54,92,683</b>	<b>1,115.49</b>

## B. Unsecured Perpetual Equity Instrument

Particulars	(₹ in crore)
<b>Balance as at April 1, 2022</b>	<b>3,055.65</b>
i) Add: Availed during the year	-
ii) Add: Distribution on Unsecured Perpetual Equity Instrument	19.81
iii) Less: Repaid during the year	(3,075.46)
<b>Balance as at March 31, 2023</b>	<b>-</b>
i) Add: Availed during the year	-
ii) Add: Distribution on Unsecured Perpetual Equity Instrument	-
iii) Less: Repaid during the year	-
<b>Balance as at March 31, 2024</b>	<b>-</b>

# Consolidated Statement of Changes in Equity (Contd...)

for the year ended March 31, 2024

## C. Other Equity

(₹ in crore)

Attributable to owners of the Company												
Particulars	Reserves and Surplus								Item of other comprehensive income	Total Attributable to owners of the Company	Non - controlling interest	Total
	Capital Reserve	General Reserve	Retained Earnings	Capital Redemption Reserve	Debtenture Redemption Reserve	Self Insurance Reserve	Contingency Reserve	Securities Premium				
Balance as at April 1, 2022	208.87	1,201.95	1,955.18	2,436.53	11.15	18.65	334.89	-	(409.86)	5,757.36	1,093.68	6,851.04
Impact on account of restatement (Refer Note 61)	-	-	-	-	-	-	-	-	69.56	69.56	23.31	92.87
Profit for the year	-	-	1,256.33	-	-	-	-	-	-	1,256.33	24.27	1,280.60
Add/(Less): Other comprehensive income for the year (Net of Tax)	-	-	(6.67)	-	-	-	-	-	(259.24)	(265.91)	(12.81)	(278.72)
Total Comprehensive Income	-	-	1,249.66	-	-	-	-	-	(259.24)	990.42	11.46	1,001.88
(Less): Distribution on Unsecured perpetual Equity Instrument	-	-	(19.83)	-	-	-	-	-	-	(19.83)	-	(19.83)
Add/ (Less): Transfer from Retained Earning to Contingency Reserve	-	-	(21.74)	-	-	-	23.59	-	-	1.85	(1.85)	-
Add /(Less): Appropriation to Self Insurance Reserve	-	(25.01)	-	-	-	25.01	-	-	-	-	-	-
Add /(Less): Addition on account of issue of shares during the year	-	-	-	-	-	-	-	3,834.32	-	3,834.32	-	3,834.32
Add / (Less): Transfer from Retained Earning to Debtenture Redemption Reserve	-	-	(13.89)	-	13.89	-	-	-	-	-	-	-
Balance As at March 31, 2023	208.87	1,176.94	3,149.38	2,436.53	25.04	43.66	358.48	3,834.32	(599.54)	10,633.68	1,126.60	11,760.28

## Consolidated Statement of Changes in Equity (Contd...)

(Contd..)

for the year ended March 31, 2024

(₹ in crore)

Particulars	Attributable to owners of the Company										Non - controlling interest	Total	
	Reserves and Surplus								Item of other comprehensive income	Total Attributable to owners of the Company			
	Capital Reserve	General Reserve	Retained Earnings	Capital Redemption Reserve	Debenture Redemption Reserve	Self Insurance Reserve	Contingency Reserve	Securities Premium					
Profit for the year	-	-	1,137.28	-	-	-	-	-	-	-	1,137.28	58.33	1,195.61
Add/(Less): Other comprehensive income for the year (Net of Tax)	-	-	(0.64)	-	-	-	-	-	-	(246.01)	(246.65)	(35.82)	(282.47)
<b>Total Comprehensive Income</b>	-	-	<b>1,136.64</b>	-	-	-	-	-	-	<b>(246.01)</b>	<b>890.63</b>	<b>22.51</b>	<b>913.14</b>
Add/(Less): Dividend paid	-	-	-	-	-	-	-	-	-	-	-	(85.78)	(85.78)
Add/(Less): Transfer from Retained Earning to Contingency Reserve	-	-	(21.49)	-	-	-	-	23.24	-	-	1.75	(1.75)	-
Add/(Less): Appropriation to Self Insurance Reserve	-	(24.67)	-	-	-	24.67	-	-	-	-	-	-	-
Add/(Less): Transfer from Retained Earning to Debenture Redemption Reserve	-	-	0.65	-	(0.65)	-	-	-	-	-	-	-	-
<b>Balance As at March 31, 2024</b>	<b>208.87</b>	<b>1,152.27</b>	<b>4,265.18</b>	<b>2,436.53</b>	<b>24.39</b>	<b>68.33</b>	<b>381.72</b>	<b>3,834.32</b>	<b>(845.55)</b>	<b>11,526.06</b>	<b>1,061.58</b>	<b>12,587.64</b>	
See accompanying notes forming part of the consolidated financial statements													

See accompanying notes forming part of the consolidated financial statements

As per our report of even date attached

**For Walker Chandiok & Co LLP**

**FOL WAIKEI CHARTERED ACCOUNTANTS**  
Chartered Accountants

Firm Registration no. 001076N/N500013

**NEERAJ GOEL**

## Partner

Membership No. 99514

For and on behalf of the Board of Directors

**ADANI ENERGY SOLUTIONS LIMITED**

**ADANI ENERGY SOLUTIONS LIMITED**  
(Formerly Known as Adani Transmission Limited)

GAUTAM S. ADANI

Chairman

Citation:   
DIN: 00006273

**KANDARP PATEL**

**KANDAK PATEL**  
Chief Executive Officer

**JALADHI SHUKLA**

**JALADHI SHUKLA**  
Company Secretary

Place: Ahmedabad

Place : Ahmedabad  
Date : April 30, 2024

**ANIL SARDANA**

**ANIL KADHAN**  
Managing Director

Managing Director  
DIN: 00006867

**KUNJAL MEHTA**

**Chief Financial Officer**

Place : Gurinram

Place : Gurugram  
Date : April 30, 2024

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

## 1. Corporate information

Adani Energy Solutions Limited (Formerly Known as Adani Transmission Limited) ("The Company") is a public limited company incorporated and domiciled in India having CIN no L40300GJ2013PLC077803. It's 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, Gujarat, India. The principal business of the Company and its subsidiaries (together referred to as "the Group") includes :

### Power Transmission Business :

The Group carries on the business of establishing, commissioning, setting up, operating and maintaining electric power transmission systems and to peruse acquisition of available opportunity in power transmission systems/networks. The Group develops, owns and operates transmission lines across the States of Gujarat, Rajasthan, Bihar, Jharkhand, Uttar Pradesh, Maharashtra, Haryana, Chhattisgarh, Madhya Pradesh, West Bengal, Andhra Pradesh, Telangana, Karnataka, and Tamil Nadu. The Group has also entered in to new business opportunities through Optical Ground Wire (OPGW) fibres on transmission lines with the ambition of expanding its telecom solutions to Telcos, Internet service providers and long distance communication operators. The commercialization of the network shall be done through leasing out spare capacities to potential communication players.

### Generation, Transmission and Distribution of Power (GTD Business) :

The Group has entered in Generation and Distribution business in Mumbai through acquisition of Integrated Mumbai Power Business i.e. Business of Generation, Transmission and Distribution (GTD). Further the group also provides facility of distribution of electricity, effluent & sewage treatment in Mundra SEZ area, Kutchh, Gujarat.

### Smart Metering Business :

The Group's Distribution Platform shall implement the Smart Metering Project on Design-Build-Finance- Own-Operate-Transfer (DBFOOT) basis. As a part of mandate won, Smart Meters and related Communication & Cloud infrastructure

will be installed over a period of 27-30 months and maintained for the following 90 months, approximately. The projects shall cover end to end Smart Metering for Distribution Infrastructure and End Consumers, enabling complete energy accounting with zero manual intervention.

### Cooling Solutions:

The District Cooling System (DCS) produces chilled water in a central plant and distributes cooling capacity in the form of chilled water from the central plant to multiple buildings through a network of underground pipes for use in space and process cooling. District Cooling Business: a centralized, energy-efficient and low carbon cooling solution to drive sustainability in cooling sector.

### Other Business Activities :

The Group also deals in various Bullions.

## 2.1 Basis of preparation and presentation

These consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

The Consolidated Financial Statements of the Group have been prepared in accordance with Indian Accounting Standards (IndAS) as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with section 133 of the Companies Act, 2013 ("the Act") and presentation requirements of Division II of schedule III to the Companies Act, 2013 (as amended from time to time).

The Consolidated financial statements are presented in Indian Rupee (INR) and all values are rounded off to the nearest crore (Transactions below ₹ 50,000.00 denoted as ₹ 0.00), unless otherwise indicated.

## 2.2 Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Company and subsidiaries as at March 31, 2024. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- has power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other

than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

## Consolidation procedure:

- (a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries.
- (b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- (c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and property, plant and equipment, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated Statement of Profit and Loss from the date the Group gains control until the date when the Group ceases to control the subsidiary.



## Notes to Consolidated Financial Statements

for the year ended March 31, 2024

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

All intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The list of Companies included in consolidation, relationship with Adani Energy Solutions Limited (Formerly known as Adani Transmission Limited) and its shareholding therein is as under:

Sr. No.	Name of Company	Country of Incorporation	Relationship	Shareholding as on March 31, 2024	Shareholding as on March 31, 2023
1	Adani Transmission (India) Limited	India	Subsidiary	100%	100%
2	Maharashtra Eastern Grid Power Transmission Company Limited	India	Subsidiary	100%	100%
3	Sipat Transmission Limited <sup>#</sup>	India	Subsidiary	100%	100%
4	Raipur-Rajnandgaon-Warora Transmission Limited <sup>#</sup>	India	Subsidiary	100%	100%
5	Chhattisgarh-WR Transmission Limited <sup>#</sup>	India	Subsidiary	100%	100%
6	Adani Transmission (Rajasthan) Limited <sup>#</sup>	India	Subsidiary	100% <sup>1</sup>	100% <sup>1</sup>
7	North Karanpura Transco Limited	India	Subsidiary	100%	100%
8	Maru Transmission Service Company Limited	India	Subsidiary	100%	100%
9	Aravali Transmission Service Company Limited	India	Subsidiary	100%	100%
10	Hadoti Power Transmission Service Limited <sup>#</sup>	India	Subsidiary	100%	100%
11	Barmer Power Transmission Service Limited <sup>#</sup>	India	Subsidiary	100%	100%
12	Thar Power Transmission Service Limited <sup>#</sup>	India	Subsidiary	100%	100%
13	Western Transco Power Limited	India	Subsidiary	100%	100%
14	Western Transmission (Gujarat) Limited	India	Subsidiary	100%	100%
15	Fatehgarh-Bhadla Transmission Limited	India	Subsidiary	100%	100%
16	Ghatampur Transmission Limited	India	Subsidiary	100%	100%
17	Adani Electricity Mumbai Limited	India	Subsidiary	74.90%	74.90%
18	Adani Electricity Navi Mumbai Limited (Formerly known as AEML Infrastructure Limited)	India	Subsidiary	100%	100%
19	OBRA-C Badaun Transmission Limited	India	Subsidiary	100%	100%
20	Adani Transmission Bikaner Sikar Private Limited	India	Subsidiary	100% <sup>2</sup>	100% <sup>2</sup>
21	WRSS XXI (A) Transco Limited	India	Subsidiary	100%	100%
22	Bikaner Khetri Transmission Limited	India	Subsidiary	100%	100%
23	Lakadia banaskantha Transco Limited	India	Subsidiary	100%	100%
24	Jamkhambhaliya Transco Limited	India	Subsidiary	100%	100%
25	Arasan Infra Limited (Formerly Known as Arasan Infra Private Limited)	India	Subsidiary	100%	100%
26	Sunrays Infra Space Limited (Formerly Known as Sunrays Infra Space Private Limited)	India	Subsidiary	100%	100%
27	Power Distribution Services Limited	India	Subsidiary	74.90%	74.90%
28	Adani Electricity Mumbai Infra Limited (100% subsidiary of AEML)	India	Subsidiary	74.90%	74.90%

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

Sr. No.	Name of Company	Country of Incorporation	Relationship	Shareholding as on March 31, 2024	Shareholding as on March 31, 2023
29	Khar Ghar Vikhroli Transmission Limited (Formerly known as Khar Ghar Vikhroli Transmission Private Limited)	India	Subsidiary	100%	100%
30	Alipurduar Transmission Limited	India	Subsidiary	100% <sup>3</sup>	100% <sup>3</sup>
31	AEML Seepz Limited (100% subsidiary of AEML)	India	Subsidiary	74.90%	74.90%
32	Adani Transmission Step One Limited	India	Subsidiary	100%	100%
33	Warora Kurnool Transmission Limited	India	Subsidiary	100%	100%
34	ATL HVDC Limited	India	Subsidiary	100%	100%
35	MP Power Transmission Package-II Limited	India	Subsidiary	100%	100%
36	MPSEZ Utilities Limited (formerly known as MPSEZ Utilities Private Limited)	India	Subsidiary	100%	100%
37	Karur Transmission Limited	India	Subsidiary	100%	100%
38	Khavda-Bhuj Transmission Limited	India	Subsidiary	100%	100%
39	Adani Electricity Jewar Limited	India	Subsidiary	100%	100%
40	Adani Transmission Step-Two Limited	India	Subsidiary	100%	100%
41	Adani Transmission Mahan Limited	India	Subsidiary	100%	100%
42	BEST Smart Metering Limited	India	Subsidiary	100%	100%
43	Adani Cooling Solutions Limited	India	Subsidiary	100%	100%
44	WRSR Power Transmission Limited	India	Subsidiary	100%	100%
45	Adani Transmission Step-Three Limited	India	Subsidiary	100%	100%
46	Adani Transmission Step-Four Limited	India	Subsidiary	100%	100%
47	Adani Transmission Step-Five Limited	India	Subsidiary	100%	100%
48	Adani Transmission Step-Six Limited	India	Subsidiary	100%	100%
49	Adani Transmission Step-Seven Limited	India	Subsidiary	100%	100%
50	Adani Transmission Step-Eight Limited	India	Subsidiary	100%	100%
51	NE Smart Metering Limited (Formerly know as Adani Transmission Step-Nine Limited)	India	Subsidiary	100%	100%
52	Adani Electricity Aurangabad Limited	India	Subsidiary	100%	100%
53	Adani Electricity Nashik Limited	India	Subsidiary	100%	100%
54	Khavda II-A Transmission Limited	India	Subsidiary	100%	100%
55	Adani Green Energy Thirty Limited	India	Subsidiary	100%	100%
56	Adani-LCC JV	India	Partnership Firm	20%	20%
57	KPS 1 Transmission Limited	India	Subsidiary	49% <sup>4</sup>	-
58	Sangod Transmission Service Limited	India	Subsidiary	100%	-
59	Halvad Transmission Limited	India	Subsidiary	100%	-
60	Sunrays Infra Space Two Limited	India	Subsidiary	100%	-
61	Arasan Infra Two Limited	India	Subsidiary	100%	-
62	Adani Energy Solutions Step-Twelve Limited	India	Subsidiary	100%	-
63	Adani Energy Solutions Step-Thirteen Limited	India	Subsidiary	100%	-

#USPP Group

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

1. Adani Transmission (Rajasthan) Limited (ATRL) has entered into a contract (Transmission Service Agreement) with Rajasthan Rajya Vidyut Prasaran Nigam Limited (RRVPNL) providing for the issue and allotment of one non-transferable equity share of ATRL (the "Golden Share") in favour of the RRVPNL.
2. Adani Transmission Bikaner Sikar Private Limited (ATBSPL) has entered into a contract (Transmission Service Agreement) with Rajasthan Rajya Vidyut Prasaran Nigam Limited (RRVPNL) providing for the issue and allotment of one non-transferable equity share of ATBSPL (the "Golden Share") in favour of the RRVPNL.
3. The Group has signed definitive agreements with Kalpataru Power Transmission Limited (KPTL) on July 5, 2020 for acquisition of Alipurduar Transmission Limited (APTL) in a manner consistent with Transmission Service Agreement and applicable consents. The Group has already acquired of 49% Equity Shares of Alipurduar Transmission Limited ("APTL") and during the previous year 2022-23, Group has further acquired additional 25% equity shares of APTL from KPTL in a manner consistent with Transmission Service Agreement and applicable consents. Further, the balance 26% equity shares of APTL will be acquired from KPTL after obtaining requisite approvals.
4. During the year, the Group acquired under-development transmission company 'KPS 1 Transmission Limited' from Megha Engineering & Infrastructures Ltd. The acquisition involves the implementation of the KPS1 - Khavda PS GIS (KPS2) 765 kV double circuit line and the augmentation of Khavda PS1 in the state of Gujarat. The Company has signed definitive agreements with Megha Engineering & Infrastructures Limited (MEIL) on August 16, 2023 for acquisition of KPS1 Transmission Limited ("KPS1") in a manner consistent with Transmission Service Agreement and applicable consents. The Company has acquired 49% Equity Shares of KPS1 Transmission Limited ("KPS1") during the year, and the balance equity shares of KPS1 will be acquired from MEIL after obtaining requisite approvals. Considering the rights available to the Group under the Share Purchase Agreement (SPA), the group has concluded that it controls KPS1 with effect from August 16, 2023.

## 3. Material accounting policy information

### (a) Property, Plant and Equipment

All items of property, plant and equipment, including freehold land, are initially recorded at cost. Subsequent to initial recognition, property, plant and equipment other than freehold land are measured at cost less accumulated depreciation and any accumulated impairment losses. Freehold land has an unlimited useful life and therefore is not depreciated.

Capital work-in-progress is stated at cost, net of accumulated impairment loss, if any. Other Indirect expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre-operative expenses and disclosed under Capital Work-in-Progress.

#### Depreciation :

Depreciation commences when an asset is ready for its intended use. Depreciation is recognised based on the cost of assets (other than land) less their residual values over their useful lives.

#### (i) Regulated Assets

Depreciation on Property, plant and equipment in respect of electricity business of the Group covered under Part B of Schedule II of the Companies Act, 2013, has been provided on the straight line method at the rates specified in tariff regulations notified by the respective Electricity Regulatory Commission ('Regulator').

#### (ii) Non-Regulated Assets

Depreciation is recognised on the cost of assets (other than freehold land and properties under construction) less their residual values over their estimated useful lives, using the straight-line method.

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. The Group, based on technical assessment made by technical expert and management estimate, depreciates certain items of building, plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

Estimated useful life of Regulated and Non Regulated assets are as below :

Type of Assets	Useful lives
Building	3-60 Years
Plant and Equipment (Except Meters & Batteries)	10-35 Years
Plant and Equipment - Meters	10 Years
Plant and Equipment - Batteries	10 Years
Furniture and Fixtures	3-15 Years
Street Light	25 Years
Office Equipment	3-15 Years
Computer Equipment	3-6 Years
Vehicles	8-15 Years
Distribution Line / Transmission Cable	35 Years
Plant and Equipment, Building at DTPS	15 Years

## Derecognition :

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.

Service line contribution received from consumers towards unconnected lines are recognised under other current financial liabilities till such lines are fully commissioned. When the lines are fully commissioned and capitalised in books, such contribution received is recognised in carrying value of such lines from the block of property, plant and equipment. MUL present the service lines contribution as deferred revenue under the head of non-current liabilities. Further, hitherto, the company presented depreciation charge on such assets as net of amortisation on such contribution being capitalised, the depreciation is presented on gross value and amortisation of such line is being presented as other operating income.

## (b) Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and any accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives.

In respect of Intangible Asset ("Assets") pertaining to Mumbai Generation, Transmission and Distribution business during the year with effect from August 29, 2018, the group has accounted for such Assets at their respective fair values based on the valuation done by professional valuation firm. Subsequent additions to the assets after August 29, 2018 are accounted for at cost.

### Useful life

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

Intangible Assets with indefinite lives are not amortised but are tested for impairment on annual basis. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Estimated useful lives of the intangible assets are as follows:

Type of Assets	Useful lives
Transmission and distribution License	Indefinite
Computer Software	3-6 years

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

## Derecognition of Intangible assets

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

## (c) Current / Non-Current Classification

Based on the time involved between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has identified twelve months as its operating cycle for determining current and non-current classification of assets and liabilities in the balance sheet.

## (d) Financial Instruments

All financial assets and liabilities are recognized at fair value on initial recognition except Trade Receivables which are measured at Transaction Cost. 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 measured at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

## (A) Financial assets

### Initial Recognition and measurement :

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

### Subsequent measurement :

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

## i) Classification and measurement of financial assets

### a) Financial assets at amortised cost

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

### b) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if both of the following criteria are met

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

All financial assets that do not meet the criteria for amortised cost or FVTOCI are measured at FVTPL. Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in Consolidated profit or loss. The net gain or loss recognised in Consolidated profit or loss incorporates any dividend or interest earned on the financial asset.

## ii) Impairment of financial assets

The Group assesses at each date of balance sheet whether a financial asset or a Group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Group recognises lifetime expected losses for all contract assets and/or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount



# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

## iii) Derecognition of financial assets

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

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

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

On derecognition of a financial asset in its entirety, 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 the Consolidated Statement of Profit and Loss if such gain or loss would have otherwise been recognised in the Consolidated Statement of Profit and Loss on disposal of that financial asset.

## (B) Financial liabilities and equity instruments

### i) Classification as debt or equity

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

### ii) Financial liabilities

#### Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

#### Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost (loans and borrowings)

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

Trade and other payables are recognised at the transaction cost, which is its fair value, and subsequently measured at amortised cost. Similarly, interest bearing loans (inter corporate deposits), trade credits and borrowings (including

## Notes to Consolidated Financial Statements

for the year ended March 31, 2024

bonds) are subsequently measured at amortised cost using effective interest rate method. Trade credits include Buyer's credit, Foreign Letter of Credit and Inland Letter of Credit.

Financial liabilities measured at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Financial liabilities are classified as held for trading if these are incurred for the purpose of repurchasing in the near term. Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in the Consolidated Statement of Profit and Loss

### iii) Derecognition of Financial Liability

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

### (e) Derivative financial instruments and hedge accounting

#### Initial recognition and subsequent measurement:

The Group uses derivative financial instruments, such as forward currency contracts, interest rate swaps and forward commodity contracts, to hedge its foreign currency risks, interest rate risks and commodity price risks, respectively. 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.

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 and the risk management objective and strategy for undertaking the hedge.

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

#### 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

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

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.

## (f) Asset Acquisition

The Group acquires transmission SPVs' from third parties. The Purchase consideration primarily pertains to the fair value of the transmission assets. Transmission SPV's are with fixed tariff revenues under the Transmission Services Agreements (TSAs). The only key activity for these SPV's is the maintenance of the transmission assets which is or will be outsourced to third parties. There are no employees retained on acquisition and no other significant processes were existed for earning tariff revenues.

Based on evaluation of the above fact pattern vis-à-vis the guidance on definition of business under Ind AS and also keeping in view the relevant guidance on similar fact pattern available under accounting standards applicable in other jurisdictions, the management has classified the acquisition of transmission SPVs as asset acquisition.

## (g) Goodwill

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

After initial recognition, goodwill is measured at cost less any accumulated impairment losses.

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

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

## (h) Foreign currencies

The functional currency of the Group is Indian Rupee ₹. In preparing the financial statements of the Group, transactions in currencies other than the entity's functional currency are recognised at the rate of exchange prevailing on the date of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated. Exchange differences on monetary items are recognised in the Statement of Profit and Loss in the period in which they arise except for:

- (i) exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings; and
- (ii) exchange differences on transactions entered into in order to hedge certain foreign currency risks.

## (i) Fair value measurement

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

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

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, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised 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:

- (i) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- (ii) Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;
- (iii) Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

## (j) 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.

### • Power Transmission Services

#### a. Transmission Service Agreements

Revenue from contracts with customers comprises of revenue from power transmission services rendered in India to Long Term

Transmission Customers (LTTCs) pursuant to the respective Transmission Services Agreements (TSAs) executed by the Group with LTTCs for periods of 35/25 years. The Group is required to ensure that the transmission assets meet the minimum availability criteria under the respective TSAs. The Group's performance obligation under the TSAs is to provide power transmission services. The performance obligation is satisfied over time as the customers receive and consume the benefits provided by the Group's performance as the Group performs.

#### b. Bulk Power Transmission Agreements

The Company as per the prevalent tariff regulations is required to recover its Annual Revenue Requirement ('ARR') comprising of expenditure on account of operations and maintenance expenses, financing costs, taxes and assured return on regulator approved equity with additional incentive for operational efficiencies. Any surplus/shortfall in the recovery is accounted as revenue based on the final tariff orders by the regulatory authority.

Accordingly, the revenue from power transmission services is recognised over time based on the transmission asset availabilities and the tariff charges approved under the respective TSA's / tariff orders and includes unbilled revenues accrued up to the end of the accounting period. The payment is generally due within 30-60 days upon receipt of monthly invoice by the customer.

#### c. Service Concession Arrangements

The group also has been operating and maintaining the power transmission system including sub-station constructed to provide services for a specified period of time in accordance with the transmission agreement entered into with the grantor. Under Appendix D to Ind AS 115, this arrangement is considered as Service Concession Arrangement and in accordance with para 16 of the Appendix D to Ind AS 115, rights to receive the consideration from the grantor for providing services has been recognised as "financial assets". Finance Income for Service Concession Arrangements under

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

finance assets model is recognised using effective interest rate method.

## d. Incentive Income

Income from transmission system incentive is accounted for based on certification of availability by respective regulatory nominated body. Where certification by the regulatory nominated body is not available, incentive is accounted for on provisional basis as per estimate of availability by the Group and differences, if any is accounted upon receipt of certification.

## e. Revenue From Change in law

Revenue from operations on account of Force Majeure / change in law events in terms of TSA with customers is accounted for by the Company based on the orders / reports of Regulatory Authorities, best management estimates, wherever needed and reasonable certainty to expect ultimate collection.

## • Sale of Power-Distribution business :

Revenue from sale of power is recognised net of cash discount over time for each unit of electricity delivered at the pre-determined rate as determined by the respective State Electricity Regulatory Commission. Sales of power under Deviation settlement mechanism is recognised at variable cost.

## • Amortisation of Service Line Contribution :

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

## • Sale of Goods :

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

- The Group has transferred to the buyer the significant risks and rewards of ownership of the goods;

- The amount of revenue can be measured reliably; and

- it is probable that the economic benefits associated with the transaction will flow to the Group;

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

## • Construction and Development of Infrastructure Assets :

The Group's business operations includes in construction and development of infrastructure assets. Where the outcome of the project cannot be estimated reasonably, Revenue from contracts for such construction and development activities is recognized on completion of relevant activities under the contract and the transfer of control of the infrastructure when all significant risks and rewards of ownership in the infrastructure assets are transferred to the customer .

## • Financing component:

The Group receives advance payments from customers for the setup and sale of customised Sub-station and transmission line with a construction lead time of 6 months after signing the contract and receipt of payment. There is a significant financing component for these contracts considering the length of time between the customers' payment and the transfer of the equipment, as well as the prevailing interest rate in the market. As such, the transaction price for these contracts is discounted, using the interest rate implicit in the contract. This rate is commensurate with the rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception.

The Group applies the practical expedient for short-term advances received from customers. That is, the promised amount of consideration is not adjusted for the effects of a significant financing component if the period between the transfer of the promised good or service and the payment is one year or less.



# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

- **Interest on Overdue Receivables / Delayed Payment Charges:**

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

Power Distribution Business: Consumers are billed on a monthly basis and are given average credit period of 15 to 30 days for payment. No delayed payment charges ('DPC') / interest on arrears ('IOA') is charged for the initial 15-30 days from the date of invoice to customers. Thereafter, DPC / IOA is charged at the rate prescribed in the tariff order on the outstanding amount. Revenue in respect of delayed payment charges and interest on delayed payments leviable as per the relevant contracts are recognised on actual realisation or accrued based on an assessment of certainty of realization supported by either an acknowledgement from customers or on receipt of favorable order from regulator / authorities.

- **Other Income**

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

## (k) Borrowing costs

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

Substantial time is defined as time required for commissioning of the assets considering industry benchmarks.

## (l) Employee benefits

### i) Defined benefit plans:

The Group has an obligation towards gratuity, a defined benefit retirement plan which is a combination of funded plan / unfunded plan for various companies in the Group.

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.

### 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

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

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) 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.

### Group as a lessee

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

### Right-of-use assets

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

### Lease Liabilities

The lease liability is initially measured at the present value of the lease payments to be paid over the

lease term at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate. Subsequently, the lease liability is measured at amortised cost using the effective interest method.

## (n) Taxation

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

### i) Current tax :

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

### ii) Deferred tax :

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be

## Notes to Consolidated Financial Statements

for the year ended March 31, 2024

available against which those deductible temporary differences can be utilised.

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

Regulators tariff norms in respect of certain subsidiaries which operate under cost plus tariff regime, provide the recovery of Income Tax from the beneficiaries by way of grossing up the return on equity based on effective tax rate for the financial year shall be based on the actual tax paid during the year on the transmission income from certain subsidiaries. Accordingly, deferred tax liability provided during the year which is fully recoverable from beneficiaries and known as "deferred assets recoverable / adjustable". The same will be recovered when the related deferred tax liability forms a part of current tax.

### (o) Regulatory Deferral Account

The Group determines revenue gaps (i.e. surplus/ shortfall in actual returns over returns entitled) in respect of its regulated operations in accordance with the provisions of Ind AS 114 "Regulatory Deferral Accounts" read with the Guidance Note on Rate Regulated Activities issued by ICAI and based on the principles laid down under the relevant Tariff Regulations/Tariff Orders notified by the Electricity Regulator and the actual or expected actions of the regulator under the applicable regulatory framework. Appropriate adjustments in respect

of such revenue gaps are made in the regulatory deferral account of the respective year for the amounts which are reasonably determinable and no significant uncertainty exists in such determination. These adjustments/accruals representing revenue gaps are carried forward as Regulatory deferral accounts debit/credit balances (Regulatory Assets/ Regulatory Liabilities) as the case may be in the financial statements, which would be recovered/ refunded through future billing based on future tariff determination by the regulator in accordance with the electricity regulations.

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

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

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

### 4. Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the year ended March 31, 2024 MCA has not notified any new standards or amendments to the existing standards applicable to the Group.

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

## 5.1 Property, Plant and Equipment and Intangible Assets

		Tangible Assets										Intangible Assets				(₹ in crore)	
Description of Assets		Land (Freehold)	Building	Plant and Equipment	Furniture and Fixtures	Office Equipment	Computer Equipment	Vehicles	Railway Slidings	Distribution System	Jetties	Electrical Installation	Total	Computer Software	Transmission and distribution License	Other Intangible Assets	Total
I. Gross Carrying Amount																	
Balance as at April 1, 2022		2,860.57	1,117.90	23,642.82	24.25	31.76	183.38	45.78	6.70	6,313.96	1.36	44.59	34,273.07	96.21	1,032.96	-	1,129.17
Additions		38.67	76.16	3,187.42	1.06	7.16	43.04	32.30	-	562.33	-	8.11	3,956.25	32.57	-	-	32.57
Disposals		(0.04)	(0.01)	(22.10)	(0.01)	(0.41)	(3.34)	(2.23)	-	(2.68)	-	(0.41)	(31.23)	-	-	-	-
Balance As at March 31, 2023		2,899.20	1,194.05	26,808.14	25.30	38.51	223.08	75.85	6.70	6,873.61	1.36	52.29	38,198.09	128.78	1,032.96	-	1,161.74
Additions		110.52	177.40	6,797.66	1.13	5.19	44.31	3.55	-	716.62	-	3.79	7,860.17	35.33	-	7.01	42.34
Disposals		-	(0.07)	(13.05)	(0.02)	(0.09)	(0.66)	(0.17)	-	(1.52)	-	(0.01)	(15.59)	-	-	-	-
Balance As at March 31, 2024		3,009.72	1,371.38	33,592.75	26.41	43.61	266.73	79.23	6.70	7,588.71	1.36	56.07	46,042.67	164.11	1,032.96	7.01	1,204.08
II. Accumulated depreciation and Amortisation																	
Balance as at April 1, 2022		-	143.11	5,359.27	11.13	11.87	48.70	11.86	1.49	768.89	0.28	11.45	6,368.05	33.71	-	-	33.71
Depreciation and Amortisation Expense		-	42.47	1,163.05	1.45	4.84	45.04	3.41	0.41	290.10	0.09	4.38	1,555.24	28.68	-	-	28.68
Eliminated on disposal of assets		-	(0.01)	(14.21)	(0.01)	(0.23)	(3.33)	(1.31)	-	(1.00)	-	(0.38)	(20.48)	-	-	-	-
Balance As at March 31, 2023		-	185.57	6,508.11	12.57	16.48	90.41	13.96	1.90	1,057.99	0.37	15.45	7,902.81	62.39	-	-	62.39
Depreciation and Amortisation Expense		-	45.10	1,292.72	1.33	5.70	42.68	4.66	0.41	316.50	0.09	4.86	1,714.05	40.09	-	0.00	40.09
Eliminated on disposal of assets		-	(0.07)	(9.34)	(0.06)	(0.05)	(0.66)	(0.09)	-	(0.65)	-	(0.01)	(10.93)	-	-	-	-
Balance As at March 31, 2024		-	230.60	7,791.49	13.84	22.13	132.43	18.53	2.31	1,373.84	0.46	20.30	9,605.93	102.48	-	0.00	102.48
Net Carrying Value :																	
As at March 31, 2023		2,899.20	1,008.48	20,300.03	12.73	22.03	132.67	61.89	4.80	5,815.62	0.99	36.84	30,295.28	66.39	1,032.96	-	1,099.35
As at March 31, 2024		3,009.72	1,140.78	25,801.26	12.57	21.48	134.30	60.70	4.39	6,214.87	0.90	35.77	36,436.74	61.63	1,032.96	7.01	1,101.60

### Notes:

- (i) The above Intangible Assets are other than internally generated Intangible Assets.
- (ii) The Transmission & Distribution Licenses was acquired as a part of the business acquisition. The licenses are valid for a period of 25 years & considering similar extensions have happened in the past, it is expected to be further extended at minimal cost. Based on an analysis of all of the relevant factors, the licenses are considered by the Group as having an indefinite useful life.

For charge created on aforesaid assets, refer note 22.

## Notes to Consolidated Financial Statements

for the year ended March 31, 2024

### 5.2: Right of Use Assets

(₹ in crore)

Description of Assets	Leasehold Land	Building	Right of Way	Computer Equipment	Total
<b>I. Gross Carrying Amount</b>					
Balance as at April 1, 2022	620.83	102.89	40.16	1.55	765.43
Additions	2.42	0.06	7.18	-	9.66
Disposals	-	-	-	-	-
<b>Balance As at March 31, 2023</b>	<b>623.25</b>	<b>102.95</b>	<b>47.34</b>	<b>1.55</b>	<b>775.09</b>
Additions	1.34	0.27	150.00	-	151.61
Disposals	-	-	-	-	-
Acquisitions of subsidiaries	8.84	-	-	-	8.84
<b>Balance As at March 31, 2024</b>	<b>633.43</b>	<b>103.22</b>	<b>197.34</b>	<b>1.55</b>	<b>935.54</b>
<b>II. Accumulated Depreciation / Amortization</b>					
Balance as at April 1, 2022	21.89	63.24	6.63	0.67	92.43
Depreciation / Amortisation Expense	12.36	14.00	3.78	0.30	30.44
Eliminated on disposal of assets	-	-	-	-	-
<b>Balance As at March 31, 2023</b>	<b>34.25</b>	<b>77.24</b>	<b>10.41</b>	<b>0.97</b>	<b>122.87</b>
Depreciation / Amortisation Expense	12.68	10.47	6.11	0.30	29.56
Eliminated on disposal of assets	-	-	-	-	-
<b>Balance As at March 31, 2024</b>	<b>46.93</b>	<b>87.71</b>	<b>16.52</b>	<b>1.27</b>	<b>152.43</b>
<b>Net Carrying Value :</b>					
Net Carrying Value As at March 31, 2023	589.00	25.71	36.93	0.58	652.22
<b>Net Carrying value as at March 31, 2024</b>	<b>586.50</b>	<b>15.51</b>	<b>180.82</b>	<b>0.28</b>	<b>783.11</b>

### 5.3 Capital work-in-progress:

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Balance	6,200.44	5,060.16
Additions during the year	4,856.02	5,053.60
Additions on account of acquisition of subsidiaries	0.35	85.16
Capitalised during the year	(8,054.12)	(3,998.48)
<b>Closing Balance</b>	<b>3,002.69</b>	<b>6,200.44</b>



# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

## 5.3 Capital Work in Progress (Contd...)

Notes :

### (i) CWIP Ageing Schedule

(₹ in crore)

Particulars	Amount in CWIP for a period of				Total
	<1 year	1-2 years	2-3 years	> 3 years	
<b>Capital-work-in progress ageing schedule:</b>					
<b>As at March 31, 2024</b>					
- Projects in progress	1,773.25	813.08	293.45	122.91	<b>3,002.69</b>
- Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>1,773.25</b>	<b>813.08</b>	<b>293.45</b>	<b>122.91</b>	<b>3,002.69</b>
<b>As at March 31, 2023</b>					
- Projects in progress	4,128.91	1,792.89	222.72	54.22	<b>6,198.74</b>
- Projects temporarily suspended	0.97	0.67	0.00	0.06	<b>1.70</b>
<b>Total</b>	<b>4,129.88</b>	<b>1,793.56</b>	<b>222.72</b>	<b>54.28</b>	<b>6,200.44</b>

## 5.4 Depreciation and Amortisation Expense

(₹ in crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation on Tangible Assets	1,714.05	1,555.24
Amortisation of Intangible Assets	40.09	28.68
Depreciation / Amortisation of Right of Use	29.56	30.44
Less : Transferred to Capital work in progress	(7.62)	(6.62)
<b>Total</b>	<b>1,776.08</b>	<b>1,607.74</b>

## 6. Non Current Investments

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Investment in Government Securities at amortised cost</b>		
Contingency Reserve Investment (Quoted)	323.79	312.89
<b>Total</b>	<b>323.79</b>	<b>312.89</b>
<b>Aggregate book value of Quoted Investments</b>	<b>323.79</b>	<b>312.89</b>
<b>Aggregate market value of Quoted Investments</b>	<b>309.38</b>	<b>290.60</b>

## Notes to Consolidated Financial Statements

for the year ended March 31, 2024

### 7. Non Current Loans- At Amortised Cost

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>(Secured, Considered good)</b>		
Housing loans to employee against Hypothecation of the property	13.38	17.14
<b>(Unsecured, Considered good)</b>		
Loan to employees	9.13	8.96
<b>Total</b>	<b>22.51</b>	<b>26.10</b>

### 8. Non Current Financial Assets - Others

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Balances held as Margin Money or security against borrowings*	1,622.66	1,100.85
Receivables Under Service Concession Arrangement (SCA)	969.91	1,028.45
Unbilled Revenue	201.68	867.00
Derivative instruments	925.04	899.65
Security deposit - Considered Good	36.65	53.98
Security deposit - Considered doubtful	6.37	6.63
Interest receivable	5.51	3.35
Other Receivable	79.67	21.42
<b>Total</b>	<b>3,847.49</b>	<b>3,981.33</b>
Less : Provision For Doubtful Deposits	(6.37)	(6.63)
<b>Total</b>	<b>3,841.12</b>	<b>3,974.70</b>

\* Represents deposits Amount towards Debt Service Reserve Account (DSRA) and Capex Reserve Account (CRA)

### 9. Income Tax Assets (Net)

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Income Tax Assets (Net)	57.55	60.78
<b>Total</b>	<b>57.55</b>	<b>60.78</b>

### 10. Other Non-current Assets

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Advance to Employees	1.76	3.96
Capital advances (Considered Good)	1,205.22	770.26
Contract Assets	602.02	-
Prepaid Expenses	1.41	84.36
Deferred Assets (recoverable) / adjustable (Refer Note 28)	942.45	946.26
<b>Total</b>	<b>2,752.86</b>	<b>1,804.84</b>

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

## 11. Inventories

(At lower of Cost and Net Realisable Value)

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Fuel	98.84	39.78
Fuel - in Transit	38.47	17.00
Stores & spares	117.97	95.13
<b>Total</b>	<b>255.28</b>	<b>151.91</b>

## 12. Current Investments

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Investment in Mutual Funds units at FVTPL (Unquoted)	392.30	1,020.43
<b>Total (a)</b>	<b>392.30</b>	<b>1,020.43</b>
Investments in Government Securities (Quoted) at amortised cost		
Contingency Reserve Investment (Quoted)	15.83	10.58
<b>Total (b)</b>	<b>15.83</b>	<b>10.58</b>
Treasury Bills at FVTPL (Quoted)	34.56	25.78
<b>Total (c)</b>	<b>34.56</b>	<b>25.78</b>
<b>Total (a) + (b) + (c)</b>	<b>442.69</b>	<b>1,056.79</b>
<b>Aggregate book value of Quoted Investments</b>	<b>50.39</b>	<b>36.36</b>
<b>Aggregate market value of Quoted Investments</b>	<b>50.81</b>	<b>36.29</b>

## 13. Trade Receivables

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Secured, Considered good	133.74	127.37
Unsecured, Considered good	1,394.93	1,270.22
Having significant increase in credit risk	36.28	40.00
Credit Impaired	24.45	24.45
	<b>1,589.40</b>	<b>1,462.04</b>
Less : Provision for doubtful Trade receivables	(24.45)	(24.45)
<b>Total</b>	<b>1,564.95</b>	<b>1,437.59</b>

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

## 13. Trade Receivables (Contd...)

### 13.1 Trade Receivables ageing Schedule

(₹ in crore)

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
<b>As at March 31, 2024</b>							
(i) Undisputed Trade receivables – considered good	628.81	746.53	120.18	20.72	9.20	0.30	<b>1,525.74</b>
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	16.99	9.92	3.62	5.72	-	-	<b>36.25</b>
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	14.39	-	0.45	<b>14.84</b>
(iv) Disputed Trade Receivables considered good	0.43	1.69	0.40	0.41	-	-	<b>2.93</b>
(v) Disputed Trade Receivables -which have significant increase in credit risk	0.03	-	-	-	-	-	<b>0.03</b>
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	9.61	<b>9.61</b>
<b>Total</b>	<b>646.26</b>	<b>758.14</b>	<b>124.20</b>	<b>41.24</b>	<b>9.20</b>	<b>10.36</b>	<b>1,589.40</b>

(₹ in crore)

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
<b>As at March 31, 2023</b>							
(i) Undisputed Trade receivables – considered good	570.85	796.21	13.04	13.93	0.28	0.02	<b>1,394.33</b>
(ii) Undisputed Trade Receivables –which have significant increase in credit risk	17.23	14.72	2.87	5.15	-	-	<b>39.97</b>
(iii) Undisputed Trade Receivables –credit impaired	13.00	-	-	1.39	-	0.45	<b>14.84</b>
(iv) Disputed Trade Receivables considered good	0.92	1.54	0.32	0.48	-	-	<b>3.26</b>
(v) Disputed Trade Receivables -which have significant increase in credit risk	0.03	-	-	-	-	-	<b>0.03</b>
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	9.61	<b>9.61</b>
<b>Total</b>	<b>602.03</b>	<b>812.47</b>	<b>16.23</b>	<b>20.95</b>	<b>0.28</b>	<b>10.08</b>	<b>1,462.04</b>

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

## 13. Trade Receivables (Contd...)

	(₹ in crore)	
Movement in the allowance for doubtful trade receivables	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	24.45	11.89
Add/(Less) : Provision made / (Written off) during the year (net of recoveries)	0.00	12.56
Balance at the end of the year	24.45	24.45

### Notes :

- (i) The Group holds security deposits (refer note 31) in respect of trade receivables of Distribution business. Trade receivables to the extent covered by such deposits are presented as secured.
- (ii) The average credit period for the Group's receivables from its distribution business is in the range of 15 to 30 days. No interest or delayed payment is charged on trade receivables till the due date. Thereafter, one time delayed payment charges at the rate of 1.25% & interest after 30 / 60 days from bill date is charged in the range of 12% to 15% per annum.
- (iii) The average credit period for the Group's receivables from its Transmission business is in the range of 30 to 60 days. No interest or delayed payment is charged on trade receivables till the due date. Thereafter, delayed interest charges, after 30 / 60 days from bill date is charged in the range of 12% to 15% per annum. For Transmission business, regulator approved tariff / Transmission Service charges is receivable from long-term transmission customers (LTTCs) that are highly rated companies or government parties. Counterparty credit risk with respect to these receivables is very minimal.
- (iv) The Group considers for impairment its receivables from customers in its Distribution business. The risk of recovery in these businesses is reduced to the extent of security deposits already collected and held as collateral. Balance amount receivable over and above the deposit is assessed for expected credit loss allowances. The Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experienced and adjusted for forward- looking information. The expected credit loss allowance is based on ageing of the days the receivables are due and been calculated and applied at the respective entity level of the group.
- (v) Above trade receivables are pledged as security with the Lenders against borrowings. (Refer note 22).
- (vi) The concentration of credit risk is very limited due to the fact that the large customers are mainly government bodies / departments and remaining customer base is large and widely dispersed and secured with security deposit.



## Notes to Consolidated Financial Statements

for the year ended March 31, 2024

### 14. Cash and Cash Equivalents

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with banks		
In current accounts	225.15	152.55
Fixed Deposits (with original maturity for three months or less)	501.35	23.53
Cheques / Drafts on Hand	14.18	14.13
Cash on Hand	1.38	0.43
<b>Total</b>	<b>742.06</b>	<b>190.64</b>

Note : Cash and cash equivalents include balances with banks which are unrestricted for withdrawal and usage for respective companies.

For charge created on aforesaid assets, refer note 22.

### 15. Bank Balance Other than Cash and Cash Equivalents

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Balances held as Margin Money or security against borrowings	734.62	833.70
Fixed Deposits (with original maturity of more than 3 months)	751.46	679.80
<b>Total</b>	<b>1,486.08</b>	<b>1,513.50</b>

For charge created on aforesaid assets, refer note 22.

### 16. Current Financial Assets - Loans (At Amortised Cost)

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>(Unsecured, Considered good)</b>		
Loans to employees	4.81	5.03
Loans to Others (towards acquisition) (Refer Note 58)	-	69.17
<b>(Secured, Considered good)</b>		
Housing loans to employee against Hypothecation of the property	2.97	3.00
Loans to Others (interest bearing loan towards acquisition) (Refer Note 58)	400.00	400.00
<b>Total</b>	<b>407.78</b>	<b>477.20</b>

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

## 17. Current Financial Assets - Others

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Interest receivable	84.61	45.26
Unbilled Revenue	2,179.59	1,719.26
Receivables Asset Under Service Concession Arrangement (SCA)	62.11	62.38
Security deposit	12.82	13.33
Derivative instruments	3.82	27.21
Other Receivables	17.82	38.95
<b>Total</b>	<b>2,360.77</b>	<b>1,906.39</b>

## 18. Other Current Assets

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Advance to Suppliers (Unsecured, Considered Good)	218.86	127.36
Advance for Acquisition of SPV (Unsecured, Considered Good)	69.17	6.35
Balances with Government authorities	108.04	24.75
Contract Assets	290.87	-
Security Deposit	51.44	-
Prepaid Expenses	40.19	46.34
Advance to Employees	8.58	4.21
<b>Total</b>	<b>787.15</b>	<b>209.01</b>

## 19. Equity Share Capital

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Authorised Share Capital</b>		
1,50,00,00,000 (As at March 31, 2023-1,50,00,00,000) equity shares of ₹ 10 each.	1,500.00	1,500.00
<b>Total</b>	<b>1,500.00</b>	<b>1,500.00</b>
<b>Issued, Subscribed and Fully paid-up equity shares</b>		
111,54,92,683 (As at March 31, 2023- 111,54,92,683) fully paid up equity shares of ₹ 10 each.	1,115.49	1,115.49
<b>Total</b>	<b>1,115.49</b>	<b>1,115.49</b>

## Notes to Consolidated Financial Statements

for the year ended March 31, 2024

### 19. Equity Share Capital (Contd...)

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

Equity Shares	As at March 31, 2024		As at March 31, 2023	
	No. Shares	(₹ in crore)	No. Shares	(₹ in crore)
At the beginning of the year	1,11,54,92,683	1,115.49	1,09,98,10,083	1,099.81
Issued during the year	-	-	1,56,82,600	15.68
<b>Outstanding at the end of the year</b>	<b>1,11,54,92,683</b>	<b>1,115.49</b>	<b>1,11,54,92,683</b>	<b>1,115.49</b>

#### b. Terms/rights attached to equity shares

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

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

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. Shares	% holding in the class	No. Shares	% holding in the class
<b>Equity shares of ₹ 10 each fully paid</b>				
Shri Gautam S. Adani / Shri Rajesh S. Adani (On the behalf of S.B. Adani Family Trust)	60,16,34,660	53.94%	60,16,34,660	53.94%
Adani Tradeline Private Limited (Formerly Known as Adani Tradeline LLP)	9,58,04,325	8.59%	9,94,91,719	8.92%
	<b>69,74,38,985</b>	<b>62.53%</b>	<b>70,11,26,379</b>	<b>62.86%</b>

#### d. Details of Shareholding of Promoters

Particulars	No. of shares	% of total shares	% Change during the year
<b>As at March 31, 2024</b>			
Shri Gautambhai Shantilal Adani	1	0.00%	-
Shri Rajeshbhai Shantilal Adani	1	0.00%	-
Shri Gautam S. Adani / Shri Rajesh S. Adani (on behalf of S. B. Adani Family Trust)	60,16,34,660	53.94%	-
Adani Tradeline Private Limited (Formerly Known as Adani Tradeline LLP)	9,58,04,325	8.59%	-3.71%
Afro Asia Trade and Investments Limited	3,02,49,700	2.71%	-
Fortitude Trade and Investment Limited	-	-	-100.00%
Worldwide Emerging Market Holding Limited	3,02,49,700	2.71%	-
Flourishing Trade And Investment Limited	36,88,000	0.33%	-
Gelt Bery Trade and Investment Limited	5,51,33,600	4.94%	55133500.00%
	<b>81,67,59,987</b>	<b>73.22%</b>	

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

## 19. Equity Share Capital (Contd...)

Particulars	No. of shares	% of total shares	% Change during the year
<b>As at March 31, 2023</b>			
Shri Gautambhai Shantilal Adani	1	0.00%	0.00%
Shri Rajeshbhai Shantilal Adani	1	0.00%	0.00%
Shri Gautam S. Adani / Shri Rajesh S. Adani (on behalf of S. B. Adani Family Trust)	60,16,34,660	53.94%	-3.15%
Shri Gautam S. Adani / Smt. Priti G. Adani (on behalf of Gautam S. Adani Family Trust)	-	0.00%	-100.00%
Adani Tradeline Private Limited (Formerly Known as Adani Tradeline LLP)	9,94,91,719	8.92%	0.00%
Afro Asia Trade and Investments Limited	3,02,49,700	2.71%	0.00%
Fortitude Trade and Investment Limited	3,39,17,200	3.04%	12.12%
Worldwide Emerging Market Holding Limited	3,02,49,700	2.71%	0.00%
Flourishing Trade And Investment Limited	36,88,000	0.33%	0.00%
Gelt Bery Trade and Investment Limited	100	0.00%	100.00%
	<b>79,92,31,081</b>	<b>71.65%</b>	

## 20. Unsecured Perpetual Equity Instrument

Particulars	(₹ in crore)	
	As at March 31, 2024	As at March 31, 2023
Opening Balance	-	3,055.65
Add: Availled during the year	-	-
(Less): Repaid during the year	-	(3,075.46)
Add: Distribution on Unsecured Perpetual Equity Instrument ( Net of Tax)	-	19.81
<b>Closing Balance</b>	<b>-</b>	<b>-</b>

Adani Energy Solutions Limited (Formerly Known as Adani Transmission Limited (Parent Company) had issued Unsecured Perpetual Equity Instrument (the "Instrument") to Adani Infra (India) Limited. These Instrument are perpetual in nature with no maturity or redemption and are callable only at the option of the Parent company. During the previous year parent company has repaid ₹ 3,075.46 crore to Adani Infra (India) Limited including distribution on perpetual equity instrument.

## Notes to Consolidated Financial Statements

for the year ended March 31, 2024

### 21. Other Equity

Particulars	(₹ in crore)	
	As at March 31, 2024	As at March 31, 2023
<b>a. Capital Reserve (Refer note (i) below)</b>		
Opening Balance	208.87	208.87
Add : Addition during the year	-	-
<b>Closing Balance Total (a)</b>	<b>208.87</b>	<b>208.87</b>
<b>b. Effective portion of cashflow Hedge (Refer note (ii) below)</b>		
Opening Balance	(599.54)	(409.86)
Impact on account of restatement (Refer Note 61)	-	69.56
Effective portion of cash flow hedge for the year	(246.01)	(259.24)
<b>Closing balance Total (b)</b>	<b>(845.55)</b>	<b>(599.54)</b>
<b>c. General Reserve (Refer note (iii) below)</b>		
Opening Balance	1,176.94	1,201.95
Less: Appropriation to Self Insurance Reserve	(24.67)	(25.01)
<b>Closing Balance Total (c)</b>	<b>1,152.27</b>	<b>1,176.94</b>
<b>d. Capital Redemption Reserve (Refer note (iv) below)</b>		
Opening Balance	2,436.53	2,436.53
Add : Addition during the year	-	-
<b>Closing Balance Total (d)</b>	<b>2,436.53</b>	<b>2,436.53</b>
<b>e. Debenture Redemption Reserve (Refer note (v) below)</b>		
Opening Balance	25.04	11.15
Transfer from/(to) Retained Earning	(0.65)	13.89
<b>Closing Balance Total (e)</b>	<b>24.39</b>	<b>25.04</b>
<b>f. Contingency Reserve (Refer note (vi) below)</b>		
Opening Balance	358.48	334.89
Addition during the year	23.24	23.59
<b>Closing Balance Total (f)</b>	<b>381.72</b>	<b>358.48</b>
<b>g. Self Insurance Reserve (Refer note (vii) below)</b>		
Opening Balance	43.66	18.65
Addition during the year	24.67	25.01
<b>Closing Balance Total (g)</b>	<b>68.33</b>	<b>43.66</b>
<b>h. Retained Earnings (Refer note (viii) below)</b>		
Opening Balance	3,149.38	1,955.18
Add : Profit for the year	1,137.28	1,256.33
Add / (Less) : Other comprehensive income arising from remeasurement of Defined Benefit Plans	(0.64)	(6.67)
(Less) : Distribution on Unsecured Perpetual Equity Instrument	-	(19.83)
(Less) : Transfer to Contingency reserve	(21.49)	(21.74)
Add / (Less) : Transfer to Debenture Redemption Reserve	0.65	(13.89)
<b>Closing Balance Total (h)</b>	<b>4,265.18</b>	<b>3,149.38</b>
<b>i. Securities Premium Account (Refer note (ix) below)</b>		
Opening Balance	3,834.32	-
Add: Addition on account of issue of shares during the year	-	3,834.32
<b>Closing Balance Total (i)</b>	<b>3,834.32</b>	<b>3,834.32</b>
<b>Total (a+b+c+d+e+f+g+h+i)</b>	<b>11,526.06</b>	<b>10,633.68</b>



# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

## 21. Other Equity (Contd...)

### Notes:

- i) It has been created on acquisition of subsidiary companies.
- ii) The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on changes in fair value of the designated portion of the hedging instruments that are recognised and accumulated under the heading of cash flow hedging reserve will be reclassified to profit or loss only when the hedged transaction affects the profit or loss, or included as a basis adjustment to the non-financial hedged item.
- iii) It has been created pursuant to the demerger of transmission undertaking of Adani Enterprises Limited into the company. The general reserve is used from time to time to transfer profit from retained earnings for apportion purposes.
- iv) Under the provisions of Section 55 of the Companies Act, 2013 where the redemption of preference shares is out of profits, an amount equal to nominal value of shares redeemed is to be transferred to a reserve called 'capital redemption reserve'
- v) The Company has issued redeemable non-convertible debentures. Accordingly, the Companies (Share capital and Debentures) Rules, 2014 (as amended), requires the company to create DRR out of profits available for payment of dividend. The DRR is created over the life of debentures out of retained earnings.
- vi) As per the provisions of MERC MYT Regulations read with Tariff orders passed by MERC, the Group being a Distribution and Transmission Licensee, makes an appropriation to the Contingency Reserve fund to meet with certain exigencies.
- vii) The company has decided that insurance of the transmission lines of subsidiary companies would be through the self-insurance to mitigate the loss of assets hence a reserve has been created. The insurance of sub stations of subsidiary companies are covered through insurance companies under all risk policy.
- viii) Retained earnings (in the event of availability of profits) represents the amount that can be distributed by the Company as dividends considering the requirements of the Companies' Act, 2013.  
  
The Board of Directors of Adani Electricity Mumbai Limited (subsidiary of the company) in their meeting held on May 26, 2023, have declared interim dividend of ₹ 0.85 per equity share of ₹ 10 each for the financial year 2022-23 amounting to ₹ 341.77 crore. The Company has paid dividend after obtaining the necessary approvals.
- ix) The Group during the previous year has received an aggregate consideration of ₹ 3,850.00 crore from Green Transmission Investment Holding RSC Limited towards subscription of 1,56,82,600 equity shares of the company of the face value of ₹ 10 each at price of ₹ 2,454.95 per equity share which includes a premium of ₹ 2,444.95 per equity share aggregating to ₹ 3,834.32 crore.

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

## 22. Non Current Financial Liabilities - Borrowings

(₹ in crore)

Particulars	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
<b>Secured</b>				
<b>Bonds</b>				
5.20% US Private Placement	2,819.80	2,873.16	96.89	95.43
4.25% USD Bonds	3,000.13	3,199.24	247.72	244.02
3.949% USD Bonds	7,289.87	8,158.69	-	-
4.00% USD Bonds	4,140.25	4,067.04	-	-
3.867% Sustainability Linked Notes	2,480.45	2,440.41	-	-
<b>Term Loans</b>				
<b>From Banks</b>				
Rupee loan	3,191.63	2,495.12	155.21	130.36
Foreign currency loan	2,809.79	1,845.07	145.04	59.99
From Financial Institutions	3,285.26	1,962.15	110.52	107.84
<b>Trade Credits &amp; Buyers Credit</b>				
From Banks	-	717.11	-	-
<b>Non Convertible Debentures</b>	907.24	89.43	46.06	10.56
<b>Unsecured</b>				
Non Convertible Debentures	-	963.74	99.94	33.62
Loans and advances from related parties	1,307.32	229.71	-	-
Shareholders Affiliated Debts	2,327.88	2,289.52	-	-
<b>Total</b>	<b>33,559.62</b>	<b>31,330.39</b>	<b>901.38</b>	<b>681.82</b>
Amount disclosed under the head 'Current Financial Liabilities - Borrowings' (Refer Note 29)	-	-	(901.38)	(681.82)
<b>Net amount</b>	<b>33,559.62</b>	<b>31,330.39</b>	<b>-</b>	<b>-</b>

### Note (i)

Borrowings	Security	Terms of Repayment
4.25% USD Bonds	4.00% USD Bonds, 4.25% USD Bonds are secured by way of first ranking pari passu charge in favour of the Security trustee (for the benefit of the Bond holders): (a) Mortgage of land situated at Sanand. (b) Hypothecation of all the assets (movable and immovable) including current assets of the Adani Transmission Step-One Limited. (c) Pledge over 100% equity shares of Adani Transmission (India) Limited (ATIL) and Maharashtra Eastern Grid Power Transmission Company Limited (MEGPTCL), both are wholly owned subsidiaries of the company.	392.50 million USD Bonds aggregating to ₹ 3,273.65 crore (March 31, 2023- 422.50 million USD Bonds aggregating to ₹ 3,471.68 crore) are redeemable by Half yearly payment starting from May 2020 to May 2036.
4.00% USD Bonds	(d) All assets (movable and immovable) of ATIL & MEGPTCL including its current assets. (e) Assignment by way of security over loans given to ATIL & MEGPTCL. All its rights under the inter entity loan agreements entered or to be entered into between the Issuer, ATIL and MEGPTCL (the "Inter Entity Loans") (f) Corporate guarantee given by the Adani Energy Solutions Limited.	500 million USD Bonds aggregating to ₹ 4,170.25 crore (March 31, 2023- 500 million USD Bonds aggregating to ₹ 4,108.50 crore) are redeemable by bullet payment in FY 2026.

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

## 22. Non Current Financial Liabilities - Borrowings (Contd...)

Borrowings	Security	Terms of Repayment
3.949% USD Bonds	<p>a) a first pari passu mortgage over certain Identified immovable Properties;</p> <p>b) a first pari passu charge on the movable assets of the AEML (both present and future);</p> <p>c) a first pari passu charge on all book debts, operating cash flows, receivables (excluding Past Period Regulatory Assets, monies in the Debenture Liquidity Account and the post distribution cash flows), commissions or revenues whatsoever arising out of the expansion or capex in relation to existing business of AEML (both present and future);</p> <p>d) a first pari passu charge on the Accounts under the Project Accounts Deed (except the Excluded Accounts (which means the AEML PPRA Account, the Debenture Liquidity Account, each of the AEML Post Distribution Cash Flow Accounts; any accounts opened for the purpose of managing any Excluded Cash Flows; and the AEML Distributions Account)) and amounts lying to the credit of such Accounts (both present and future);</p> <p>e) a first pari passu assignment in relation to Transmission License and Distribution License, subject to approval from the MERC;</p> <p>f) a pledge over 100% of the entire paid up equity and preference share capital of the AEML;</p>	3.949% Bond amounting to ₹ 7,339.64 crore (March 31, 2023 ₹ 8,217.01 crore) is repayable by way of bullet payment in February 2030 with an obligation to prepay the debt on occurrence of certain events. AEML can voluntarily prepay the Bond on payment of premium.
Sustainability Linked Notes - 3.867%	<p>g) a non-disposal undertaking over immovable properties other than certain identified immovable properties;</p> <p>h) a non-disposal undertaking over the immovable and movable assets (including all book debts, operating cash flows, receivables, commissions or revenues whatsoever) of Power Distribution Services Limited (PDSL) (both present and future); and</p> <p>i) a non-disposal undertaking over 100% of the equity and preference share capital of PDSL.</p> <p>In addition to the aforesaid, the Collateral shall also include such security interest as may be required to be created by other group entities of the Issuer in the future, and such collateral may be shared in the same manner as aforementioned with other lenders of AEML, and such future obligors.</p> <p><b>Ranking of Security</b></p> <p>The Collateral will be a first charge ranking pari passu among the debt security holders, without any preference or priority and shall rank pari passu with all the senior secured debt of AEML in accordance with the Senior Secured Note Documents and the intercreditor agreement.</p>	By way of bullet payment in July 2031 with an obligation to prepay the debt on occurrence of certain events. AEML can voluntarily prepay the Bond on payment of premium.

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

## 22. Non Current Financial Liabilities - Borrowings (Contd...)

Borrowings	Security	Terms of Repayment
6.365% Shareholders Affiliated Debts	<p>(i) First-ranking fixed charge over all its present and future right, title, benefit and interest in the Excluded Loan Accounts</p> <p>(ii) First-ranking floating charge over all of its present and future right, title, benefit and interest in the equity distribution account</p>	Shareholders Affiliated Debts are repayable commencing from February 2027 through February 2040 with an obligation to prepay the debt on occurrence of certain events. AEML can voluntarily prepay the debt on payment of premium.
Rupee Term Loans, Foreign Currency Loans, Rupee Term Loan from Financial Institution and Letter of credits/ Buyers Credit	Availed by the Group from various banks and financial institutions are secured by a pari passu charge on all present and future movable and immovable assets, receivables, project documentation, cash flows, licences, insurance contracts and approval. Respective companies shares are pledged.	<p><b>(A) Letter of credits</b> (Foreign and Inland) from bank of Nil (March 31, 2023 - ₹ 717.11 crore) carry interest rates ranging from 7.20 % to 8.00% p.a.</p> <p><b>(B) Rupee term loans</b> from Banks of ₹ 3,362.38 crore (March 31, 2023 ₹ 2,651.60 crore) and Rupee Term Loan from Financial Institution of ₹ 3,433.56 crore (March 31, 2023 ₹ 2,082.38 crore) carry interest rates ranging from 9.10% to 11.75%. The loan is repayable at different maturities ending on FY 2048-49.</p> <p><b>(C) Foreign Currency loan (ECB Loan) from bank</b></p> <p>(i) aggregating ₹ 80.58 crore (as at March 31, 2023 :- ₹ 87.64 crore carries an Interest @ 3 Months Euribor plus 1.52% per annum. The loan is repayable in quarterly installments commencing from December 18, 2017 which initial tenure was ending in August 2022 but extended with effect of supplemental agreement as on August 8, 2022 to August 2027 for additional five years.</p>

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

## 22. Non Current Financial Liabilities - Borrowings (Contd...)

Borrowings	Security	Terms of Repayment
		<p>(ii) aggregating to ₹ 2,255.68 crore (As on March 31, 2023 - ₹ 1,846.36 crore), having an interest rate of 6 Month Libor (2.50 - 3.50% p.a. Initial Margin + Spread). The repayment schedule will start from FY 2023-24 with Semi Annually installment with First Installment due on May-23 and will end on FY 2025-26.</p> <p>(iii) aggregating to ₹ 708.94 crore (As on March 31, 2023 - Nil), having an interest rate of SOFR + Spread (3.5626 to 3.92826) repayable by way of bullet repayment in July 2027.</p>
5.20% US private Placement	5.20% US private Placement Notes are issued by six (6) transmission companies of USPP Group. The Notes are secured/ to be 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 company held by Holding Company, i.e. Adani Energy Solutions Limited	5.20%, 352.80 million USD Denominated Notes aggregating to ₹ 2,942.53 crore, (March 31, 2023- 364.60 million USD Denominated Notes aggregating to ₹ 2,995.93 crore) which has a semi-annual repayment schedule with first repayment in the month of Sep-2020 and semi-annually then after over the period of its tenor ending March-2050.
Non Convertible Debentures	Non Convertible Debentures are secured by having first charge over receivables, immovable and movable assets created out of project on pari passu basis with other secured lenders.	NCD aggregating to ₹ 90.03 crore (as at March 31, 2023 - ₹ 100.65 crore) having an interest rate of 8.91% to 9.61% p.a. which is governed by NCD agreement and redeemable in quarterly basis starting from FY 2018-19 to FY 2033-34.
Non Convertible Debentures	Non-Convertible Debentures are secured by having first charge over movable/intangible assets created out of project on pari passu basis.	NCD aggregating to ₹ 873.00 crore (as at March 31, 2023 - ₹ 908.00 crore) having an interest rate of 7.95% to 8.27% p.a. which is governed by NCD agreement and redeemable in quarterly basis starting from FY 2022-23 to FY 2040-41.



## Notes to Consolidated Financial Statements

for the year ended March 31, 2024

### 22. Non Current Financial Liabilities - Borrowings (Contd...)

Borrowings	Security	Terms of Repayment
Non Convertible Debentures	Unsecured	NCD aggregating to ₹ 100.00 crore (as at March 31, 2023 - ₹ 100.00 crore) having an interest rate of 8.50% p.a. which is governed by NCD agreement and redeemable by way of bullet repayment in December - 2024.
Unsecured Loan from Related Party	Unsecured Long term Loan	Inter-corporate loan ₹ 1,307.32 crore (as at March 31, 2023 :- ₹ 229.71 crore) from Related party is unsecured and carries interest at the rate of 9.5% to 11.05 % p.a. and repayable from range of FY 2025-26 to 2027-28.

**Note (ii)** - During the year the Group has complied with all the covenants as required under bond agreements / lender facility agreements.

### 23. Lease Liabilities

(₹ in crore)

	Non-Current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Lease Liabilities	45.49	51.69	15.29	19.50
<b>Total</b>	<b>45.49</b>	<b>51.69</b>	<b>15.29</b>	<b>19.50</b>

### 24. Non Current Trade Payable

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(A) total outstanding dues of micro enterprises and small enterprises; and	-	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.	37.39	32.76
<b>Total</b>	<b>37.39</b>	<b>32.76</b>

### 25. Non Current Financial Liabilities - Others

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Payable on purchase of Property, Plant and Equipment	301.27	219.96
Derivative instruments	80.81	4.40
Other Payable towards Bilateral Charges & Liquidated Damages	130.65	114.14
Deposits from customer and Other	0.39	0.34
<b>Total</b>	<b>513.12</b>	<b>338.84</b>

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

## 26. Other Non-Current Liabilities

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred Revenue- Service Line Contributions from Consumers	420.37	332.96
<b>Total</b>	<b>420.37</b>	<b>332.96</b>

## 27. Provisions

(₹ in crore)

	Non-Current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Provision for Gratuity (Refer note 52)	222.62	165.37	33.99	29.64
Provision for Compensated Absences	390.42	345.22	33.49	72.18
Provision for Other Employment Benefits	17.19	17.14	1.78	1.82
Provision for Stamp Duty	-	-	15.65	15.65
Provision towards Encashed Bank Guarantee	-	-	13.60	-
<b>Total</b>	<b>630.23</b>	<b>527.73</b>	<b>98.51</b>	<b>119.29</b>

## 28. Deferred Tax Assets / Liabilities (net)

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Deferred Tax Assets (net)</b>	<b>40.43</b>	<b>-</b>
<b>Deferred Tax Liabilities (net)</b>	<b>1,652.78</b>	<b>1,424.32</b>
<b>Deferred Tax Liabilities</b>		
Mark to Market Gain on Mutual Funds	(1.09)	(0.64)
Difference between book base and tax base of property, plant and equipment and SCA	(4,119.98)	(3,529.68)
<b>Deferred Tax Liabilities (a)</b>	<b>(4,121.07)</b>	<b>(3,530.32)</b>
<b>Deferred Tax Assets</b>		
Provision for Employee Benefits	261.66	209.60
Lease Liabilities	0.25	0.22
Provision for Bilateral Charges	28.22	-
Unabsorbed Depreciation	1,878.20	1,639.31
Unabsorbed Business Losses & MAT Credit Entitlement	47.89	62.39
Allowance for Doubtful Debts, Deposits, Advances and property tax payable	16.33	11.93
Hedge Reserve	276.17	182.55
<b>Deferred Tax Assets (b)</b>	<b>2,508.72</b>	<b>2,106.00</b>
<b>Deferred Tax Assets/(Liabilities) Total (a+b)</b>	<b>(1,612.35)</b>	<b>(1,424.32)</b>

Tariff regulations provide for the recovery of Income Tax from the beneficiaries / consumers by way of grossing up the return on equity based on effective tax rate for the financial year. Accordingly, deferred tax liability provided during the year which is fully recoverable from beneficiaries / consumers is disclosed as "deferred assets recoverable / adjustable". The same will be recovered when the related deferred tax liability get converted into current tax.

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

## 28. Deferred Tax Assets / Liabilities (net) (Contd...)

### a. Movement in deferred tax assets/ (liabilities) (net) for the Financial Year 2023-24

(₹ in crore)

Particulars	Opening Balance as at April 1, 2023	Recognised in profit and loss	Acquisitions of subsidiaries	Recognised in OCI	Closing Balance as at March 31, 2024	Deferred Tax Assets (Net)	Deferred Tax Liabilities (Net)
<b>Tax effect to items constituting deferred tax liabilities</b>							
Mark to Market gain on Mutual Funds	(0.64)	(0.45)	-	-	(1.09)	(0.12)	(0.97)
Difference between book base and tax base of property, plant and equipment and SCA	(3,529.68)	(590.30)	-	-	(4,119.98)	(178.82)	(3,941.16)
<b>Total</b>	<b>(3,530.32)</b>	<b>(590.75)</b>	<b>-</b>	<b>-</b>	<b>(4,121.07)</b>	<b>(178.94)</b>	<b>(3,942.13)</b>
<b>Tax effect to items constituting deferred tax assets</b>							
Provision for Employee Benefits	209.60	52.18	-	(0.12)	261.66	1.80	259.86
Provision for Bilateral Charges	-	28.22	-	-	28.22	21.53	6.69
Lease Liabilities	0.22	0.03	-	-	0.25	-	0.25
Unabsorbed Depreciation	1,639.31	238.89	-	-	1,878.20	195.34	1,682.86
Unabsorbed Business Losses & MAT Credit Entitlement	62.39	(14.50)	-	-	47.89	0.70	47.19
Allowance for Doubtful Debts, Deposits and Advances	11.93	4.40	-	-	16.33	-	16.33
Hedge Reserve	182.55	-	-	93.62	276.17	-	276.17
<b>Total</b>	<b>2,106.00</b>	<b>309.22</b>	<b>-</b>	<b>93.50</b>	<b>2,508.72</b>	<b>219.37</b>	<b>2,289.35</b>
<b>Net Deferred Tax Asset / (Liabilities)</b>	<b>(1,424.32)</b>	<b>(281.53)</b>	<b>-</b>	<b>93.50</b>	<b>(1,612.35)</b>	<b>40.43</b>	<b>(1,652.78)</b>

### b. Movement in deferred tax assets/ (liabilities) (net) for the Financial Year 2022-23

(₹ in crore)

Particulars	Opening Balance as at April 1, 2022	Recognised in profit and loss	Acquisitions of subsidiaries	Recognised in OCI	Closing Balance as at March 31, 2023	Deferred Tax Assets (Net)	Deferred Tax Liabilities (Net)
<b>Tax effect to items constituting deferred tax liabilities</b>							
Mark to Market gain on Mutual Funds	(0.31)	(0.33)	-	-	(0.64)	-	(0.64)
Difference between book base and tax base of property, plant and equipments and SCA	(3,076.32)	(453.36)	-	-	(3,529.68)	-	(3,529.68)
<b>Total</b>	<b>(3,076.63)</b>	<b>(453.69)</b>	<b>-</b>	<b>-</b>	<b>(3,530.32)</b>	<b>-</b>	<b>(3,530.32)</b>
<b>Tax effect to items constituting deferred tax assets</b>							
Provision for Employee Benefits	220.69	(11.11)	-	0.02	209.60	-	209.60
Lease Liabilities	0.13	0.09	-	-	0.22	-	0.22
Unabsorbed Depreciation	1,387.65	251.66	-	-	1,639.31	-	1,639.31
Unabsorbed Business Losses & MAT Credit Entitlement	27.97	34.42	-	-	62.39	-	62.39

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

## 28. Deferred Tax Assets / Liabilities (net) (Contd...)

(₹ in crore)

Particulars	Opening Balance as at April 1, 2022	Recognised in profit and loss	Acquisitions of subsidiaries	Recognised in OCI	Closing Balance as at March 31, 2023	Deferred Tax Assets (Net)	Deferred Tax Liabilities (Net)
Allowance for Doubtful Debts, Deposits and Advances	7.70	4.23	-	-	11.93	-	11.93
Hedge Reserve*	110.91	0.01	-	71.64	182.55	-	182.55
<b>Total</b>	<b>1,755.05</b>	<b>279.30</b>	<b>-</b>	<b>71.66</b>	<b>2,106.00</b>	<b>-</b>	<b>2,106.00</b>
<b>Net Deferred Tax Liabilities</b>	<b>(1,321.58)</b>	<b>(174.39)</b>	<b>-</b>	<b>71.66</b>	<b>(1,424.32)</b>	<b>-</b>	<b>(1,424.32)</b>

\*Refer Note 61

**Note (i)** - Deferred income taxes are not provided on the undistributed earnings of subsidiaries where it is expected that earnings of the subsidiary will not be distributed in the foreseeable future and the company controls the timing of reversal of this temporary differences.

## 29. Current Financial Liabilities - Borrowings

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Secured</b>		
<b>From Banks</b>		
Working Capital Loan / Cash Credit / Bank Overdraft	2,112.02	1,541.03
Rupee Loan	320.00	220.00
<b>Total (a)</b>	<b>2,432.02</b>	<b>1,761.03</b>
<b>Unsecured</b>		
<b>From Banks</b>		
Rupee loan	115.85	425.60
<b>Total (b)</b>	<b>115.85</b>	<b>425.60</b>
<b>Current maturities of long-term borrowings (Refer note 22) Total (c)</b>	<b>901.38</b>	<b>681.82</b>
<b>Total (a+b+c)</b>	<b>3,449.25</b>	<b>2,868.45</b>

## Notes to Consolidated Financial Statements

for the year ended March 31, 2024

### 29. Current Financial Liabilities - Borrowings (Contd...)

Notes:

Borrowings	Security	Terms of Repayment
Working Capital Loan / Cash Credit / Bank Overdraft	<p>i) First charge on receivables and on immovable and movable assets created out of project on paripassu basis.</p> <p>ii) First pari passu charge on current assets (charge on receivable, cash, bank accounts) as well as non-current assets (i.e. investment, loans in group companies or other entities) of the respective company.</p>	Loan aggregating ₹ 2,112.02 crore (March 31, 2023- ₹ 1,541.03 crore) from banks at the rate of interest ranges from 7.60% to 10.00% p.a.
Secured Loan from banks	First pari passu charge by way of hypothecation over all current assets of Adani Transmission Step-One Limited (ATSOL) and its subsidiaries viz, Adani Transmission (India) Limited (ATIL) & Maharashtra Eastern Grid Power Transmission Company Limited (MEGPTCL) and negative lien on fixed assets of ATIL and MEGPTCL.	The Secured Term Loan from bank amounting to ₹ 320.00 crore. (March 31, 2023 - ₹ 220.00 crore) having rate of interest of 8.50% to 8.96% p.a.
Unsecured Loan from bank	Unsecured Loan	Loan aggregating ₹ 115.85 crore (March 31, 2023- ₹ 425.60 crore) from banks at the rate of interest ranges from 9.65% to 9.89 % p.a.

### 30. Trade Payables

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Trade Payables		
Micro and Small Enterprises	50.92	46.43
Other than Micro and Small Enterprises	1,671.19	1,754.00
<b>Total</b>	<b>1,722.11</b>	<b>1,800.43</b>

#### 30.1 Trade Payables ageing schedule

(₹ in crore)

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		<1 year	1-2 years	2-3 years	More than 3 years	
<b>As at March 31, 2024</b>						
(a) MSME	33.63	9.84	2.53	1.31	3.61	50.92
(b) Others	1,181.20	179.45	130.63	26.89	98.34	1,616.51
(c) Disputed dues – MSME	-	-	-	-	-	-
(d) Disputed dues - Others	-	-	-	92.07	-	92.07
<b>Total</b>	<b>1,214.83</b>	<b>189.29</b>	<b>133.16</b>	<b>120.27</b>	<b>101.95</b>	<b>1,759.50</b>



# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

## 30. Trade Payables (Contd...)

(₹ in crore)

		Outstanding for following periods from due date of payment				
Particulars	Not Due	<1 year	1-2 years	2-3 years	More than 3 years	Total
As at March 31, 2023						
(a) MSME	27.33	13.09	1.67	1.27	3.07	46.43
(b) Others	975.93	364.69	192.61	99.71	61.75	1,694.69
(c) Disputed dues - MSME	-	-	-	-	-	-
(d) Disputed dues - Others	-	-	92.07	-	-	92.07
Total	1,003.26	377.78	286.35	100.98	64.82	1,833.19

Note : Ageing includes Long term and Short term Trade payable.

## 31. Current Financial Liabilities - Others

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Interest accrued but not due on borrowings / deposits	290.99	272.66
Payable on purchase of Property, Plant and Equipment	1,052.37	920.85
Derivative Instruments	2.45	0.40
Security Deposits from Consumers, Customers & Vendors	596.64	531.08
Refundable to customers on truing up	101.38	112.83
<b>Total</b>	<b>2,043.83</b>	<b>1,837.82</b>

## 32. Other Current Liabilities

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Statutory liabilities	405.51	246.28
Advance from Customers	196.34	97.66
Other Payables	13.59	6.50
Deferred Revenue - Service Line Contributions from Consumers	15.24	12.90
Other Advances	-	0.45
<b>Total</b>	<b>630.68</b>	<b>363.79</b>

## 33. Current Tax Liabilities (Net)

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Current Tax Liabilities (Net)	3.18	8.01
<b>Total</b>	<b>3.18</b>	<b>8.01</b>

## Notes to Consolidated Financial Statements

for the year ended March 31, 2024

### 34. Revenue from Operations

(₹ in crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>a) Income from sale of Power and Transmission Charges</b>		
Income from sale of Power and Transmission Charges (net)	14,330.39	12,170.37
Income under Service Concession Arrangements (SCA)	136.72	139.05
Construction Income relating to Service Concession Arrangements (SCA)	858.31	-
<b>Total (a)</b>	<b>15,325.42</b>	<b>12,309.42</b>
<b>b) Income from Trading Business</b>		
Sale of Traded Goods	1,029.59	755.65
<b>Total (b)</b>	<b>1,029.59</b>	<b>755.65</b>
<b>c) Other Operating Revenue</b>		
Street Light Maintenance Charges	122.79	119.73
Sale of Coal Rejects / Fly Ash	13.44	13.90
Amortisation of Service Line Contribution	17.46	15.03
Others	98.66	78.99
<b>Total (c)</b>	<b>252.35</b>	<b>227.65</b>
<b>Total (a+b+c)</b>	<b>16,607.36</b>	<b>13,292.72</b>

### 35. Other Income

(₹ in crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Interest Income</b>		
Bank	248.40	179.39
Others	138.22	315.38
<b>Gain/(Loss) on Investments</b>		
Gain on Sale/Fair Value of Current Investments measured at FVTPL	43.10	21.24
<b>Other Non-operating Income</b>		
Gain on buy-back of bond	136.49	-
Profit on Sale / Retirement of property, plant and equipment (Net)	3.77	-
Rent Income	1.03	-
Sale of Scrap	9.01	8.48
Bad debt recovery	20.91	17.89
Unclaimed liabilities / Excess provision written back	8.39	0.51
Sundry creditors written back	-	2.44
Miscellaneous Income	1.63	2.41
<b>Total</b>	<b>610.95</b>	<b>547.74</b>

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

## 36. Purchases of Stock - In - Trade

(₹ in crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Purchases of Stock - in - trade	1,028.95	755.13
<b>Total</b>	<b>1,028.95</b>	<b>755.13</b>

## 37. Employee Benefits Expense

(₹ in crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries, Wages and Bonus (Refer note below)	753.33	797.10
Contribution to provident fund and other funds	65.29	67.48
Gratuity Expenses (refer note 52)	47.72	34.79
Staff Welfare Expenses	85.36	87.28
<b>Total</b>	<b>951.70</b>	<b>986.65</b>

A Special Voluntary Retirement Scheme (SVRS) 2023, was rolled out for employees of AEML from March 28, 2023 to April 15, 2023. Amount charged during the year towards expected payout in this regard and included ₹ Nil (March 31, 2023 : ₹ 211.72 crore). During the current financial year the Company has discharged an amount of ₹ 122.97 crore and reverse the balance amount of ₹ 88.75 crore

## 38. Finance Costs

(₹ in crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest on Loans & Debentures	1,695.52	1,415.33
Interest on Trade Credits	138.01	107.67
Interest on Lease Obligation	7.73	9.41
Bank Charges & Other Borrowing Costs	65.61	41.72
Interest - Hedging Cost	859.64	1,207.34
<b>Total</b>	<b>2,766.51</b>	<b>2,781.47</b>

## 39. Other Expenses

(₹ in crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Stores and Spares	332.42	59.29
Construction Expenses relating to Service Concession Arrangements (SCA)	842.22	-
Transmission Charges	493.56	482.31
Repairs and Maintenance - Plant and Equipment	634.27	480.98
Repairs and Maintenance - Building	14.64	15.91
Repairs and Maintenance - Others	26.85	34.99

## Notes to Consolidated Financial Statements

for the year ended March 31, 2024

### 39. Other Expenses (Contd...)

(₹ in crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Short Term Lease Rental (Refer note 43)	22.52	24.97
Rates and Taxes	13.11	12.03
Legal & Professional Expenses	295.10	232.37
Payment to Auditors (including component auditors)	3.48	3.46
Travelling & Conveyance Expenses	48.58	47.42
Insurance Expenses	22.75	24.52
Bad Debt Written Off	17.09	15.21
Foreign Exchange Fluctuation Loss	0.40	0.46
Corporate Social Responsibility expenses	42.16	33.09
Security Charges	35.71	36.73
Provision for Doubtful Debts, Advances, Deposits	-	18.58
Loss on sale/scraping of Property, Plant and Equipment	0.04	0.20
Bilateral Charges & Liquidated Damages*	16.51	114.14
Miscellaneous Expenses	134.70	172.51
<b>Total</b>	<b>2,996.11</b>	<b>1,809.17</b>

**\*Note :** In respect of certain subsidiaries of Adani Energy Solutions Limited (Formerly Known as Adani Transmission Limited), on account of delay in commissioning of transmission assets for reasons beyond the control of the respective subsidiaries, a sum of ₹ 16.51 crore (PY : ₹ 114.14 crore) has been provided toward bilateral charges and liquidated damages. The subsidiaries have filed appeals against the same.

### 40. Income Tax

(₹ in crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Current Tax :		
In respect of current year	298.00	260.55
In respect of Previous years	0.60	0.39
Deferred Tax	281.53	174.39
<b>Total</b>	<b>580.13</b>	<b>435.33</b>

(₹ in crore)

Tax recognised in other comprehensive income	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Remeasurement of Defined Benefit Plans</b>		
Total income tax recognised in other comprehensive income	0.01	(8.36)
<b>Effective portion of gains and losses on designated portion of hedging instruments in a cash flow hedge</b>		
Tax relating to items that will be reclassified to Profit or Loss	93.62	71.64
<b>Total</b>	<b>93.63</b>	<b>63.28</b>

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

## 40. Income Tax (Contd...)

(₹ in crore)		
Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Accounting profit before tax	1,779.56	1,711.72
Tax Rate	25.168%	25.168%
Income tax expense at tax rate applicable	447.88	430.80
Tax Effect of :		
Income and Expenses not allowed under Income Tax		
i) Differences in respect of Distribution on Perpetual Equity Instrument	-	(4.99)
ii) Current year Losses for which no Deferred Tax Asset is created	122.70	78.81
iii) Adjustments in respect of current income tax of previous year	(11.89)	1.72
iv) Non deductible Expenses	(1.24)	14.89
v) Subsidiary charged at different rate	114.90	139.39
vi) MAT Credit not recognised	178.50	239.28
vii) 80IA claims	(238.50)	(435.62)
viii) Unrecognized Deferred Tax upto Previous year	(11.84)	(1.11)
ix) Credit Taken for Previous year losses for which no deferred tax was recognized	(101.65)	(37.87)
x) Tax on dividend income from subsidiary	64.49	-
xi) Others (Includes Tax at different rate)	16.78	10.03
<b>Gross Tax</b>	<b>580.13</b>	<b>435.33</b>

### Unrecognised deductible temporary differences, unused tax losses and unused tax credits

Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised are attributable to the following expiry as per details below :

(₹ in crore)				
As at March 31, 2024	Business Losses	Unabsorbed Depreciation	Mat Credit	Total
Unrecognised deferred tax assets				
Within One Year	-	-	-	-
Greater than one year, less than five years	0.02	-	-	0.02
Greater than five years	1,488.92	-	1,777.39	3,266.31
No expiry date	-	418.19	-	418.19
<b>Total</b>	<b>1,488.94</b>	<b>418.19</b>	<b>1,777.39</b>	<b>3,684.52</b>

(₹ in crore)				
As at March 31, 2023	Business Losses	Unabsorbed Depreciation	Mat Credit	Total
Unrecognised deferred tax assets				
Within One Year	8.43	-	-	8.43
Greater than one year, less than five years	739.57	-	-	739.57
Greater than five years	718.27	-	1,577.94	2,296.21
No expiry date	-	276.78	-	276.78
<b>Total</b>	<b>1,466.27</b>	<b>276.78</b>	<b>1,577.94</b>	<b>3,320.99</b>



## Notes to Consolidated Financial Statements

for the year ended March 31, 2024

### 41. Earnings Per Share (EPS)

Particulars		For the year ended March 31, 2024	For the year ended March 31, 2023
<b>A After net Movement in Regulatory Deferral Balance</b>			
Profit after tax attributable to the owners of the Company (₹ in crore)		1,137.28	1,256.33
Less: Distribution on Unsecured perpetual Equity Instrument (₹ in crore)		-	(19.83)
<b>Net Profit attributable to Equity Shareholders including Regulatory income/(expense) (₹ in crore)</b>		<b>1,137.28</b>	<b>1,236.50</b>
Weighted average number of equity shares outstanding during the year	No.	1,11,54,92,683	1,11,37,31,076
Nominal Value of equity share	₹	10	10
<b>Basic / Diluted Earnings per Equity Share (Face Value of ₹ 10 each) after net Movement in Regulatory Deferral Balance</b>	₹	<b>10.20</b>	<b>11.10</b>
<b>B Before net Movement in Regulatory Deferral Balance</b>			
Profit after tax attributable to the owners of the Company (₹ in crore)		1,137.28	1,256.33
Less: Distribution on Unsecured perpetual Equity Instrument (₹ in crore)		-	(19.83)
Add/(Less): Regulatory Income / (expense) (net) (₹ in crore)		298.50	(640.13)
<b>Net Profit attributable to Equity Shareholders before Regulatory income/(expense) (₹ in crore)</b>		<b>1,435.78</b>	<b>596.37</b>
Weighted average number of equity shares outstanding during the year	No.	1,11,54,92,683	1,11,37,31,076
Nominal Value of equity share	₹	10	10
<b>Basic / Diluted Earnings per Equity Share (Face Value of ₹ 10 each) before net Movement in Regulatory Deferral Balance</b>	₹	<b>12.87</b>	<b>5.35</b>

### 42. Contingent Liabilities and Commitments

Particulars		For the year ended March 31, 2024	For the year ended March 31, 2023
(i) <b>Contingent liabilities :</b>			
<b>Claims against the Company not acknowledged as debts</b>			
(a) Direct & Indirect tax		41.95	44.18
(b) Demand disputed by the Group relating to Service tax on street light Maintenance, wheeling charges and cross subsidy surcharges - (Refer note 1)		353.55	353.55
(c) Claims raised by the Government authorities towards unearned income arising on alleged transfer of certain land parcels.(Refer Note 1)		127.65	127.65

(₹ in crore)

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

## 42. Contingent Liabilities and Commitments (Contd...)

Particulars	(₹ in crore)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
(d) Claims raised by Vidarbha Industries Power Limited (VIPL) in respect of increase in fuel cost for the financial year ended March 31, 2019 (Refer Note 1)	1,381.28	1,381.28
(e) Way Leave fees claims disputed by the Group relating to rates charged (Refer Note 1)	28.43	28.43
(f) Other claims against the Group not acknowledged as debts	33.43	33.43
(g) Property related disputes (Refer Note 1)	2.59	2.59
(h) Demand disputed by the Company relating to Standby charges including interest payable (Refer Note 2)	398.68	213.79
(i) Liability in respect of termination of power purchase lease agreement (refer note 6)	@@	@@
<b>Total</b>	<b>2,367.56</b>	<b>2,184.90</b>

@@ Amount not determinable

- 1 In terms of the Share Purchase Agreement entered into by the Group with RINFRA, in the event the above matters are decided against the AEML and are not recoverable from the consumers, the same would be recovered from RINFRA.
- 2 Appeal has been filed by AEML under Section 111 of the Electricity Act, 2003, challenging the Order dated March 31, 2023 passed by the Maharashtra Electricity Regulatory Commission directing levy of Standby charges by Maharashtra State Electricity Distribution Company Limited.
- 3 The above Contingent Liabilities (except interest payable of ₹ 28.67 crore included in point "h" above) to the extent pertaining to Regulated Business having cost plus model, which on unfavourable outcome are recoverable from consumers subject to MERC/CERC approval.
- 4 Amounts in respect of employee related claims/disputes, consumer related litigation, regulatory matters is not ascertainable.
- 5 Future cash flows in respect of above matters are determinable only on receipt of judgements/decisions pending at various forums/authorities.
- 6 AEML had terminated long term Power purchase agreement (PPA) due to non-performance of obligations under the PPA by VIPL, such termination has been upheld by MERC / Appellate Tribunal of Electricity ("ATE"). VIPL has filed an appeal before the Hon'ble Supreme Court against the said order issued by the ATE. The proceedings are ongoing with the Hon'ble Supreme Court.

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

(ii) Commitments :	(₹ in crore)	
	As at March 31, 2024	As at March 31, 2023
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of Advance)	6,854.26	5,705.37
<b>Total</b>	<b>6,854.26</b>	<b>5,705.37</b>

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

## 42. Contingent Liabilities and Commitments (Contd...)

### (iii) Other Commitments:

- For procurement of Hybrid (Solar/Wind) power on long term basis, AEML has entered into a long term 25 years Power Purchase Agreement of 700 MW per annum with a group entity (Adani Hybrid Energy Jaisalmer Four Limited), to purchase 700 MW per annum of Hybrid Renewable Power at ₹ 3.24 per unit.
- AEML has entered into a Power Purchase Agreement for procurement of Power 500 MW per annum on Medium term basis i.e. from September 1, 2022 to October 14, 2024 with a group entity (Adani Enterprises Limited) at ₹ 5.98 per unit.
- MPSEZ Utilities Limited (MUL) has entered into Power Purchase Agreement for a tenure of 15 years, starting from FY 2023-24, with Adani Power Limited (APL) for procurement of power 360 MV per annum for fixed charge at ₹ 5 per kWh @ 85% plant load factor.

- The Group has acquired the control of Adani Electricity Mumbai Limited ("AEML") w.e.f. August 29, 2018, through its purchase from Reliance Infrastructure Limited ("R-Infra"), of the equity shares of AEML.

On August 21, 2022, R-Infra has filed a Consolidated statement of arbitration claims under the Share Purchase Agreement. The Management has been legally advised by external legal counsel that the said claim is unlikely to succeed. The Management following the due process laid out under the Share Purchase Agreement for dispute resolution has responded against R-Infra in the arbitration proceedings.

The Hon'ble Supreme Court, while hearing in respect of the issues between Vidarbha Industries Power Limited ("VIPL"), R-Infra and AEML has being appraised that both R-Infra and VIPL have raised similar issues before two forums i.e., before the Hon'ble Supreme Court and Arbitrator. Therefore, the Hon'ble Supreme Court, considering the above submission, passed a direction vide order dated November 22, 2022, to stay the Arbitration Proceedings in view of pendency of the present case.

## 43. Lease

### Disclosure under Ind AS 116 Leases:

#### (i) The following is the movement in Lease liabilities during the year ended March 31, 2024

Particulars	(₹ in crore)	
	As at March 31, 2024	As at March 31, 2023
Opening Balance	71.19	87.21
Lease Liabilities on account of Leases entered / terminated during the year	1.48	0.44
Lease Liabilities on account of acquisition	2.52	-
Finance Costs incurred during the year	7.73	9.41
Net Payments of Lease Liabilities	(22.14)	(25.87)
<b>Closing Balance (Refer note 23)</b>	<b>60.78</b>	<b>71.19</b>

- The Group's significant leasing arrangements, other than lease hold land, are in respect of office premises, residential premises, and warehouses taken on lease. The arrangements range between 11 months to 5 years generally and are usually renewable by mutual consent on mutually agreeable terms. Under these arrangements, generally refundable interest free deposits have been given. The Group has not entered into any material financial lease.
- Leasing arrangements with respect to land range between 20 years to 99 years generally. The lease agreement is of fixed rate and non-cancellable. There is no contingent rent, no sub-leases and no restrictions imposed by the lease arrangements.
- The expense relating to payments not included in the measurement of the lease liability and recognised as expenses in the statement of profit and loss during the year is as follows: Low Value leases & Short-term leases - ₹ 22.52 crore (March 31, 2023 ₹ 24.97 crore).

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

## 44. Related Party Disclosure

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

Name of related parties & description of relationship

<b>(A) Ultimate Controlling Entity</b>	S. B. Adani Family Trust (SBFT)
<b>(B) Key Management Personnel:</b>	Mr. Gautam S. Adani, Chairman
	Mr. Rajesh S. Adani, Director
	Mr. Anil Sardana, Managing Director
	Ms. Meera Shankar - Non Executive - Independent Director
	Ms. Lisa Caroline Maccallum - Non Executive - Independent Director
	Dr. Ravindra H. Dholakia - Non Executive - Independent Director
	Mr. K. Jairaj - Non Executive - Independent Director
	Mr. Kandarp Patel, Chief Executive Officer (Appointed w.e.f November 2, 2022)
	Mr. Kunjal Mehta, Chief Financial Officer (Appointed w.e.f April 1, 2024)
	Mr. Bimal Dayal, Chief Executive Officer (Resigned w.e.f December 8, 2023)
	Mr. Rohit Soni - Chief Financial Officer (Resigned w.e.f March 31, 2024)
	Mr. Jaladhi Shukla, Company Secretary
<b>(C) Enterprises over which (A) or (B) above have control or significant influence :</b>	ACC Limited
	Adani Airport Holdings Limited
	Adani Brahma Synergy Private Limited
	Adani Bulk Terminals (Mundra) Limited
	Adani CMA Mundra Terminal Private Limited
	Adani Digital Labs Private Limited
	Adani Enterprises Limited
	Adani Estate Management Private Limited
	Adani Foundation
	Adani Green Energy (UP) Limited
	Adani Green Energy Limited
	Adani Hazira Port Private Limited
	Adani Hospitals Mundra Private Limited
	Adani Hybrid Energy Jaisalmer Four Limited (Formerly known as RSEPL Hybrid Power One limited)
	Adani Infra (India) Limited
	Adani Infrastructure and Developers Private Limited
	Adani Infrastructure Management Services Limited
	Adani Institute For Education & Research
	Adani International Container Terminal Private Limited
	Adani Krishnapatnam Port Limited
	Adani Logistics Limited
	Adani Mundra SEZ Infrastructure Private Limited
	Adani New Industries Limited
	Adani Petronet Dahej Port Private Limited

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

## 44. Related Party Disclosure (Contd...)

<b>(C) Enterprises over which (A) or (B) above have control or significant influence :</b>	Adani Ports And Special Economic Zone Limited
	Adani Power (Jharkhand) Limited
	Adani Power (Mundra) Limited (Amalgamated with Adani Power Limited)
	Adani Power Limited
	Adani Power Maharashtra Limited (Amalgamated with Adani Power Limited)
	Adani Power Rajasthan Limited (Amalgamated with Adani Power Limited)
	Adani Properties Private Limited
	Adani Rail Infra Private Limited
	Adani Renewable Energy (KA) Limited
	Adani Renewable Energy Holding Twelve Limited (Formerly known as Adani Green Energy Twenty Eight Limited)
	Adani Road Transport Limited
	Adani Skill Development Center
	Adani Social Development Foundation
	Adani Sportline Private Limited
	Adani Total Gas Limited
	Adani TotalEnergies E-Mobility Limited
	Adani Tracks Management Services Private Limited
	Adani Vizhinjam Port Private Limited
	Adani Wind Energy Kutchh One Limited (Formerly known as Adani Green Energy (MP) Limited)
	AdaniConnex Private Limited
	AEML Gratuity Fund
	AEML Superannuation Fund
	Ahmedabad International Airport Limited
	Alpha Design Technologies Private Limited
	Ambuja Cements Limited
	AMG Media Networks Limited
	Belvedere Golf and Country Club Private Limited
	DC Development Hyderabad Private Limited
	DC Development Noida Limited
	Dharavi Redevelopment Project Private Limited
	Dighi Port Limited
	Guwahati International Airport Limited
	Karnavati Aviation Private Limited
	Kutch Copper Limited
	Lucknow International Airport Limited
	Mangaluru International Airport Limited
	Mumbai International Airport Limited
	Mundra Crude Oil Terminal Private Limited
	Mundra LPG Terminal Private Limited
	Mundra Petrochem Limited
	Mundra Sez Textile And Apparel Park Private Limited
	Mundra Solar Energy Limited



# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

## 44. Related Party Disclosure (Contd...)

<b>(C) Enterprises over which (A) or (B) above have control or significant influence :</b>	Mundra Solar PV Limited
	Mundra Solar Techno Park Private Limited
	Mundra Solar Technology Limited
	PLR Systems (India) Limited
	PLR Systems Private Limited
	Raipur Energen Limited (Amalgamated With Adani Power Limited)
	SBRSR Power Cleantech Eleven Private Limited
	Superheights Infraspac Private Limited
	TRV (Kerala) International Airport Limited
	Udupi Power Corporation Limited (Amalgamated With Adani Power Limited)
	Valuable Properties Private Limited
	Vishakha Renewables Private Limited
	Wardha Solar (Maharashtra) Private Limited

Enterprises having significant influence of Ultimate Controlling Entity, the names and the nature of relationships is disclosed only when the transactions are entered into by the Company with the related parties during the existence of the related party relationship.

		(₹ in crore)	
Nature of Transaction	Name of Related Party	For the year ended March 31, 2024	For the year ended March 31, 2023
CSR Expenditure	Adani Foundation	33.98	25.76
	Adani Skill Development Center	1.84	-
Distribution on Perpetual Equity Instruments	Adani Infra (India) Limited	-	19.83
Earnest Money Deposit Received	Adani Total Gas Limited	-	0.10
	Ambuja Cements Limited	0.50	-
	Vishakha Renewables Private Limited	0.14	-
	ACC Limited	0.50	-
Earnest Money Deposit Refunded	Ambuja Cements Limited	0.50	-
	ACC Limited	0.50	-

## Notes to Consolidated Financial Statements

for the year ended March 31, 2024

### 44. Related Party Disclosure (Contd...)

(₹ in crore)

Nature of Transaction	Name of Related Party	For the year ended March 31, 2024	For the year ended March 31, 2023
Employee balance transfer	Adani Airport Holdings Limited	0.23	0.62
	Adani Enterprises Limited	5.74	0.23
	Adani Green Energy Limited	0.27	0.57
	Adani Infra (India) Limited	0.00	-
	Adani Infrastructure and Developers Private Limited	0.32	-
	Adani Infrastructure Management Services Limited	0.09	0.08
	Adani Krishnapatnam Port Limited	0.01	0.44
	Lucknow International Airport Limited	-	0.02
	Adani New Industries Limited	-	0.08
	Adani Petronet Dahej Port Private Limited	-	0.01
	Adani Ports And Special Economic Zone Limited	0.55	0.24
	Adani Power (Jharkhand) Limited	-	0.08
	Adani Power (Mundra) Limited (Amalgamated with Adani Power Limited)	-	0.09
	Adani Total Gas Limited	0.10	-
	AdaniConnex Private Limited	0.04	-
	Adani Power Limited	0.02	0.19
	Adani Power Maharashtra Limited (Amalgamated with Adani Power Limited)	-	0.01
	Adani Sportline Private Limited	-	0.09
	Adani Vizhinjam Port Private Limited	-	0.04
	Ahmedabad International Airport Limited	0.26	0.02
	Ambuja Cements Limited	0.11	0.90
	Dighi Port Limited	-	0.01
	Dharavi Redevelopment Project Private Limited	0.09	-
	Guwahati International Airport Limited	-	0.05
	Mumbai International Airport Limited	-	0.50
	Mundra Petrochem Limited	0.00	0.11
	Mundra Solar PV Limited	-	0.85
	Mundra Solar Energy Limited	0.02	-
	PLR Systems (India) Limited	0.02	-
	PLR Systems Private Limited	0.03	0.03
	Raipur Energen Limited (Amalgamated With Adani Power Limited)	-	0.24

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

## 44. Related Party Disclosure (Contd...)

		(₹ in crore)	
Nature of Transaction	Name of Related Party	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest Expenses	Adani Infra (India) Limited	39.68	0.12
	Adani Green Energy Limited	0.01	-
	Adani Rail Infra Private Limited	16.47	-
	Adani Properties Private Limited	34.50	3.66
Interest Income	Adani Enterprises Limited	0.64	22.69
	Adani Infra (India) Limited	7.60	15.21
	Adani Properties Private Limited	-	108.61
Loan Given	Adani Infra (India) Limited	-	119.72
	Adani Properties Private Limited	-	1,591.13
Loan Received back	Adani Infra (India) Limited	-	179.32
	Adani Properties Private Limited	-	2,631.13
Loan Repaid	Adani Infra (India) Limited	101.08	-
	Adani Properties Private Limited	150.80	907.40
	Adani Rail Infra Private Limited	387.28	-
Loan Taken	Adani Infra (India) Limited	-	104.58
	Adani Green Energy Limited	0.14	-
	Adani Rail Infra Private Limited	580.00	-
	Adani Properties Private Limited	790.00	765.38

## Notes to Consolidated Financial Statements

for the year ended March 31, 2024

### 44. Related Party Disclosure (Contd...)

(₹ in crore)

Nature of Transaction	Name of Related Party	For the year ended March 31, 2024	For the year ended March 31, 2023
Purchase of Goods / Receiving of Services	Adani Digital Labs Private Limited	0.08	0.03
	AdaniConnex Private Limited	25.15	-
	Adani Enterprises Limited	2,636.79	2,175.78
	Adani Estate Management Private Limited	0.04	0.02
	Adani Green Energy Limited	0.02	-
	Adani Green Energy (UP) Limited	0.10	-
	Adani Hospitals Mundra Private Limited	0.01	0.07
	Adani Hybrid Energy Jaisalmer Four Limited (Formerly known as RSEPL Hybrid Power One limited)	930.83	708.82
	Adani Infra (India) Limited	-	11.37
	Adani Infrastructure Management Services Limited	71.89	78.23
	Adani Institute For Education & Research	-	0.02
	Adani Petronet Dahej Port Private Limited	3.61	4.04
	Adani Ports And Special Economic Zone Limited	10.73	9.21
	Adani Power (Mundra) Limited (Amalgamated with Adani Power Limited)	277.47	142.94
	Adani Power Limited	52.82	-
	Adani Renewable Energy (KA) Limited	12.70	10.56
	Adani Sportline Private Limited	0.01	-
	Adani Social Development Foundation	0.20	-
	Adani Total Gas Limited	0.00	-
	Adani TotalEnergies E-Mobility Limited	0.54	-
	Adani New Industries Limited	0.23	-
	Ambuja Cements Limited	0.08	-
	Alpha Design Technologies Private Limited	1.94	3.54
	Belvedere Golf and Country Club Private Limited	0.16	0.27
	Karnavati Aviation Private Limited	9.00	9.00
	Mumbai International Airport Limited	-	1.14
	Mundra Sez Textile And Apparel Park Private Limited	-	0.05
	Mundra Petrochem Limited	1.98	-
	Wardha Solar (Maharashtra) Private Limited	0.02	-
	Mundra Solar Energy Limited	-	1.25
	Mundra Solar PV Limited	-	0.18
	SBR SR Power Cleantech Eleven Private Limited	-	0.62
	Udupi Power Corporation Limited (Amalgamated With Adani Power Limited)	-	25.86

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

## 44. Related Party Disclosure (Contd...)

		(₹ in crore)	
Nature of Transaction	Name of Related Party	For the year ended March 31, 2024	For the year ended March 31, 2023
Purchase of Land	Adani Enterprises Limited	0.18	0.08
Reimbursement of Expenses	Adani Enterprises Limited	-	6.01
	Mumbai International Airport Limited	0.08	-
Repayment of Perpetual Securities	Adani Infra (India) Limited	-	3,055.65
Sale of Goods / Rendering of Services	Adani Enterprises Limited	5.46	17.37
	Adani Bulk Terminals (Mundra) Limited	0.55	-
	Adani Digital Labs Private Limited	0.07	-
	Adani Infrastructure Management Services Limited	0.21	-
	Adani Power (Mundra) Limited (Amalgamated with Adani Power Limited)	0.04	-
	Adani Power Limited	1.65	1.82
	Adani Power Rajasthan Limited (Amalgamated with Adani Power Limited)	-	3.86
	DC Development Hyderabad Private Limited	89.46	-
	DC Development Noida Limited	16.03	-
	Mundra Sez Textile And Apparel Park Private Limited	0.07	0.07
	Mundra Solar Techno Park Private Limited	3.30	12.95
	Kutch Copper Limited	35.99	-
Service line contribution received	Adani Bulk Terminals (Mundra) Limited	4.29	-
	Adani CMA Mundra Terminal Private Limited	0.53	-
	Adani International Container Terminal Private Limited	0.55	-
	Adani Ports and Special Economic Zone Limited	1.56	-
	Adani Tracks Management Services Private Limited	3.72	-
	Kutch Copper Limited	49.78	-
	Mundra Crude Oil Terminal Private Limited	0.46	-
	Mundra Solar Technology Limited	2.63	-
Security Deposit for Bidding	Adani Renewable Energy Holding Twelve Limited (Formerly known as Adani Green Energy Twenty Eight Limited)	-	0.04



## Notes to Consolidated Financial Statements

for the year ended March 31, 2024

### 44. Related Party Disclosure (Contd...)

(₹ in crore)

Nature of Transaction	Name of Related Party	For the year ended March 31, 2024	For the year ended March 31, 2023
Advance	Adani Bulk Terminals (Mundra) Limited	-	6.12
Contribution to	AEML Gratuity Fund	0.95	7.71
Employee Benefits	AEML Superannuation Fund	6.06	-
Director Sitting Fees	Director Sitting Fees	0.77	0.35
Commission to Director	Key Managerial Personnel	0.80	-
Compensation of Key Management Personnel	Short-term benefits	32.87	22.50
	Post-employment benefits	1.13	0.86

**Note :**

- All above transactions are in the normal course of business and are made on terms equivalent to those that prevail at arm's length transactions.
- Adani Electricity Mumbai Limited and MPSEZ Utilities Limited, a subsidiary and a wholly owned subsidiary respectively of Adani Energy Solutions Limited (Formerly known as Adani Transmission Limited) is dealing in the distribution of Power to the domestic, industrial and commercial consumers. The above related party transaction do not include the transactions of Sale of Power to the Related Parties in ordinary course of business, as all such transactions are done at Arm's Length Price Only. As per Para 11(c)(iii) of IND AS -24 "Related Party Disclosures", normal dealings of Company with Related Parties by virtue of public utilities are excluded from the purview of Related Party Disclosures.
- Transactions amongst related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2024, the Group has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2023: INR Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.
- Compensation of Key Management Personnel does not include provision for Leave Encashment and Gratuity as it is provided in the books of account on the basis of actuarial valuation for the Group as a whole and hence individual figures cannot be identified.

(₹ in crore)

Closing Balance	Name of Related Party	As at March 31, 2024	As at March 31, 2023
Balance Payable	Adani Airport Holdings Limited	0.25	0.49
	Adani Bulk Terminals (Mundra) Limited	-	6.12
	Adani Brahma Synergy Private Limited	0.00	-
	ACC Limited	0.00	-
	Adani Digital Labs Private Limited	-	0.01
	Adani Enterprises Limited	27.81	200.68
	Adani Green Energy Limited	0.29	0.62
	Adani Hazira Port Private Limited	-	0.03
	Adani Hospitals Mundra Private Limited	-	0.04
	Adani Hybrid Energy Jaisalmer Four Limited (Formerly known as RSEPL Hybrid Power One limited)	89.07	140.89

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

## 44. Related Party Disclosure (Contd...)

		(₹ in crore)	
Closing Balance	Name of Related Party	As at March 31, 2024	As as March 31, 2023
Balance Payable	Adani Infra (India) Limited	0.00	3.84
	Adani Infrastructure and Developers Private Limited	0.32	-
	Adani Infrastructure Management Services Limited	75.92	93.44
	Adani International Container Terminal Private Limited	0.02	0.02
	Adani Krishnapatnam Port Limited	0.00	0.44
	AdaniConnex Private Limited	28.58	-
	Lucknow International Airport Limited	0.02	0.02
	Adani New Industries Limited	0.00	0.05
	Adani Petronet Dahej Port Private Limited	-	0.01
	Adani Ports And Special Economic Zone Limited	10.93	11.68
	Adani Power (Jharkhand) Limited	-	0.02
	Adani Power (Mundra) Limited (Amalgamated With Adani Power Limited)	-	14.56
	Adani Power Limited	16.20	0.01
	Adani Power Maharashtra Limited (Amalgamated With Adani Power Limited)	-	0.01
	Adani Properties Private Limited	0.02	-
	Adani Renewable Energy (KA) Limited	0.50	0.14
	Adani Renewable Energy Holding Twelve Limited (Formerly known as Adani Green Energy Twenty Eight Limited)	0.04	0.04
	Adani Road Transport Limited	0.00	-
	Adani Sportline Private Limited	-	0.09
	Adani Total Gas Limited	0.10	0.28
	Adani TotalEnergies E-Mobility Limited	0.64	-
	Ahmedabad International Airport Limited	0.26	0.02
	Alpha Design Technologies Private Limited	-	0.40
	Ambuja Cements Limited	0.12	0.90
	AMG Media Networks Limited	0.00	-
	Belvedere Golf and Country Club Private Limited	0.01	-
	DC Development Hyderabad Private Limited	27.61	-
	Dharavi Redevelopment Project Private Limited	0.09	-
	Dighi Port Limited	-	0.01
	Guwahati International Airport Limited	-	0.05

## Notes to Consolidated Financial Statements

for the year ended March 31, 2024

### 44. Related Party Disclosure (Contd...)

		(₹ in crore)	
Closing Balance	Name of Related Party	As at March 31, 2024	As as March 31, 2023
Balance Payable	Karnavati Aviation Private Limited	-	6.05
	Mangaluru International Airport Limited	-	0.10
	Mumbai International Airport Limited	0.04	0.59
	Mundra Petrochem Limited	-	0.11
	Mundra Sez Textile And Apparel Park Private Limited	-	0.01
	Mundra Solar Energy Limited	0.01	1.40
	Mundra Solar PV Limited	0.95	0.95
	PLR Systems Private Limited	0.03	0.03
	PLR Systems (India) Limited	0.02	-
	Raipur Energen Limited (Amalgamated With Adani Power Limited)	-	0.01
	SBRSR Power Cleantech Eleven Private Limited	-	0.62
	Superheights Infraspace Private Limited	79.00	79.00
	TRV (Kerala) International Airport Limited	0.02	-
	Udupi Power Corporation Limited (Amalgamated with Adani Power Limited)	-	3.46
	Vishakha Renewables Private Limited	0.14	-
	Valuable Properties Private Limited	0.06	0.06
Balance Receivable	Ahmedabad International Airport Limited	-	0.05
	Adani CMA Mundra Terminal Private Limited	0.00	-
	Adani Enterprises Limited	57.18	0.54
	Adani Green Energy Limited	0.02	0.04
	Adani Infra (India) Limited	0.20	-
	Adani Infrastructure Management Services Limited	4.85	0.04
	Adani International Container Terminal Private Limited	0.01	-
	Adani Krishnapatnam Port Limited	0.01	-
	Adani Logistics Limited	0.00	-
	Adani New Industries Limited	0.25	0.03
	Adani Ports And Special Economic Zone Limited	1.22	0.23
	Adani Power (Jharkhand) Limited	0.06	0.06
	Adani Power (Mundra) Limited (Amalgamated With Adani Power Limited)	-	0.06
	Adani Power Limited	0.35	2.20
	Adani Power Maharashtra Limited (Amalgamated With Adani Power Limited)	-	0.20
	Adani Digital Labs Private Limited	0.07	-
	DC Development Noida Limited	4.31	-
	Adani Vizhinjam Port Private Limited	0.03	0.03

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

## 44. Related Party Disclosure (Contd...)

(₹ in crore)

Closing Balance	Name of Related Party	As at March 31, 2024	As as March 31, 2023
Balance Receivable	Adani Wind Energy Kutchh One Limited (Formerly known as Adani Green Energy (MP) Limited)	0.00	-
	Ahmedabad International Airport Limited	0.05	-
	Dighi Port Limited	0.00	-
	Kutch Copper Limited	3.03	-
	Mumbai International Airport Limited	-	13.05
	Mundra LPG Terminal Private Limited	0.00	-
	Mundra Petrochem Limited	0.00	-
	Mundra SEZ Textile and Apparel Park Private Limited	0.01	-
	Mundra Solar Energy Limited	0.02	-
	Mundra Solar PV Limited	0.02	-
	Mundra Solar Techno Park Private Limited	0.00	6.69
	Vishakha Renewables Private Limited	0.00	-
	Raipur Energen Limited (Amalgamated With Adani Power Limited)	-	0.22
	Udupi Power Corporation Limited (Amalgamated with Adani Power Limited)	-	0.04
Capital Advance	Adani Infra (India) Limited	113.87	106.48
	Adani Mundra SEZ Infrastructure Private Limited	13.80	13.80
Advance to vendor	Adani Bulk Terminals (Mundra) Limited	1.92	-
Loan Payable	Adani Infra (India) Limited	485.52	104.70
	Adani Green Energy Limited	0.16	-
	Adani Rail Infra Private Limited	194.82	-
	Adani Properties Private Limited	626.81	125.01

## 45. Fair Value Measurement :

a) The carrying value of financial instruments by categories as of March 31, 2024 is as follows :

(₹ in crore)

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	-	392.30	-	392.30	392.30
Investments in Government securities	-	34.56	339.62	374.18	360.19
Trade Receivables	-	-	1,564.95	1,564.95	1,564.95
Cash and Cash Equivalents	-	-	742.06	742.06	742.06
Bank Balances other than Cash and Cash Equivalents above	-	-	1,486.08	1,486.08	1,486.08
Loans	-	-	430.29	430.29	430.29
Derivative instruments	928.86	-	-	928.86	928.86

## Notes to Consolidated Financial Statements

for the year ended March 31, 2024

### 45. Fair Value Measurement : (Contd...)

(₹ in crore)

Particulars	Fair Value through other Comprehensive income	Fair Value through profit or loss	Amortised cost	Total Carrying value in books	Fair value
Other Financial Assets	-	-	5,273.03	5,273.03	5,273.03
<b>Total</b>	<b>928.86</b>	<b>426.86</b>	<b>9,836.03</b>	<b>11,191.75</b>	<b>11,177.76</b>
<b>Financial Liabilities</b>					
Borrowings (Including current maturities and Interest Accrued)	-	-	37,299.86	37,299.86	35,469.60
Derivative instruments	83.26	-	-	83.26	83.26
Lease Liabilities	-	-	60.78	60.78	60.78
Trade Payables	-	-	1,759.50	1,759.50	1,759.50
Other Financial Liabilities	-	-	2,182.70	2,182.70	2,182.70
<b>Total</b>	<b>83.26</b>	<b>-</b>	<b>41,302.84</b>	<b>41,386.10</b>	<b>39,555.84</b>

#### b) The carrying value of financial instruments by categories as of March 31, 2023 is as follows :

(₹ in crore)

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	-	1,020.43	-	1,020.43	1,020.43
Investments in Government securities	-	25.78	323.47	349.25	326.89
Trade Receivables	-	-	1,437.59	1,437.59	1,437.59
Cash and Cash Equivalents	-	-	190.64	190.64	190.64
Bank Balances other than Cash and Cash Equivalents above	-	-	1,513.50	1,513.50	1,513.50
Loans	-	-	503.30	503.30	503.30
Derivative instruments	926.86	-	-	926.86	926.86
Other Financial Assets	-	-	4,954.23	4,954.23	4,954.23
<b>Total</b>	<b>926.86</b>	<b>1,046.21</b>	<b>8,922.73</b>	<b>10,895.80</b>	<b>10,873.44</b>
<b>Financial Liabilities</b>					
Borrowings (Including current maturities and Interest Accrued)	-	-	34,471.50	34,471.50	29,924.20
Derivative instruments	4.80	-	-	4.80	4.80
Lease Liabilities	-	-	71.19	71.19	71.19
Trade Payables	-	-	1,833.19	1,833.19	1,833.19
Other Financial Liabilities	-	-	1,899.20	1,899.20	1,899.20
<b>Total</b>	<b>4.80</b>	<b>-</b>	<b>38,275.08</b>	<b>38,279.88</b>	<b>33,732.58</b>

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 liabilities approximate their carrying amount largely due to the short term maturities of these instruments.



# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

## 45. Fair Value Measurement : (Contd...)

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

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

The fair value of Government Securities have been determined based on the prevailing market rate as on the reporting date.

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

The Group enters into derivative financial instruments with various counterparties, principally banks and financial institutions with investment grade credit ratings. Foreign exchange derivatives 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.

## 46. Fair Value hierarchy :

Particulars	(₹ in crore)			
	As at	As at	As at	As at
	March 31, 2024	March 31, 2024	March 31, 2023	March 31, 2023
	Level 1	Level 2	Level 1	Level 2
<b>Assets measured at fair value</b>				
Investments in unquoted Mutual Funds measured at FVTPL	-	392.30	-	1,020.43
Derivative Instruments	-	928.86	-	926.86
Investments in treasury bills at FVTPL	34.56	-	25.78	-
<b>Asset for which Fair Value are disclosed</b>				
Investments in Government Securities	325.64	-	301.11	-
<b>Total</b>	<b>360.20</b>	<b>1,321.16</b>	<b>326.89</b>	<b>1,947.29</b>
<b>Liabilities measured at fair value</b>				
Derivative Instruments	-	83.26	-	4.80
<b>Liabilities for which fair values are disclosed</b>				
Borrowings (Including current maturities and Interest Accrued)	16,515.92	18,953.68	14,802.51	15,121.69
<b>Total</b>	<b>16,515.92</b>	<b>19,036.94</b>	<b>14,802.51</b>	<b>15,126.49</b>

### Note :

- The fair values of investments in mutual fund units is based on the net asset value ('NAV').
- The fair value of Government Securities have been determined based on the prevailing market rate as on the reporting date.
- The fair value of Derivative instruments is derived using valuation techniques which include forward pricing and swap models using present value calculations.
- The Borrowing includes USD bonds which are listed in Singapore Stock Exchange. The fair value of Bonds have been determined based on the prevailing market rate as on the reporting date. The fair value of rest of the borrowings is equivalent to carrying value.

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

## 47. Capital Management

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

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

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

No changes were made in the objectives, policies or processes for managing capital during the years ended as at March 31, 2024 and as at March 31, 2023.

(₹ in crore)			
Particulars	Refer Note	As at March 31, 2024	As at March 31, 2023
Total Borrowings (Including Current Maturities of Long Term Debt)	22 & 29	37,008.87	34,198.84
Less: Cash and bank balances	14 & 15	2,228.14	1,704.14
Less: Current Investments	12	442.69	1,056.79
<b>Net Debt (A)</b>		<b>34,338.04</b>	<b>31,437.91</b>
Equity Share Capital & Other Equity	19 & 21	12,641.55	11,749.17
<b>Total Equity (B)</b>		<b>12,641.55</b>	<b>11,749.17</b>
Total Equity and Net Debt (C=A+B)		46,979.59	43,187.08
<b>Gearing Ratio : (A)/(C)</b>		<b>0.73</b>	<b>0.73</b>

## 48. Financial Risk Management Objectives

The Group's principal financial liabilities comprises 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, Cross Currency Swaps, foreign currency future options and foreign currency forward contract to manage these risks. These derivative instruments reduce the impact of both favorable and unfavorable 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.

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

## 48. Financial Risk Management Objectives (Contd...)

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 Market risk, Credit risk, and Liquidity risk.

### Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and foreign currency risk.

### 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. The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. The Group enters into interest rate swap contracts or cross currency swap contracts to manage its exposure to changes in the underlying benchmark interest rates.

During the year 2021-22, AEML issued the Sustainability Linked Bond (SLB) of USD 300 million through 10-year notes under USD 2 billion Global Medium-Term Notes program (GMTN) which carry fixed rate of interest till maturity with certain Sustainability Performance Targets (SPTs), non-attainment of which will result in increase in fixed rate of interest by 0.15 percent p.a. for SPT 1 in March 2027 and further 0.15 percent p.a. for SPT 2 for March 2029.

### Interest rate sensitivity

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

If interest rates had been 50 basis points higher / lower and all other variables were held constant, the Group's profit for the year ended March 31, 2024 would decrease / increase by ₹ 59.01 crore (Previous Year ₹ 47.22 crore). This is mainly attributable to interest rates on variable rate borrowings.

The year end balances are not necessarily representative of the average debt outstanding during the year.

### Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's foreign currency borrowings. The Group manages its foreign currency risk by hedging transactions that are expected to realise in future.

## Notes to Consolidated Financial Statements

for the year ended March 31, 2024

### 48. Financial Risk Management Objectives (Contd...)

- a) The Group has taken various derivatives to hedge its foreign exposure. The outstanding position of exposure against variation in interest rates and foreign exchange rate are as under:

Nature	Purpose	As at March 31, 2024		As at March 31, 2023	
		₹ in crore	Foreign Currency (in million)	₹ in crore	Foreign Currency (in million)
(i) Principal only swaps	Hedging of foreign currency borrowings principal liability	9,614.93	USD 1,152.80	10,555.56	USD 1,284.60
(ii) Forward covers	a. Hedging of foreign currency borrowing principal liability	350.68	USD 42.05	278.36	USD 33.88
	b. Hedging of foreign currency interest liability				
(iii) Cross Currency Swaps	Hedging of foreign currency borrowing principal & interest liability	15,860.77	USD 1,892.00 EUR 8.97	14,951.62	USD 1,808.93 EUR 9.80
(iv) Coupon only Swaps	Hedging of foreign currency borrowing interest liability	4,003.44	USD 480.00	4,930.20	USD 600.00

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

Particulars	As at March 31, 2024		As at March 31, 2023	
	₹ in crore	Foreign Currency (in million)	₹ in crore	Foreign Currency (in million)
Creditors	212.07	AED 93.37	-	-
	2.61	USD 0.31	7.79	USD 0.95
	0.25	EUR 0.03	0.32	EUR 0.04

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

(₹ in crore)

Particulars	For the Year 2023-24		For the Year 2022-23	
	1% Increase	1% Decrease	1% Increase	1% Decrease
Foreign Currency Sensitivity				
RUPEES / AED - (Increase) / Decrease	(2.12)	2.12	-	-
RUPEES / USD - (Increase) / Decrease	(0.03)	0.03	(0.08)	0.08
RUPEES / EUR - (Increase) / Decrease	(0.00)	0.00	(0.00)	0.00

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

## 48. Financial Risk Management Objectives (Contd...)

### Derivative Financial Instrument

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

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

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

The Group enters into derivative financial instruments, such as forward currency contracts, cross currency swaps, options, interest rate futures and interest rate swaps for hedging the liabilities incurred/recorded and accounts for them as cash flow hedges and states them at fair value. The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss. Amounts recognised in OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs. These hedges have been effective for the year ended March 31, 2024.

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

Derivative Financials Instruments	As at March 31, 2024		As at March 31, 2023	
	Assets	Liabilities	Assets	Liabilities
<b>Cash flow hedge</b>				
Cross Currency Swaps	451.60	58.30	367.96	3.60
Foreign Currency Swaps	340.63	18.01	38.15	0.80
Coupon Only Swaps	4.51	4.50	14.45	-
Forward	0.29	2.45	2.09	0.40
Principal Only Swaps	131.83	-	504.21	-
<b>Total</b>	<b>928.86</b>	<b>83.26</b>	<b>926.86</b>	<b>4.80</b>

(₹ in crore)

### 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 is dealing with Sovereign equivalent counterparties and state 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.



# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

## 48. Financial Risk Management Objectives (Contd...)

The carrying amount of financial assets recorded in the financial statements represents the Group's maximum exposure to credit risk. Since the Group is an Inter State and Intra State transmission Licensee (ISTS), the responsibility for billing and collection on behalf of the Group lies with the Central Transmission Utility (CTU) / State Transmission Utility (STU). Based on the fact that the collection by CTU/STU is from Designated ISTS Customers (DICs) which in majority of the cases are central / state government organizations and further based on an analysis of the past trends of recovery, the management is of the view that the entire receivables are fully recoverable. Accordingly, the Group does not recognize any impairment loss on its receivables.

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

### 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 analysis 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 crore)

As at March 31, 2024	Less than 1 year	1-5 years	Over 5 years	Total
Borrowings#	6,770.30	18,974.42	29,102.40	54,847.12
Trade Payables	1,722.11	-	37.39	1,759.50
Derivative Liabilities	2.45	80.81	-	83.26
Lease Liabilities*	9.62	42.49	47.86	99.97
Other financial Liabilities	2,041.38	432.31	-	2,473.69

\*Carrying Value of lease liabilities is ₹ 60.78 Crore

(₹ in crore)

As at March 31, 2023	Less than 1 year	1-5 years	Over 5 years	Total
Borrowings#	5,509.42	20,698.31	27,320.20	53,527.93
Trade Payables	1,800.43	-	32.76	1,833.19
Derivative Liabilities	0.40	4.40	-	4.80
Lease Liabilities*	18.31	37.62	51.68	107.61
Other financial Liabilities	1,837.42	334.44	-	2,171.86

\*Carrying Value of lease liabilities is ₹ 71.19 Crore

#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.

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

## 49. Transaction with Struck Off Companies

Name of the struck off company	Nature of transactions with struck off company	Balance outstanding (₹ in crore)	Relation with the struck off company, if any, to be disclosed
<b>As at March 31, 2024</b>			
<b>Receivables</b>			
United Glass Works Pvt. Ltd.	Sale of Power	0.01	Consumer
Suchammedi Mover Pvt. Ltd.	Sale of Power	0.01	Consumer
N R Enterprises Ltd.	Sale of Power	0.01	Consumer
J V D Developers Pvt. Ltd.	Sale of Power	0.01	Consumer
New Vision Pvt. Ltd.	Sale of Power	0.01	Consumer
Real Infrastructure Co.	Sale of Power	0.01	Consumer
Zenith Construction Co.	Sale of Power	0.01	Consumer
Others - 631 Parties < 50K	Sale of Power	0.14	Consumer
<b>As at March 31, 2023</b>			
<b>Payables</b>			
Saptagiri Electrical Engineering	Purchase of Service	0.02	Vendor
Inavit Engineering & Consulting Pvt	Purchase of Service	0.01	Vendor
Sanjyot Laser Pvt Ltd	Purchase of Service	0.01	Vendor
<b>Receivables</b>			
Shree Sai Seva Kripa Sra Society Ltd	Sale of Power	0.01	Consumer
Shanti Sagar Realty India Private Ltd	Sale of Power	0.01	Consumer
N R Enterprises Ltd	Sale of Power	0.01	Consumer
Parekh Bldg Dev P Ltd	Sale of Power	0.01	Consumer
Comet Plast Machinery P Ltd	Sale of Power	0.01	Consumer
Others - 797 Parties < 50K	Sale of Power	0.15	Consumer

Note : If any transaction with a struck off company has happened during a financial year and settled / reversed / squared off etc., during the same financial year such that the balance outstanding is Nil as at March 31, 2024 is less than ₹ 50,000 (March 31, 2023: Less than ₹ 50,000)

## 50. Segment information : Operating Segments

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

- Transmission : providing transmissison line for power transmission.
- GTD Business : Generation, Transmission and Distribution of Power business for Mumbai City and Mundra Distribution.
- Smart Metering : supply, install and maintain of Smart Metering Project on Design-Build-Finance-Own-Operate-Transfer (DBFOOT) basis
- Trading : Trading activity of goods.

## Notes to Consolidated Financial Statements

for the year ended March 31, 2024

### 50. Segment information : Operating Segments (Contd...)

The CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by operating segments. The CODM reviews revenue and gross profit at the performance indicator for all of the operating segments.

The measurement of each segment's revenues, expenses and assets is consistent with the accounting policies that are used in preparation of the financial statements. Segment profit represents the profit before interest and tax.

Information regarding the company's reportable segments is presented below:

(₹ in crore)

Particulars	Transmission	GTD Business	Smart Metering	Trading	Elimination	Total
<b>1. Revenue</b>						
External Sales	5,114.14	10,172.77	290.86	1,029.59	-	16,607.36
	3,945.16	8,591.91	-	755.65	-	13,292.72
<b>Total Revenue</b>	<b>5,114.14</b>	<b>10,172.77</b>	<b>290.86</b>	<b>1,029.59</b>	<b>-</b>	<b>16,607.36</b>
	3,945.16	8,591.91	-	755.65	-	13,292.72
<b>Results</b>						
Segment Results	2,731.51	1,201.31	1.66	0.64	-	3,935.12
	2,607.31	1,337.62	-	0.52	-	3,945.45
Unallocated Corporate Income (Net)						610.95
						547.74
<b>Operating Profit</b>						<b>4,546.07</b>
						4,493.19
Less: Finance Expense						(2,766.51)
						(2,781.47)
Profit before tax						1,779.56
						1,711.72
Current Taxes						298.60
						260.94
Deferred Tax						285.35
						170.18
Total Tax						583.95
						431.12
Profit after tax						1,195.61
						1,280.60
Less: Non-Controlling Interests						(58.33)
						(24.27)
<b>Net profit</b>						<b>1,137.28</b>
						1,256.33

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

## 50. Segment information : Operating Segments (Contd...)

(₹ in crore)

Particulars	Transmission	GTD Business	Smart Metering	Trading	Elimination	Total
<b>2. Other Information</b>						
Segment Assets	<b>30,762.81</b>	<b>20,359.16</b>	<b>349.86</b>	-	-	<b>51,471.83</b>
	<i>27,278.24</i>	<i>20,084.83</i>	-	-	-	<i>47,363.07</i>
Unallocated Corporate Assets						<b>7,106.98</b>
						<i>6,568.68</i>
<b>Total Assets</b>						<b>58,578.81</b>
						<i>53,931.75</i>
Segment Liabilities	<b>1,449.06</b>	<b>4,146.03</b>	<b>241.51</b>	-	-	<b>5,836.60</b>
	<i>1,120.70</i>	<i>4,026.65</i>	-	-	-	<i>5,147.35</i>
Unallocated Corporate Liabilities						<b>39,039.08</b>
						<i>35,908.63</i>
<b>Total liabilities</b>						<b>44,875.68</b>
						<i>41,055.98</i>
Depreciation /Amortisation	<b>970.64</b>	<b>805.44</b>	-	-	-	<b>1,776.08</b>
	<i>855.86</i>	<i>751.88</i>	-	-	-	<i>1,607.74</i>
Non Cash Expenditure other than Depreciation/ Amortisation	<b>0.44</b>	<b>13.32</b>	-	-	-	<b>13.76</b>
	<i>0.66</i>	<i>15.21</i>	-	-	-	<i>15.87</i>
Capital Expenditure	<b>3,953.06</b>	<b>1,476.48</b>	-	-	-	<b>5,429.54</b>
	<i>3,547.51</i>	<i>1,154.70</i>	-	-	-	<i>4,702.21</i>

**Previous figures are given in italics**

Note 1: The business operations of the Group are entirely based in India accordingly the entity has no separate geographical segment to disclose.

## Notes to Consolidated Financial Statements

for the year ended March 31, 2024

### 51. Additional information of net assets and share in profit or loss contributed by various entities as recognised under Schedule III of the Companies Act, 2013

Sr. No.	Name of the Entity	As % of Consolidated Net Assets as on March 31, 2024	₹ in crore	As % of Consolidated Profit or Loss for the year ended March 31, 2024	₹ in crore	As % of Consolidated Other Comprehensive Income for the year ended March 31, 2024	₹ in crore	As % of Consolidated Total Comprehensive Income for the year ended March 31, 2024	₹ in crore
1	Adani Energy Solutions Limited (Formerly known as Adani Transmission Limited)	48.91%	10,921.54	40.25%	594.91	0.01%	(0.02)	49.76%	594.89
	<b>Subsidiaries (Indian)</b>								
2	Maharashtra Eastern Grid Power Transmission Company Limited	18.14%	4,050.65	20.74%	306.49	0.21%	(0.59)	25.59%	305.90
3	Adani Transmission (India) Limited	13.99%	3,124.41	20.33%	300.43	0.03%	(0.08)	25.12%	300.35
4	Sipat Transmission Limited	0.60%	133.88	2.13%	31.42	2.99%	(8.46)	1.92%	22.96
5	Raipur-Rajnandgaon-Warora Transmission Limited	1.35%	300.93	4.79%	70.80	6.79%	(19.18)	4.32%	51.62
6	Chhattisgarh-WR Transmission Limited	0.96%	214.98	4.59%	67.90	4.88%	(13.79)	4.53%	54.11
7	Adani Transmission (Rajasthan) Limited	0.20%	44.37	0.75%	11.05	-	-	0.92%	11.05
8	North Karanpura Transco Limited	0.17%	38.69	0.52%	7.73	-0.01%	0.04	0.65%	7.77
9	Maru Transmission Service Company Limited	0.18%	39.24	0.62%	9.12	0.00%	0.00	0.76%	9.12
10	Aravali Transmission Service Company Limited	0.03%	7.20	0.23%	3.38	0.05%	(0.13)	0.27%	3.25
11	Western Transco Power Limited	1.05%	233.88	1.34%	19.81	0.00%	0.00	1.66%	19.81
12	Western Transmission (Gujarat) Limited	0.71%	158.53	0.86%	12.69	0.00%	0.00	1.06%	12.69
13	Hadoti Power Transmission Service Limited	0.51%	113.70	1.65%	24.33	0.83%	(2.35)	1.84%	21.98
14	Barmer Power Transmission Service Limited	0.42%	93.78	1.28%	18.96	0.58%	(1.64)	1.45%	17.32
15	Thar Power Transmission Service Limited	0.36%	80.44	1.16%	17.11	0.55%	(1.54)	1.30%	15.57
16	Fatehgarh-Bhadla Transmission Limited	-0.07%	(14.67)	0.15%	2.24	0.00%	-	0.19%	2.24
17	Ghatampur Transmission Limited	1.45%	323.50	4.49%	66.43	0.00%	0.01	5.56%	66.44
18	Adani Transmission Bikaner Sikar Private Limited	0.37%	83.64	0.88%	13.07	-	-	1.09%	13.07
19	OBRA-C Badaun Transmission Limited	0.44%	98.43	1.03%	15.23	0.00%	0.00	1.27%	15.23
20	Adani Electricity Mumbai Limited	20.55%	4,588.51	15.55%	229.86	50.34%	(142.21)	7.33%	87.65
21	Adani Electricity Navi Mumbai Limited (Formerly known as AEML Infrastructure Limited)	0.00%	(0.07)	0.00%	(0.01)	-	(0.00)	0.00%	(0.01)
22	Bikaner-Khetri Transmission Limited	0.98%	217.78	2.03%	29.97	0.00%	(0.00)	2.51%	29.97
23	WRSS XXI (A) Transco Limited	-0.04%	(9.20)	-0.43%	(6.39)	0.45%	(1.28)	-0.64%	(7.67)



# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

## 51. Additional information of net assets and share in profit or loss contributed by various entities as recognised under Schedule III of the Companies Act, 2013 (Contd...)

Sr. No.	Name of the Entity	As % of Consolidated Net Assets as on March 31, 2024	₹ in crore	As % of Consolidated Profit or Loss for the year ended March 31, 2024	₹ in crore	As % of Consolidated Other Comprehensive Income for the year ended March 31, 2024	₹ in crore	As % of Consolidated Total Comprehensive Income for the year ended March 31, 2024	₹ in crore
24	Lakadia Banaskantha Transco Limited	-0.10%	(23.09)	-1.04%	(15.43)	0.32%	(0.90)	-1.37%	(16.33)
25	Jam Khambaliya Transco Limited	0.11%	24.02	0.03%	0.42	0.00%	0.00	0.04%	0.42
26	Arasan Infra Limited (Formerly Known as Arasan Infra Private Limited)	0.00%	(0.99)	-0.03%	(0.50)	0.00%	-	-0.04%	(0.50)
27	Sunrays Infra Space Limited (Formerly Known as Sunrays Infra Space Private Limited)	-0.01%	(3.13)	-0.11%	(1.59)	0.00%	-	-0.13%	(1.59)
28	Power Distribution Services Limited	0.03%	7.67	0.13%	1.94	0.00%	-	0.16%	1.94
29	Adani Electricity Mumbai Infra Limited	1.90%	423.49	0.00%	(0.01)	0.16%	(0.46)	-	(0.47)
30	Alipurduar Transmission Limited	1.47%	331.43	2.83%	42.02	0.00%	0.01	3.52%	42.03
31	Kharghar Vikhroli Transmission Limited (Formerly known as Kharghar Vikhroli Transmission Private Limited)	0.18%	40.16	2.77%	40.95	0.18%	(0.51)	3.38%	40.44
32	Warora Kurnool Transmission Limited	1.21%	269.91	-0.96%	(14.26)	-0.02%	0.05	-1.19%	(14.21)
33	AEML Seepz Limited	0.01%	2.92	0.04%	0.57	0.00%	-	0.05%	0.57
34	Adani Transmission Step-One Limited	-19.00%	(4,241.23)	-29.43%	(434.93)	29.66%	(83.77)	-43.39%	(518.70)
35	MP Power Transmission Package-II Limited	0.61%	135.37	0.91%	13.40	-0.06%	0.16	1.13%	13.56
36	MPSEZ Utilities Limited (formerly known as MPSEZ Utilities Private Limited)	0.53%	117.77	1.13%	16.76	0.00%	-	1.40%	16.76
37	Karur Transmission Limited	0.00%	0.41	0.03%	0.45	0.00%	0.00	0.04%	0.45
38	Khavda-Bhuj Transmission Limited	0.61%	137.26	0.03%	0.46	-0.01%	0.02	0.04%	0.48
39	ATL HVDC Limited	-0.14%	(31.37)	-1.06%	(15.73)	2.09%	(5.89)	-1.81%	(21.62)
40	Adani Electricity Jewar Limited	0.00%	(0.04)	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
41	Adani Transmission Step-Two Limited	0.00%	(0.46)	-0.03%	(0.41)	0.00%	-	-0.03%	(0.41)
42	Adani Transmission Mahan Limited	0.00%	(0.00)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
43	BEST Smart Metering Limited	0.00%	0.15	0.01%	0.14	0.00%	-	0.01%	0.14
44	Adani Cooling Solutions Limited	0.00%	(0.00)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
45	WRSR Power Transmission Limited	0.71%	159.21	0.00%	(0.01)	-0.01%	0.03	0.00%	0.02
46	Adani Transmission Step-Three Limited	0.00%	0.04	0.00%	0.03	0.00%	-	0.00%	0.03
47	Adani Transmission Step-Four Limited	0.00%	0.47	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
48	Adani Transmission Step-Five Limited	0.00%	(0.00)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)

## Notes to Consolidated Financial Statements

for the year ended March 31, 2024

### 51. Additional information of net assets and share in profit or loss contributed by various entities as recognised under Schedule III of the Companies Act, 2013 (Contd...)

Sr. No.	Name of the Entity	As % of Consolidated Net Assets as on March 31, 2024	₹ in crore	As % of Consolidated Profit or Loss for the year ended March 31, 2024	₹ in crore	As % of Consolidated Other Comprehensive Income for the year ended March 31, 2024	₹ in crore	As % of Consolidated Total Comprehensive Income for the year ended March 31, 2024	₹ in crore
49	Adani Transmission Step-Six Limited	0.00%	0.00	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
50	Adani Transmission Step-Seven Limited	0.00%	0.00	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
51	Adani Transmission Step-Eight Limited	0.00%	0.00	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
52	NE Smart Metering Limited (Formerly known as Adani Transmission Step-Nine Limited)	0.00%	0.00	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
53	Adani Electricity Aurangabad Limited	0.00%	0.01	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
54	Adani Electricity Nashik Limited	0.00%	0.01	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
55	Khavda II-A Transmission Limited	0.39%	86.44	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
56	Adani Green Energy Thirty Limited	0.21%	48.00	-0.18%	(2.69)	0.00%	-	-0.23%	(2.69)
57	KPS 1 Transmission Limited	0.00%	(0.58)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
58	Sangod Transmission Service Limited	0.00%	(0.29)	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
59	Halvad Transmission Limited	0.00%	0.00	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
60	Sunrays Infra Space Two Limited	0.00%	0.01	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
61	Arasan Infra Two Limited	0.00%	0.01	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
62	Adani Energy Solutions Step-Twelve Limited	0.00%	0.01	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
63	Adani Energy Solutions Step-Thirteen Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
	<b>Total</b>	<b>100%</b>	<b>22,327.73</b>	<b>100%</b>	<b>1,478.01</b>	<b>100%</b>	<b>(282.47)</b>	<b>100%</b>	<b>1,195.54</b>
	<b>Less: Adjustment of Consolidation</b>		<b>7,563.02</b>		<b>282.40</b>		<b>-</b>		<b>282.40</b>
	<b>Less: Non Controlling Interest</b>		<b>1,061.58</b>		<b>58.33</b>		<b>(35.82)</b>		<b>22.51</b>
	<b>Consolidated Net Assets/ Profit after tax</b>		<b>13,703.13</b>		<b>1,137.28</b>		<b>(246.65)</b>		<b>890.63</b>

### 52. As per Ind AS 19 "Employee Benefits", the disclosures are given below.

#### (a) Defined Contribution Plan

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

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

## 52. As per Ind AS 19 "Employee Benefits", the disclosures are given below. (Contd...)

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

Particulars	(₹ in crore)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Contribution to Provident Fund	43.10	42.36
Contribution to Employees Superannuation Fund	6.06	7.71
Contribution to Employees Pension Scheme	5.83	6.37
<b>Total</b>	<b>54.99</b>	<b>56.44</b>

### (b) Defined Benefit Plan

The Group has a defined benefit gratuity plan (funded) and is governed by the Payment of Gratuity Act, 1972. Under the Act, every employee who has completed at least five year of service is entitled to gratuity benefits on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with Life Insurance Corporation of India (LIC) in form of a qualifying insurance policy with effect from September 1, 2010 for future payment of gratuity to the employees.

Each year, the management reviews the level of funding in the gratuity fund. Such review includes the asset – liability matching strategy. The management decides its contribution based on the results of this review. The management aims to keep annual contributions relatively stable at a level such that no plan deficits (based on valuation performed) will arise.

The Group operates a defined benefit plan (the Gratuity plan) covering eligible employees, which provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment.

The status of gratuity plan as required under Ind AS-19:

Particulars	(₹ in crore)	
	As at March 31, 2024	As at March 31, 2023
<b>i. Reconciliation of Opening and Closing Balances of defined benefit obligation</b>		
Present Value of Defined Benefit Obligations at the beginning of the Year	677.31	703.26
Current Service Cost	33.47	39.54
Interest Cost	45.24	48.95
Re-measurement (or Actuarial) (gain) / loss arising from:		
- Change in demographic assumptions	0.77	0.28
- Change in financials assumptions	20.64	(23.25)
- Experience variance (i.e. Actual experience vs assumptions)	(8.38)	(27.16)
Liabilities Extinguished on Settlement	-	(18.16)
Benefits paid	(86.89)	(43.00)
Liabilities Transfer In/Out	(0.28)	(3.15)
<b>Present Value of Defined Benefit Obligations at the end of the Year</b>	<b>681.88</b>	<b>677.31</b>

## Notes to Consolidated Financial Statements

for the year ended March 31, 2024

### 52. As per Ind AS 19 "Employee Benefits", the disclosures are given below. (Contd...)

		(₹ in crore)	
Particulars	As at March 31, 2024	As at March 31, 2023	
<b>ii. Reconciliation of Opening and Closing Balances of the Fair value of Plan assets</b>			
Fair Value of Plan assets at the beginning of the Year	482.30	490.67	
Investment Income	30.39	34.24	
Contributions	5.88	7.52	
Assets Transferred Out/ Divestments	(4.93)	(6.55)	
Benefits paid	(86.64)	(40.98)	
Return on plan assets, excluding amount recognised in net interest expenses	(1.73)	(2.60)	
Fair Value of Plan assets at the end of the Year	<b>425.27</b>	<b>482.30</b>	
<b>iii. Reconciliation of the Present value of defined benefit obligation and Fair value of plan assets</b>			
Present Value of Defined Benefit Obligations at the end of the Year	681.88	677.31	
Fair Value of Plan assets at the end of the Year	(425.27)	(482.30)	
Net Asset / (Liability) recognized in balance sheet as at the end of the year	<b>(256.61)</b>	<b>(195.01)</b>	
<b>iv. Composition of Plan Assets</b>			
100% of Plan Assets are administered by LIC	-	-	
<b>v. Gratuity Cost for the Year</b>			
Current service cost	33.47	39.54	
Interest cost	45.24	48.95	
(Gains)/Losses on Curtailments And Settlements	(0.43)	(18.16)	
Expected return on plan assets	(30.39)	(34.25)	
Amount Capitalised	(0.17)	(1.29)	
Net Gratuity cost recognised in the statement of Profit and Loss	<b>47.72</b>	<b>34.79</b>	
<b>vi. Other Comprehensive Income</b>			
Actuarial (gains) / losses			
Change in demographic assumptions	0.77	0.28	
Change in financial assumptions	20.64	(23.25)	
Experience variance (i.e. Actual experiences assumptions)	(8.38)	(27.16)	
Return on plan assets, excluding amount recognised in net interest expense	1.73	2.60	
Components of defined benefit costs recognised in other comprehensive income	<b>14.76</b>	<b>(47.53)</b>	
<b>vii. Actuarial Assumptions</b>			
Discount Rate (per annum)	7.20% to 7.50%	6.98% to 7.50%	
Annual Increase in Salary Cost (per annum)	8.00% to 10.50%	8.50% to 10.25%	
Attrition Rate (per annum)	0.00% to 10.0%	0.00% to 40.0%	
Mortality Table	100% of IALM 2012-14	100% of IALM 2012-14	

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

## 52. As per Ind AS 19 "Employee Benefits", the disclosures are given below. (Contd...)

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>viii. Maturity profile of Defined Benefit Obligation</b>		
Weighted average duration (based on discounted cash flows)	5 to 29 years	3 to 29 years

### ix. Expected contribution during the next annual reporting period

The Group's best estimate of contribution during the next year is ₹ 38.71 crore.

### x. Maturity Profile of Defined Benefit Obligation

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>The expected cash flows of defined benefit obligation over the future periods (valued on undiscounted bases)</b>		
1 year	42.13	108.3
2 to 5 years	204.13	177.74
6 to 10 years	345.43	318.47
Beyond 10 years	797.18	728.25

### xi. Asset – Liability Matching Strategies

The Company has purchased insurance policy, which is basically a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance Company, as part of the policy rules, makes payment of all gratuity outgoes happening during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk.

However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Company is exposed to movement in interest rate (in particular, the significant fall in interest rates, which should result in a increase in liability without corresponding increase in the asset).

### (c) Sensitivity analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

(₹ in crore)

Sensitivity analysis	As at March 31, 2024		As at March 31, 2023	
Particulars	Decrease	Increase	Decrease	Increase
Discount rate	86.09	73.37	73.36	63.22
Salary Growth Rate	70.85	82.07	61.38	70.02
Attrition Rate	39.25	37.44	31.32	28.95
Mortality Rate	27.24	27.22	21.18	21.16



# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

## 52. As per Ind AS 19 "Employee Benefits", the disclosures are given below. (Contd...)

These plans typically expose the Group to actuarial risks such as below

**Interest Rate risk:** The plan exposes the Group to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.

**Salary Escalation Risk:** The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

**Demographic Risk:** The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

**Investment Risk:** The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

## 53. Contract balances:

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

Particulars	(₹ in crore)	
	As at March 31, 2024	As at March 31, 2023
Trade receivables (Refer note 13)	1,564.95	1,437.59
Unbilled Revenue (Refer note 8 and 17)	2,381.27	2,586.26
Contract Assets on account of Service Concession Arrangements (refer note 10 and 18)	892.89	-
Contract liabilities (Refer note 31 and 32)	297.72	210.49
Recoverable from / (Liabilities) towards consumers - regulatory assets / (liabilities) other than distribution	(19.36)	18.33

### Contract assets

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

### Contract liabilities

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

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

## 53. Contract balances: (Contd...)

### (b) Significant changes in contract assets and liabilities during the period:

Particulars	(₹ in crore)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Opening Balance</b>		
Recoverable from consumers	18.33	-
Liabilities towards consumers	-	2.94
<b>(A)</b>	<b>18.33</b>	<b>2.94</b>
Income to be adjusted in future tariff determination (Net)	38.00	(21.27)
Movement in Regulatory deferral balance other comprehensive income	(0.31)	-
<b>(B)</b>	<b>37.69</b>	<b>(21.27)</b>
Recoverable from consumers	-	18.33
Liabilities towards consumers	(19.36)	-
<b>Closing Balance</b>	<b>(19.36)</b>	<b>18.33</b>

### Reconciliation the amount of revenue recognised in the statement of profit and loss with the contracted price:

Particulars	(₹ in crore)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue as per contracted price	15,540.62	12,526.59
<b>Adjustments</b>		
Discounts	78.97	83.54
<b>Revenue from contract with customers</b>	<b>15,461.65</b>	<b>12,443.05</b>

## 54. Regulatory Deferral Account

Particulars	(₹ in crore)	
	As at March 31, 2024	As at March 31, 2023
<b>Regulatory Deferral Account - Liability</b>		
Regulatory Liabilities	53.83	-
<b>Regulatory Deferral Account - Assets</b>		
Regulatory Assets	1,571.36	1,963.83
<b>Net Regulatory Assets/(Liabilities)</b>	<b>1,517.53</b>	<b>1,963.83</b>

### Rate Regulated Activities

- As per the Ind AS-114 'Regulatory Deferral Accounts', the business of electricity distribution is a Rate Regulated activity wherein Maharashtra Electricity Regulatory Commission (MERC) & Gujarat Electricity Regulatory Commission (GERC), the regulator determines Tariff to be charged from consumers based on prevailing regulations in place.
- MERC Multi Year Tariff Regulations, 2019 (MYT Regulations), is applicable for the period beginning from April 1, 2020 to March 31, 2024. These regulations require MERC and GERC to determine tariff in a manner wherein the Company can recover its fixed and variable costs including assured rate of return on approved equity base, from its consumers. The Company determines the Revenue, Regulatory Assets and Liabilities as per the terms and conditions specified in MYT Regulations.

## Notes to Consolidated Financial Statements

for the year ended March 31, 2024

### 54. Regulatory Deferral Account (Contd...)

3. Risk associated with future recovery / reversal of regulatory deferral account balances
  - (a) regulatory risk on account of changes in regulations.
  - (b) other risks including currency or other market risks, if any.
4. Reconciliation of Regulatory Assets/Liabilities of distribution business as per Rate Regulated Activities is as follows:

		(₹ in crore)	
S. No.	Particulars	As at March 31, 2024	As at March 31, 2023
A	Opening Regulatory Assets (Net)	1,963.83	852.46
	Add:		
B	Revenue gap for current year	226.20	772.83
C	Accrued in respect of earlier year consequent to receipt of tariff order	(15.02)	338.54
	<b>Closing Balance (A+B+C+D)</b>	<b>2,175.01</b>	<b>1,963.83</b>
	Less:		
D	Recovered / (refunded) during the year	657.48	-
E	Net Movement during the year ( B + C - D )	(446.30)	1,111.37
F	<b>Closing Balance ( A + E )</b>	<b>1,517.53</b>	<b>1,963.83</b>

Note : The Group will recover regulatory gap of ₹ 828.60 crore in FY 2024-25, out of ₹ 1,517.53 crore while balance will be recovered over the life of the projects as per existing regulations.

### 55. (i) Impairment testing of intangible Assets

The Transmission license granted to AEML is an asset specific license which includes list of existing and proposed transmission lines as well as transmission bays in a specified area.

In accordance with the requirements of Ind AS 36 "Impairment of Assets", AEML as at March 31, 2024 tested the Transmission Cash Generating Unit ("TCGU") which includes carrying value of Transmission License (₹ 981.62 crore) having indefinite useful life for impairment. The recoverable amount of the TCGU has been determined applying value in use approach. The value in use of the TCGU has been determined using Discounted Cash Flow Method (DCF).

In deriving the recoverable amount of the TCGU a discount rate (post tax) of 9.50 % (March 31, 2023: 9.50%) per annum has been used. In arriving at the recoverable amount of the TCGU , financial projections have been developed for 6 years (March 31, 2023: 6 years) and thereafter in perpetuity considering a terminal growth rate of 2% (March 31, 2023: 1%) per annum.

Based on the results of the TCGU impairment test, the estimated value in use of the TCGU was higher than its carrying amount, hence no impairment loss is recorded during the year (March 31, 2023 - Nil). Management believes that any reasonably possible change in the key assumptions on which recoverable amount is based would not cause the aggregate carrying amount to exceed the fair value of the Transmission License.

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

- Discount Rate: 9.50 % (March 31, 2023: 9.50 %) Post-Tax Discount rate has been derived based on current cost of borrowing and equity rate of return in line with the current market expectations.
- Capital expenditure / Capitalisation: Capital expenditure and capitalisation for 6 years (March 31, 2023: 6 years) is estimated based on management projections subject to regulatory approval and thereafter ₹ 675 crore per annum (March 31, 2023: ₹ 500 crore per annum).
- Terminal growth rate considered at 2% per annum (March 31, 2023 - 1% per annum).

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

## (ii) Goodwill

Particulars	(₹ in crore)	
	As at March 31, 2024	As at March 31, 2023
<b>Balance at beginning of the year</b>	598.29	598.29
Arising on account of Business combination	-	-
<b>Balance at end of the year</b>	<b>598.29</b>	<b>598.29</b>
<b>Segment wise information of Goodwill generated on account of acquisitions over the years</b>		
Transmission Segment	330.74	330.74
GTD Segment	267.55	267.55
	<b>598.29</b>	<b>598.29</b>

### Impairment testing of Goodwill

The group tests on a annual basis, goodwill arising on business combination amounting to ₹ 576.02 crore for March, 2024 (₹ 576.02 crore for March 2023) which has been allocated to the respective Cash Generating Unit ("CGU") (ATIL, MEGPTCL and AEML) for impairment. Based on the annual impairment test no provision towards impairment was required necessary.

The recoverable amounts of the CGUs are determined from value-in-use calculations and the projections based on the period of the transmission and distribution licenses (including expected extensions).

The key assumptions for the value-in-use calculations are those regarding discount rates, growth rates, capital expenditure, and expected increase in direct costs. Management estimates discount rates using post-tax rates that reflect current market assessments of the time value of money. The growth rates are based on management's forecasts/ tariff regulations. Changes in direct costs are based on past practices and expectations of future changes in the market.

The Group prepares its forecasts based on the most recent financial budgets approved by management with projected revenue growth rates per respective tariff regulation wherein the revenue is determined considering the parameters/benchmarks laid down in the respective MERC/CERC tariff regulations.

The rates used to discount the forecasts is 8.56% to 10.51% p.a (Post Tax) (March 31, 2023 : 9.55% to 10% p.a (Post Tax))

Management believes that any reasonable possible change in any of these assumptions would not cause the carrying amount to exceed its recoverable amount.

- 56.** During the previous year pursuant to an agreement between Adani Energy Solutions Limited ("AESL") (Formerly known as Adani Transmission Limited)) and its wholly owned subsidiaries, viz; Adani Transmission Step-One Limited ("ATSOL"), Adani Transmission (India) Limited ("ATIL"), and Maharashtra Eastern Grid Power Transmission company Limited ("MEGPTCL"), AESL has transferred/novated, as the case may be, its investments in equity shares of, and Inter Corporate Deposits placed with ATIL and MEGPTCL, USD denominated borrowings of Senior Secured Notes / Bonds (aggregating USD 937.50 million outstanding as at date of restructuring) along with corresponding hedge contracts, identified fixed assets, cash equivalent to restricted reserve and working capital loans to ATSOL after obtaining requisite approvals and consents. ATSOL has discharged the consideration towards acquisition of the said assets and liabilities by way of issuance of Compulsorily Convertible Debentures to AESL. The transaction being a common control transaction, does not affect the Consolidated Financial Statements of the Group.

## Notes to Consolidated Financial Statements

for the year ended March 31, 2024

- 57.** a) During the year 2022-23, Maharashtra Electricity Regulatory Commission ("MERC") vide its order dated March 31, 2023, has approved for (i) truing-up of the tariff for the period from the financial year 2019-20, 2020-21 & 2021-22, (ii) Provisional truing up of financial year 2022-23 and (iii) Aggregate Revenue Requirement (ARR) for FY 2023-24 and FY 2024-25 for Adani Transmission (India) Limited ("ATIL"), Maharashtra Eastern Grid Power Transmission Company Limited ("MEGPTCL") and Adani Electricity Mumbai Limited ("AEML"). Accordingly, based on the MERC order, during the year ended March 31, 2023, Group has recognized revenue of ₹ 656.22 crore for the period from April, 2019 to March, 2023. Under the circumstances, the figures for the current year are not comparable with the corresponding figures of the previous year, to that extent.
- b) During the earlier year Maharashtra Eastern Grid Power Transmission Company Limited ("MEGPTCL"), had received MERC order vide dated June 3, 2021 and has given impact to the Hon'ble APTEL Judgment in the matter of Appeal No. 260 of 2016 dated July 24, 2020, revised the Annual Revenue Requirement (ARR) of MEGPTCL retrospectively effective from April 1, 2013 and directed MEGPTCL to claim the incremental ARR (including the related carrying cost) during the Mid Term Review (MTR) in FY 2023-24. Consequent to the above MERC order, during the year ended March 31, 2023, MEGPTCL has recognized additional revenue from operations of ₹ 31.01 crore for the period April, 2014 to March, 2022 and recognized ₹ 102.04 crore for the year ended on March 31, 2023. Under the circumstances, the figures for the current year are not comparable with the corresponding figures of the previous year, to that extent.
- c) Central Electricity Regulatory Commission ("CERC") vide its order dated January 21, 2022, has partly disallowed certain expenses (interest and depreciation) in relation to truing up tariff petition for the control period 2015-19 and tariff determination petition for the control period 2020-24 filed by Adani Transmission (India) Limited ("ATIL"), a wholly owned subsidiary of the Company. The Management has, basis an external legal opinion, assessed that it has reasonably good case on merits in the light of the prevailing Tariff Regulations, settled principles of law as per earlier judicial precedence and, is in the process of preferring an appeal in Appellate Tribunal for Electricity against such CERC order. Having regard to the above, the disallowances aggregating to ₹ 108.11 crore up to March 31, 2023 are not reckoned with in the aforementioned results.
- 58.** During the previous year, the Company had signed definitive agreements with Essar Power Limited ("EPL") for acquiring 673 Ckt. kms operational inter-state transmission project (Stage II) owned and operated by Essar Power Transmission Company Limited (EPTCL), a subsidiary of EPL. The Enterprise value for the transaction is ₹ 1,913.00 crore. Pursuant to the agreement, the Company has given an interest bearing loan of ₹ 400.00 crore and advance of ₹ 69.17 crore towards acquisition to EPL. The transaction is expected to be completed by June 2024 as the approval of Central Electricity Regulatory Commission ("CERC") and National Company Law Tribunal ("NCLT") for bifurcation of the license is received.
- 59.** Maharashtra Electricity Regulatory Commission ("MERC") vide its order dated December 26, 2022 granted an in-principal approval for the transfer of Adani Electricity Mumbai Limited ("AEML") distribution network infrastructure in Seepz SEZ area to AEML Seepz Limited ("ASL"), a subsidiary of Adani Energy Solution Limited. Based on the principles laid down by MERC, ASL filed requisite petitions for approval of tariff, power procurement plan and switchover/ changeover protocol (i.e. shifting of consumers from other Distribution Licensees to ASL and vice versa in SEEPZ area) which have been approved by MERC on October 9, 2023.
- Subsequently, the AEML and ASL have entered into a Business Transfer agreement dated November 1, 2023 for transfer of Company's distribution network infrastructure (including movable and immoveable assets) in Seepz SEZ area as a going concern to ASL, on a slump sale for a total consideration of ₹ 36.96 crore. The transaction being a common control transaction, does not affect the Consolidated Financial Statements of the Group.
- 60.** Pursuant to approval by Board of Directors in their meeting held on May 26, 2023 and approval of management committee of the Board of Directors of the Adani Electricity Mumbai Limited ("AEML") in their meeting held on November 13, 2023, during the year AEML has completed partial re-purchase of USD 120 million of its outstanding



# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

3.949% USD 1,000 million senior secured notes due 2030, through cash Tender Offer for purchase price of USD 850 for early bid and USD 800 for post early bid per USD 1,000 principal amount based on the terms and conditions mentioned in tender offer memorandum, on November 30, 2023.

Post re-purchase, AEML has recognised one time income of ₹ 136.49 crore (net of expenses ₹ 13.57 crore) on derecognition of liability and has cancelled the aforementioned 3.949% USD 120 million Senior Secured notes due 2030.

- 61.** During the year, the Group has recognised the deferred tax expense/credit with respect to the effective portion of gain/(losses) on a cash flow hedge classified in Other Comprehensive Income in accordance with Ind AS 12, Income Taxes. Pursuant to the impact of aforesaid changes, the Group has restated the numbers for the comparative periods, which has resulted increase in deferred tax credit on Other Comprehensive Income by ₹ 22.91 crore for the year ended March 31, 2023, with corresponding impact on Total Comprehensive Income for the year. The opening balances as at April 1, 2022 have also been restated in respect of Other Equity increased by ₹ 69.56 crore, Non-Controlling Interest increased by ₹ 23.31 crore and Deferred Tax Liabilities decreased by ₹ 92.87 crore in respect of the above matter. As a result of the above, Other Equity and Non-Controlling Interest has been increased by ₹ 86.73 crore and ₹ 29.05 crore respectively and Deferred Tax Liabilities has been decreased by ₹ 115.78 crore as at March 31, 2023.

## 62. Non Controlling Interests (NCI)

Summary of financial information for Adani Electricity Mumbai Limited and its subsidiaries that has non-controlling interests (Shareholding of NCI : 25.10%) that are material to the Group. The amounts disclosed for a subsidiary are before inter-company eliminations.

	(₹ in crore)	
<b>Summarised Balance Sheet</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>
Total Non-Current Assets	19,779.38	18,298.18
Total Current Assets	2,498.68	2,789.99
Regulatory Deferral Account - Assets	1,570.98	1,961.73
<b>Total Assets</b>	<b>23,849.04</b>	<b>23,049.90</b>
Non-Current Liabilities	14,596.97	14,091.53
Current Liabilities	4,250.63	3,744.86
<b>Total Liabilities</b>	<b>18,847.60</b>	<b>17,836.39</b>
<b>Accumulated NCI</b>	<b>1,255.36</b>	<b>1,308.59</b>

	(₹ in crore)	
<b>Summarised statement of Profit and Loss</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>
Profit /(Loss) for the year	230.46	94.80
Other Comprehensive Income / (Loss) for the year	(142.67)	(51.07)
Total Comprehensive Income /(Loss) for the year	87.79	43.73
<b>Profit/(Loss) Allocated to NCI</b>	<b>57.85</b>	<b>23.79</b>
<b>Total Comprehensive Income /(Loss) allocated to NCI</b>	<b>22.04</b>	<b>10.98</b>

	(₹ in crore)	
<b>Summarised Cash Flow allocated</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>
Net cash from operating activities for the year	2,342.05	1,184.07
Net cash (used in) investing activities for the year	(1,399.43)	(1,056.52)
Net cash (used in) financing activities for the year	(654.32)	(124.95)
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>288.30</b>	<b>2.60</b>

## Notes to Consolidated Financial Statements

for the year ended March 31, 2024

### 63. During the year, Adani Energy Solutions Limited (Formerly known as Adani Transmission Limited) (the Parent Company)

- i) Signed a Share Purchase Agreement (SPA) and completed the acquisition of the SPV, KPS 1 Transmission Limited ("KPS1"), incorporated by Megha Engineering & Infrastructures Limited. KPS1 will aim to implement KPS1-Khavda PS GIS (KPS2) 765 kV double circuit line & augmentation of Khavda PS1.
- ii) Signed a Share Purchase Agreement (SPA) and completed the acquisition of the SPV, Sangod Transmission Service Limited ("STSL"), incorporated by Rajasthan Rajya Vidyut Prasaran Nigam Limited. STSL will aim to establish Transmission Project – RAJ/PPP – 11 – 2X 400/220kV, 500MVA GSS at Sangod along with 220/132kV, 160 MVA transformer and associated transmission line.
- iii) Signed a Share Purchase Agreement (SPA) and completed the acquisition of the SPV, Halvad Transmission Limited ("HTL"), incorporated by PFC Consulting Limited. HTL project consists of evacuation of 7 GW of renewable energy (RE) from Khavda RE Park, under the Phase III Part A package. The project includes setting up a 765 kV Halvad switching station with 765 kV, 2x330 MVar bus reactors and LILO (Line-In Line-Out) of the Lakadia – Ahmedabad 765 kV D/C line at Halvad.

The above entities SPV's are with fixed tariff revenues under the Transmission Services Agreements (TSAs). The only key activity for these SPV's, once the SPV is operational, is the maintenance of the transmission assets which is or will be outsourced to third parties. There are no employees retained on acquisition and no other significant processes were existed for earning tariff revenues.

Based on evaluation of the above fact pattern vis-à-vis the guidance on definition of business under Ind AS and also keeping in view the relevant guidance on similar fact pattern available under accounting standards applicable in other jurisdictions, the management has classified the acquisition of transmission SPVs as asset acquisition.

**Summary of assets acquired and liabilities assumed as part of Assets acquisition when compared to the consideration paid is as below :**

#### Net amount of Assets and Liabilities

(₹ in crore)

Particulars	KPS 1 Transmission Limited	Sangod Transmission Service Limited	Halvad Transmission Limited
<b>Date of Acquisition</b>	August 17, 2023	October 5, 2023	December 26, 2023
<b>Assets</b>			
<b>Non-current assets</b>			
Property, Plant and Equipment	-	8.84	-
Capital Work-In-Progress	-	0.35	-
Contract Assets	16.56	-	18.42
	<b>16.56</b>	<b>9.19</b>	<b>18.42</b>
<b>Current assets</b>			
Cash and cash equivalents	0.01	0.05	0.01
	<b>0.01</b>	<b>0.05</b>	<b>0.01</b>
<b>Total Assets (i)</b>	<b>16.57</b>	<b>9.24</b>	<b>18.43</b>
<b>Total Liabilities(ii)</b>	<b>0.58</b>	<b>2.52</b>	<b>-</b>
<b>Net Assets (i-ii)</b>	<b>15.99</b>	<b>6.72</b>	<b>18.43</b>

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

## Consideration Transferred :

Particulars	(₹ in crore)		
	KPS 1 Transmission Limited	Sangod Transmission Service Limited	Halvad Transmission Limited
Consideration Paid in cash	15.99	6.72	18.43

- 64.** During the previous financial year, a short seller report ("SSR") was published in which certain allegations were made on certain Adani Group Companies including the Company and its subsidiaries. In this regard, certain writ petitions were filed with the Hon'ble Supreme Court ("SC") seeking independent investigation of the allegations in the SSR and the Securities and Exchange Board of India ("SEBI") also commenced investigating the allegations made in the SSR for any violations of applicable SEBI Regulations. The SC also constituted an expert committee to investigate and advise into the various aspect of existing laws and regulations, and also directed the SEBI to consider certain additional aspects in its scope. The Expert committee submitted its report dated May 6, 2023, finding no evidence of regulatory failure, in respect of applicable laws and regulations. The SEBI also concluded its investigations in twenty two of the twenty-four matters as per the status report dated August 25, 2023 to the SC.

The SC in it's order dated January 3, 2024, disposed off all matters of appeal in various petitions including petitions for separate independent investigations relating to the allegations in the SSR (including other allegation) and stated that the SEBI should complete the pending two investigations, preferably within 3 months, and take its investigations (including the twenty-two investigations already completed) to their logical conclusion in accordance with law. During the quarter, the Company has received Show Cause Notice (SCN) from the SEBI relating to validity of Peer Review Certificate (PRC) of one of the former statutory auditor in respect of an earlier period, which the Company has responded. Based on legal advice obtained, management believes that the matter is technical in nature and has no material consequential effects to relevant financial statements, and that there is no material non-compliance of applicable laws and regulations.

In April 23, the Company had obtained a legal opinion by independent law firm, confirming (a) none of the alleged related parties mentioned in the short-seller report were related parties to the Company or its subsidiaries, under applicable frameworks; and (b) the Company and its subsidiaries are in compliance with the requirements of applicable laws and regulations.

Based on the legal opinions, the SC order and the fact that there are no pending regulatory or adjudicatory proceedings as of date, except as mentioned above, the management concludes that there are no consequences of the allegations mentioned in the SSR and other allegations on the Company and its subsidiaries and accordingly, these Consolidated financial statement do not have any adjustments in this regard.

- 65.** The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies, which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

The Company uses an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the accounting software. However, the audit trail feature is not enabled at database level for accounting software SAP S/4 HANA to log any direct data changes for users with certain privileged access rights.

## Notes to Consolidated Financial Statements

for the year ended March 31, 2024

Further there is no instance of audit trail feature being tampered with in respect of the accounting software where such feature is enabled.

Presently, the log is enabled at the application level and the privileged access to HANA database continues to be restricted to limited set of users who necessarily require this access for maintenance and administration of the database.

### 66 Ultimate Beneficiary Disclosure

- (i) During the year, the loan amount of ₹ 177.49 crore was advanced by Adani Energy Solutions Limited (Parent Company) on various dates involving 14 transactions in months of April 2023, May 2023, June 2023 and July 2023 to ATL HVDC Limited (a wholly owned subsidiary of the company), which has been further advanced by this entity on same dates to Adani Electricity Mumbai Infra Limited (a subsidiary of the company).
- (ii) During the year, ATL HVDC Limited (a subsidiary of the company) has received ₹ 705.54 crore by way of foreign currency loan on various dates involving 3 transactions in months of August 2023, October 2023 and January 2024, which has been further advanced on same dates to Adani Electricity Mumbai Infra Limited (a fellow subsidiary).
- (iii) During the year, the loan amount of ₹ 80 crore was advanced by Adani Properties Private Limited (an entity over which ultimate controlling entity or KMP have control or significant influence) involving 2 transactions in months of April 2023 and May 2023 to Sunrays Infra Space Limited (a wholly owned subsidiary of the company), which has further advanced such loan to Adani Energy Solutions Limited (Parent Company).

The intra-group loan transactions with subsidiaries / fellow subsidiaries during the year are in compliance with the Foreign Exchange Management Act, 1999 (42 of 1999), Companies Act, 2013 and not in violation of Prevention of Money-Laundering Act, 2002 (15 of 2003) and are in normal course of business to optimize the group cash flows and are eliminated in full in the consolidated financial statements.

### 67. Statutory disclosures

- (i) The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment had released draft rules for the Code on Social Security, 2020 on November 13, 2020, and invited suggestions from stakeholders which are under consideration by the Ministry. The Company and its subsidiaries will assess the impact and its evaluation once the subject rules are notified. The Company and its subsidiaries will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.
- (ii) The Group does not have any benami property, where any proceeding has been initiated or pending against the Group for holding any benami property.
- (iii) The quarterly returns or statements of Current assets filed by the Group with the banks or financial institutions are in agreement with the books of accounts.

# Notes to Consolidated Financial Statements

for the year ended March 31, 2024

## 68. Subsequent Event

The Group evaluates events and transactions that occur subsequent to the balance sheet date but prior to the approval of consolidated financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the consolidated financial statements. As of April 30, 2024, there are no subsequent events to be recognized or reported that are not already disclosed.

**69.** The Consolidated Financial Statements for the year ended March 31, 2024 have been approved by the Audit Committee and approved by the Board of Directors at their meetings held on April 30, 2024.

As per our report of even date attached

**For Walker Chandiok & Co LLP**

Chartered Accountants

Firm Registration no. 001076N/N500013

**NEERAJ GOEL**

Partner

Membership No. 99514

Place : Gurugram

Date : April 30, 2024

For and on behalf of the Board of Directors

**ADANI ENERGY SOLUTIONS LIMITED**

(Formerly Known as Adani Transmission Limited)

**GAUTAM S. ADANI**

Chairman

DIN: 00006273

**KANDARP PATEL**

Chief Executive Officer

**JALADHI SHUKLA**

Company Secretary

Place : Ahmedabad

Date : April 30, 2024

**ANIL SARDANA**

Managing Director

DIN: 00006867

**KUNJAL MEHTA**

Chief Financial Officer



## Salient features of the financial statement of subsidiaries as per Companies Act, 2013

## PART "A" : Subsidiaries

ADANI ENERGY SOLUTIONS LIMITED  
Integrated Annual Report 2023-24

(₹ in crore )

Sr. No.	Name of the Subsidiary	Reporting Period	Reporting Currency	Share Capital	Unsecured Perpetual Equity Instrument	Instruments Entirely Equity in Nature	Reserves & Surplus <sup>1</sup>	Total Assets	Total Liabilities	Investments	Turnover	Profit/ (Loss) before Taxation	Provision for Taxation	Profit/ (Loss) after Taxation	Proposed Dividend	% of Shareholding
1	Adani Transmission (India) Limited	2023-24	INR	110.05	-	1,200.00	1,814.36	4,249.83	1,125.42	15.70	717.69	364.01	59.47	304.54	-	100%
2	Maharashtra Eastern Grid Power Transmission Company Limited	2023-24	INR	707.50	-	-	3,343.15	6,361.05	2,310.40	90.41	977.79	371.49	65.30	306.49	-	100%
3	Sipat Transmission Limited	2023-24	INR	44.00	-	-	89.88	696.25	562.37	15.47	95.85	42.24	10.82	31.42	-	100%
4	Rajpur-Rajnandgaon-Warora Transmission Limited	2023-24	INR	91.10	-	-	209.83	1,589.11	1,288.18	31.70	221.86	95.18	24.38	70.80	-	100%
5	Chhattisgarh-WR Transmission Limited	2023-24	INR	68.00	-	-	146.98	1,222.43	1,007.45	42.38	188.91	90.93	23.03	67.90	-	100%
6	Adani Transmission (Rajasthan) Limited	2023-24	INR	8.50	-	-	35.87	164.86	120.49	21.86	25.38	14.84	3.79	11.05	-	100% <sup>3</sup>
7	North Karanpura Transco Limited	2023-24	INR	0.05	-	31.57	7.07	703.85	665.16	-	47.91	10.34	2.61	7.73	-	100%
8	Maru Transmission Service Company Limited	2023-24	INR	8.94	-	-	30.30	201.80	162.56	4.51	37.60	12.29	3.17	9.12	-	100%
9	Aravali Transmission Service Company Limited	2023-24	INR	5.23	-	-	1.97	115.79	108.59	6.20	23.02	4.53	1.16	3.37	-	100%
10	Western Transco Power Limited	2023-24	INR	10.00	-	-	223.88	576.64	342.76	8.77	54.85	26.89	7.08	19.81	-	100%
11	Western Transmission (Gujarat) Limited	2023-24	INR	10.00	-	-	148.53	356.17	197.64	-	31.54	17.25	4.56	12.69	-	100%
12	Hadoti Power Transmission Service Limited	2023-24	INR	10.00	-	-	103.70	275.72	162.02	10.66	48.83	32.88	8.55	24.33	-	100%
13	Barmer Power Transmission Service Limited	2023-24	INR	8.00	-	-	85.78	212.29	118.51	7.55	38.93	25.57	6.62	18.95	-	100%
14	Thar Power Transmission Service Limited	2023-24	INR	7.00	-	-	73.44	188.21	107.77	8.64	34.94	23.06	5.94	17.12	-	100%
15	Fatehgarh-Bhadla Transmission Limited	2023-24	INR	25.50	-	-	(40.17)	650.28	664.95	12.27	79.01	(11.17)	(13.41)	2.24	-	100%
16	Adani Electricity Mumbai Limited	2023-24	INR	4,020.82	-	-	567.69	22,103.00	17,514.49	281.59	9,747.95	479.33	249.47	229.86	-	74.90%
17	Ghatampur Transmission Limited	2023-24	INR	121.96	-	39.46	162.08	1,730.04	1,406.54	32.54	270.94	80.73	14.30	66.43	-	100%
18	Adani Transmission Bikaner Sikar Private Limited	2023-24	INR	10.00	-	-	73.64	259.41	175.77	25.42	30.75	17.55	4.48	13.07	-	100% <sup>4</sup>
19	OBRA-C Badaun Transmission Limited	2023-24	INR	55.50	-	-	42.93	810.56	712.13	-	118.05	20.49	5.27	15.22	-	100%
20	Adani Electricity Navi Mumbai Limited (Formerly known as AEML Infrastructure Limited)	2023-24	INR	0.01	-	-	(0.08)	9.45	9.52	-	-	(0.01)	-	(0.01)	-	100%

(₹ in crore )

Sr. No.	Name of the Subsidiary	Reporting Period	Reporting Currency	Share Capital	Unsecured Perpetual Equity Instrument	Instruments Entirely Equity in Nature	Reserves & Surplus <sup>1</sup>	Total Assets	Total Liabilities	Investments	Turnover	Profit/ (Loss) before Taxation	Provision for Taxation	Profit/ (Loss) after Taxation	Proposed Dividend	% of Shareholding
21	Bikaner Khetri Transmission Limited	2023-24	INR	54.00	37.67	63.74	62.37	930.39	712.60	56.82	136.25	36.90	6.93	29.97	-	100%
22	WRSS XXI (A) Transco Limited	2023-24	INR	0.05	-	-	(9.25)	1,483.89	1,493.09	313.04	156.81	(6.39)	-	(6.39)	-	100%
23	Lakadia Banaskantha Transco Limited	2023-24	INR	0.05	-	-	(23.14)	1,362.73	1,385.82	413.56	120.66	(15.43)	0.00	(15.43)	-	100%
24	Jam Khambhalva Transco Limited	2023-24	INR	21.25	-	-	2.77	340.93	316.91	12.29	45.01	0.31	(0.11)	0.42	-	100%
25	Arasan Infra Limited (Formerly Known as Arasan Infra Private Limited)	2023-24	INR	0.01	-	-	(1.00)	6.46	7.45	-	-	(0.50)	-	(0.50)	-	100%
26	Sunrays Infra Space Limited (Formerly Known as Sunrays Infra Space Private Limited)	2023-24	INR	0.01	-	-	(3.14)	16.78	19.91	-	24.30	(1.59)	-	(1.59)	-	100%
27	Power Distribution Services Limited	2023-24	INR	0.01	-	-	7.66	10.79	3.12	-	12.71	2.59	0.65	1.94	-	74.90%
28	Adani Electricity Mumbai Infra Limited	2023-24	INR	0.01	-	424.09	(0.61)	1,746.39	1,322.90	-	-	(0.01)	-	(0.01)	-	74.90%
29	Alipurdar Transmission Limited	2023-24	INR	55.63	-	-	275.80	1,247.28	915.85	12.44	154.44	56.53	14.51	42.02	-	100% <sup>5</sup>
30	Kharghar Vikhroli Transmission Limited (formerly known as Kharghar Vikhroli Transmission Private Limited)	2023-24	INR	0.05	-	-	40.11	1,497.19	1,457.03	-	100.30	54.47	13.52	40.95	-	100%
31	Warora-Kurnool Transmission Limited	2023-24	INR	537.00	-	186.07	(453.16)	4,158.15	3,888.24	-	241.49	(19.30)	(5.04)	(14.26)	-	100%
32	Adani Transmission Step One Limited	2023-24	INR	0.01	-	3,340.00	(7,581.24)	3,826.53	8,067.76	1,246.60	370.58	(434.93)	-	(434.93)	-	100%
33	AEML Seepz Limited	2023-24	INR	13.51	-	-	(10.59)	52.24	49.32	-	33.98	1.20	0.63	0.57	-	74.90%
34	MP Power Transmission Package-II Limited	2023-24	INR	124.64*	-	-	10.72	1,204.82	1,069.46	-	46.33	16.83	3.43	13.40	-	100%
35	MPSEZ Utilities Limited	2023-24	INR	13.14	-	-	104.63	375.10	257.33	-	391.38	12.38	(4.38)	16.76	-	100%
36	Karur Transmission Limited	2023-24	INR	0.01	-	-	0.40	187.92	187.51	-	11.95	0.53	0.09	0.44	-	100%
37	KHAVDA-BHUJ Transmission Limited	2023-24	INR	138.16	-	-	(0.90)	1,147.45	1,010.19	51.04	13.90	0.36	(0.10)	0.46	-	100%
38	ATL HVDC Limited	2023-24	INR	0.01	-	-	(31.38)	1,007.30	1,038.67	-	164.40	(15.73)	-	(15.73)	-	100%
39	Adani Electricity Jewar Limited	2023-24	INR	0.01	-	-	(0.05)	0.01	0.05	-	-	(0.00)	-	(0.00)	-	100%
40	Adani Transmission Step-Two Limited	2023-24	INR	0.01	-	-	(0.47)	0.37	0.83	0.01	-	(0.41)	-	(0.41)	-	100%
41	Adani Transmission Mahan Limited	2023-24	INR	0.01	-	-	(0.01)	0.00	0.01	-	-	(0.01)	-	(0.01)	-	100%
42	BEST Smart Metering Limited	2023-24	INR	0.01	-	-	0.14	105.23	105.08	-	78.64	0.19	0.05	0.14	-	100%
43	Adani Cooling Solutions Limited	2023-24	INR	0.01	-	-	(0.01)	0.44	0.44	-	-	(0.01)	-	(0.01)	-	100%
44	WRSR Power Transmission Limited	2023-24	INR	160.82	-	-	(1.61)	641.02	481.81	-	294.97	(0.01)	-	(0.01)	-	100%
45	Adani Transmission Step-Three Limited	2023-24	INR	0.01	-	-	0.03	13.07	13.03	-	24.03	0.05	0.01	0.04	-	100%

\* Includes share application money pending allotment

**ADANI ENERGY SOLUTIONS LIMITED**  
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(₹ in crore )

Sr. No.	Name of the Subsidiary	Reporting Period	Reporting Currency	Share Capital	Unsecured Perpetual Equity Instrument	Instruments Entirely Equity in Nature	Reserves & Surplus <sup>1</sup>	Total Assets	Total Liabilities	Investments	Turnover	Profit/ (Loss) before Taxation	Provision for Taxation	Profit/ (Loss) after Taxation	Proposed Dividend	% of Shareholding
46	Adani Transmission Step-Four Limited	2023-24	INR	0.50	-	-	(0.03)	0.51	0.04	-	-	(0.01)	-	(0.01)	-	100%
47	Adani Transmission Step-Five Limited	2023-24	INR	0.01	-	-	(0.01)	0.29	0.29	-	-	(0.01)	-	(0.01)	-	100%
48	Adani Transmission Step-Six Limited	2023-24	INR	0.01	-	-	(0.01)	122.51	122.51	-	103.96	(0.00)	-	(0.00)	-	100%
49	Adani Transmission Step-Seven Limited	2023-24	INR	0.01	-	-	(0.01)	65.39	65.39	-	55.47	(0.00)	-	(0.00)	-	100%
50	Adani Transmission Step-Eighth Limited	2023-24	INR	0.01	-	-	(0.01)	11.24	11.24	-	9.53	(0.00)	-	(0.00)	-	100%
51	NE Smart Metering Limited (Formerly known as Adani Transmission Step-Nine Limited)	2023-24	INR	0.01	-	-	(0.01)	13.71	13.71	-	11.29	(0.00)	-	(0.00)	-	100%
52	Adani Electricity Aurangabad Limited	2023-24	INR	0.01	-	-	(0.00)	0.01	0.00	-	-	(0.00)	-	(0.00)	-	100%
53	Adani Electricity Nashik Limited	2023-24	INR	0.01	-	-	(0.00)	0.01	0.00	-	-	(0.00)	-	(0.00)	-	100%
54	Khavda II-A Transmission Limited	2023-24	INR	87.38	-	-	(0.94)	419.19	332.75	-	205.64	(0.01)	-	(0.01)	-	100%
55	Adani Green Energy Thirty Limited	2023-24	INR	3.51	-	47.53	(3.04)	48.18	0.18	-	-	(2.68)	-	(2.68)	-	100%
56	KPS1 Transmission Limited <sup>2</sup>	2023-24	INR	0.05	-	-	(0.63)	157.80	158.38	-	80.16	(0.01)	-	(0.01)	-	49%
57	Sangod Transmission Service Limited <sup>2</sup>	2023-24	INR	0.05	-	-	(0.34)	44.22	44.51	-	-	(0.00)	-	(0.00)	-	100%
58	Halvad Transmission Limited <sup>2</sup>	2023-24	INR	0.01	-	-	(0.01)	53.00	53.00	-	18.56	(0.01)	-	(0.01)	-	100%
59	Sunrays Infra Space Two Limited	2023-24	INR	0.01	-	-	(0.00)	0.01	0.00	-	-	(0.00)	-	(0.00)	-	100%
60	Arsan Infra Two Limited	2023-24	INR	0.01	-	-	(0.00)	0.01	0.00	-	-	(0.00)	-	(0.00)	-	100%
61	Adani Energy Solutions Step-Twelve Limited	2023-24	INR	0.01	-	-	(0.00)	0.01	0.00	-	-	(0.00)	-	(0.00)	-	100%
62	Adani Energy Solutions Step-Thirteen Limited	2023-24	INR	-	-	-	-	-	-	-	-	-	-	-	-	100%

1. Reserves & Surplus includes Other Comprehensive Income
2. Date of Acquisition by the company:
 

KPS 1 Transmission Limited - August 17, 2023

Sangod Transmission Service Limited - October 5, 2023

Halvad Transmission Limited - December 26, 2023
3. Adani Transmission (Rajasthan) Limited has entered into a contract (Transmission Service Agreement) with Rajasthan Rajya Vidyut Prasaran Nigam Limited (RRVPNL) providing for the issue and allotment of one non-transferable equity share of the Company (the "Golden Share") in favor of the RRVPNL.
4. Adani Transmission Bikaner Sikar Private Limited has entered into a contract (Transmission Service Agreement) with Rajasthan Rajya Vidyut Prasaran Nigam Limited (RRVPNL) providing for the issue and allotment of one non-transferable equity share of the Company (the "Golden Share") in favor of the RRVPNL.
5. The Group has signed definitive agreements with Kalpataru Power Transmission Limited (KPTL) on July 5, 2020 for acquisition of Alipurduar Transmission Ltd. ("APTL") in a manner consistent with Transmission Service Agreement and applicable consents. The Group has already acquired of 49% Equity Shares of Alipurduar Transmission Limited ("APTL") and during the year 2022-23, Group has further acquired additional 25% equity shares of APTL from KPTL in a manner consistent with Transmission Service Agreement and applicable consents. Further, the balance 26% equity shares of APTL will be acquired from KPTL after obtaining requisite approvals.
6. During the year, the Group acquired under-development transmission company 'KPS 1 Transmission Limited' from Megha Engineering & Infrastructures Ltd. The acquisition involves the implementation of the KPS1 - Khavda PS GIS (KPS2) 765 kV double circuit line and the augmentation of Khavda PS1 in the state of Gujarat. The Company has signed definitive agreements with Megha Engineering & Infrastructures Limited (MEIL) on August 16, 2023 for acquisition of KPS1 Transmission Limited ("KPS1") in a manner consistent with Transmission Service Agreement and applicable consents. The Company has acquired 49% Equity Shares of KPS1 Transmission Limited ("KPS1") during the year, and the balance equity shares of KPS1 will be acquired from MEIL after obtaining requisite approvals. Considering the rights available to the Group under the Share Purchase Agreement (SPA), the group has concluded that it controls KPS1 with effect from August 16, 2023.
7. In respect of KPS1 Transmission Limited, Sangod Transmission Service Limited and Halvad Transmission Limited; the statement of salient features of subsidiaries contains amount in respect of Turnover, Profit/(Loss) before Taxation, Provision for Taxation, Profit/(Loss) after Taxation and Proposed Dividend for the full financial year, whereas in consolidated statement of profit and loss contains amount pertaining to the period after acquisition of control in these subsidiary companies.
8. Name of the Subsidiaries which are yet to commence operations

Sr. No.	Name of the Subsidiary
1	North Karanpura Transco Limited*
2	MP Power Transmission Package-II Limited*
3	Adani Electricity Mumbai Infra Limited
4	WRSR Power Transmission Limited
5	Khavda II-A Transmission Limited
6	KPS1 Transmission Limited
7	Sangod Transmission Service Limited
8	Halvad Transmission Limited
9	Adani Electricity Navi Mumbai Limited (Formerly known as AEML Infrastructure Limited)
10	BEST Smart Metering Limited#
11	Adani Transmission Step-Five Limited#

Sr. No.	Name of the Subsidiary
12	Adani Transmission Step-Six Limited <sup>#</sup>
13	Adani Transmission Step-Seven Limited <sup>#</sup>
14	Adani Transmission Step-Eighth Limited <sup>#</sup>
15	NE Smart Metering Limited (Formerly known as Adani Transmission Step-Nine Limited) <sup>#</sup>

\*Part Capacity Commissioned; <sup>#</sup>Smart Metering Business

Note: There are no associate companies or joint ventures companies within the meaning of Section 2(6) of the Companies Act, 2013. Hence, Part B relating to the same is not applicable.

For and on behalf of the Board of Directors  
**ADANI ENERGY SOLUTIONS LIMITED**  
(Formerly Known as Adani Transmission Limited)

**GAUTAM S. ADANI**  
Chairman  
DIN: 00006273

**ANIL SARDANA**  
Managing Director  
DIN: 00006867

**KANDARP PATEL**  
Chief Executive Officer

**KUNJAL MEHTA**  
Chief Financial Officer

**JALADHI SHUKLA**  
Company Secretary

Place : Ahmedabad  
Date : April 30, 2024



# Notice

NOTICE is hereby given that the 11<sup>th</sup> Annual General Meeting ("AGM") of Adani Energy Solutions Limited (Formerly known as Adani Transmission Limited) ("AESL / Company") will be held on Tuesday, June 25, 2024 at 11.30 a.m. IST through Video Conferencing / Other Audio Visual Means to transact the following businesses. The venue of the meeting shall be deemed to be the Registered Office of the Company at Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S.G. Highway, Khodiyar, Ahmedabad – 382 421, Gujarat.

## ORDINARY BUSINESS

1. To receive, consider and adopt the –
  - a. audited financial statements of the Company for the financial year ended on March 31, 2024 together with the Reports of the Board of Directors and Auditors thereon; and
  - b. audited consolidated financial statements of the Company for the financial year ended on March 31, 2024 together with the report of Auditors thereon;
2. To appoint a Director in place of Mr Gautam S. Adani (DIN: 00006273), who retires by rotation and being eligible offers, himself for re-appointment.

**Explanation:** Based on the terms of appointment, Executive Directors and the Non-Executive Directors (other than Independent Directors) are subject to retirement by rotation. Mr Gautam S. Adani, Director who has been on the Board of the Company since June 17, 2015 and whose office is liable to retire at this AGM, being eligible, seeks re-appointment. Based on the performance evaluation and the recommendation of the Nomination and Remuneration Committee, the Board recommends his re-appointment.

Therefore, the Members are requested to consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr Gautam S. Adani (DIN: 00006273), who retires by rotation, be and is hereby re-appointed as a Director, liable to retire by rotation."

## SPECIAL BUSINESS

3. To consider and, if thought fit, approve re-appointment of Mrs Lisa Caroline MacCallum

(DIN: 09064230) as an Independent Director (Non-Executive) of the Company for the second term of three years and to pass, with or without modification(s), the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and Schedule IV and all other applicable provisions of the Companies Act, 2013 ('the Act') and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and in accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mrs Lisa Caroline MacCallum (DIN: 09064230) who was appointed as an Independent Director for first term of 3 (three) years and who holds office upto November 30, 2024 and being eligible and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing her candidature for the office of Director be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for the second term of 3 (three) years upto November 30, 2027 on the Board of the Company."

4. To consider and, if thought fit, approve the material related party transaction(s) proposed to be entered into by the Company during the financial year 2024-25 and to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the applicable provisions of the Companies Act, 2013 read with the rules framed thereunder (including any statutory amendment(s) or re-enactment(s) thereof, for the time being in force, if any), and in terms of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time, the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company ("Board"), for entering into and / or carrying out and / or continuing with existing contracts / arrangements / transactions or modification(s) of earlier / arrangements / transactions or as fresh and independent transaction(s) or otherwise (whether individually or series of transaction(s) taken together or otherwise), with **Adani Power Limited and / its subsidiaries**, related party / party/s of the

Company, during the financial year 2024-25 as per the details set out in the explanatory statement annexed to this notice, notwithstanding the fact that the aggregate value of all these transaction(s), whether undertaken directly by the Company or along with its subsidiary(ies), may exceed the prescribed thresholds as per provisions of the SEBI Listing Regulations as applicable from time to time, provided, however, that the said contract(s)/ arrangement(s)/ transaction(s) shall be carried out at an arm's length basis and in the ordinary course of business of the Company.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to execute all such agreements, documents, instruments and writings as deemed necessary, with power to alter and vary the terms and conditions of such contracts/ arrangements/ transactions, settle all questions, difficulties or doubts that may arise in this regard".

5. To consider and, if thought fit, approve the material related party transaction(s) proposed to be entered into by the Company during the financial year 2024-25 and to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the applicable provisions of the Companies Act, 2013 read with the rules framed thereunder (including any statutory amendment(s) or re-enactment(s) thereof, for the time being in force, if any), and in terms of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time, the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company ("Board"), for entering into and / or carrying out and / or continuing with existing contracts / arrangements / transactions or modification(s) of earlier / arrangements / transactions or as fresh and independent transaction(s) or otherwise (whether individually or series of transaction(s) taken together or otherwise), with **Mahan Energen Limited**, a related party of the Company, during the financial year 2024-25 as per the details set out in the explanatory statement annexed to this notice, notwithstanding the fact that the aggregate value of all these transaction(s), whether undertaken directly by the Company or along with its subsidiary(ies), may exceed the prescribed thresholds as per provisions of the SEBI Listing Regulations as applicable from time to time, provided, however, that the said contract(s)/ arrangement(s)/ transaction(s) shall be carried out

at an arm's length basis and in the ordinary course of business of the Company.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to execute all such agreements, documents, instruments and writings as deemed necessary, with power to alter and vary the terms and conditions of such contracts/ arrangements/ transactions, settle all questions, difficulties or doubts that may arise in this regard".

6. To consider and, if thought fit, approve the material related party transaction(s) proposed to be entered into by the Company during the financial year 2024-25 and to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the applicable provisions of the Companies Act, 2013 read with the rules framed thereunder (including any statutory amendment(s) or re-enactment(s) thereof, for the time being in force, if any), and in terms of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time, the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company ("Board"), for entering into and / or carrying out and / or continuing with existing contracts / arrangements / transactions or modification(s) of earlier / arrangements / transactions or as fresh and independent transaction(s) or otherwise (whether individually or series of transaction(s) taken together or otherwise), with **Adani Electricity Mumbai Limited**, a related party of the Company, during the financial year 2024-25 as per the details set out in the explanatory statement annexed to this notice, notwithstanding the fact that the aggregate value of all these transaction(s), whether undertaken directly by the Company or along with its subsidiary(ies), may exceed the prescribed thresholds as per provisions of the SEBI Listing Regulations as applicable from time to time, provided, however, that the said contract(s)/ arrangement(s)/ transaction(s) shall be carried out at an arm's length basis and in the ordinary course of business of the Company.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to execute all such agreements, documents, instruments and writings as deemed necessary, with power to alter and vary the terms and conditions of such contracts/ arrangements/ transactions, settle all questions, difficulties or doubts that may arise in this regard".

7. To consider and, if thought fit, approve the material related party transaction(s) proposed to be entered into by the Company during the financial year 2024-25 and to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the applicable provisions of the Companies Act, 2013 read with the rules framed thereunder (including any statutory amendment(s) or re-enactment(s) thereof, for the time being in force, if any), and in terms of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time, the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company ("Board"), for entering into and / or carrying out and / or continuing with existing contracts / arrangements / transactions or modification(s) of earlier / arrangements / transactions or as fresh and independent transaction(s) or otherwise (whether individually or series of transaction(s) taken together or otherwise), by **Adani Electricity Mumbai Infra Limited., a subsidiary of the Company with Adani Infra (India) Limited**, a related party of the Company, during the financial year 2024-25 as per the details set out in the explanatory statement annexed to this notice, notwithstanding the fact that the aggregate value of all these transaction(s), whether undertaken directly by the Company or along with its subsidiary(ies), may exceed the prescribed thresholds as per provisions of the SEBI Listing Regulations as applicable from time to time, provided, however, that the said contract(s)/ arrangement(s)/ transaction(s) shall be carried out at an arm's length basis and in the ordinary course of business of the Company.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to execute all such agreements, documents, instruments and writings as deemed necessary, with power to alter and vary the terms and conditions of such contracts/ arrangements/ transactions, settle all questions, difficulties or doubts that may arise in this regard".

8. To raise capital by way of a qualified institutions placement to eligible investors through an issuance of equity shares and/or other eligible securities.

To consider and if thought fit, to pass, the following resolution as a **Special Resolution**

**"RESOLVED THAT** pursuant to the provisions of Sections 23, 42, 62(1)(c), 71, 179 and other applicable provisions, if any, of the Companies Act, 2013,

as amended, ("Companies Act"), the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and other rules and regulations framed thereunder (including any amendments, statutory modification(s) and/or re-enactment(s) thereof for the time being in force), the relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (including any amendment, modification, variation or re-enactment thereof) ("ICDR Regulations") and the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, and in accordance with the provisions of the Memorandum and Articles of Association of the Company, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations"), to the extent applicable, the listing agreement(s) entered into by the Company with the stock exchanges on which the equity shares having face value of ₹ 10 each of the Company ("Equity Shares") are listed, the provisions of the Foreign Exchange Management Act, 1999, including any amendments, statutory modification(s) and/or re-enactment thereof ("FEMA"), the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 and Foreign Exchange Management (Debt Instruments) Regulations, 2019, as amended, the current Consolidated FDI Policy issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India ("GOI"), and all other applicable statutes, rules, regulations, guidelines, notifications, circulars and clarifications as may be applicable, as amended from time to time, issued by GOI, Ministry of Corporate Affairs ("MCA"), the Reserve Bank of India ("RBI"), BSE Limited and National Stock Exchange of India Limited ("Stock Exchanges"), the Securities and Exchange Board of India ("SEBI"), the Registrar of Companies, Gujarat at Ahmedabad ("ROC") and/ or any other regulatory/statutory authorities, in India or abroad from time to time, to the extent applicable and subject to such approvals, permits, consents and sanctions, if any, of any regulatory/ statutory authorities and guidelines and clarifications issued thereon from time to time and subject to such conditions and modifications as may be prescribed by any of them while granting such approvals, permissions, consents and sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall include any committee thereof which the Board may have duly constituted

or may hereinafter constitute to exercise its powers including the powers conferred by Resolution), the consent, authority and approval of the members be and is hereby accorded to create, offer, issue and allot (including with provisions for reservations on firm and/ or competitive basis, for such part of issue and for such categories of persons as may be permitted by applicable law) with or without green shoe option, such number of Equity Shares and/ or other securities convertible into Equity Shares (including warrants, or otherwise), fully convertible debentures, partly convertible debentures, non-convertible debentures with or without warrants and/ or convertible preference shares or any security convertible into Equity Shares (hereinafter referred to as "Securities"), or any combination thereof, in accordance with applicable law, in one or more tranches, whether Rupee denominated or denominated in foreign currency, in the course of domestic and / or international offering(s) in one or more foreign markets, in terms of the applicable regulations and as permitted under the applicable laws, in such manner in consultation with the lead managers / book running lead manager(s) and/ or other advisor(s) or otherwise, for an aggregate amount not exceeding ₹ 12,500 crore (Rupees Twelve Thousand Five Hundred crore only) or an equivalent amount thereof (inclusive of such premium as may be fixed on such Securities) at such price or prices as may be permissible under applicable law by way of a Qualified Institutional Placement ("QIP") in accordance with the provisions of Chapter VI of the ICDR Regulations and other applicable laws, or through any other permissible mode and/ or combination thereof as may be considered appropriate under applicable law, to such investors that may be permitted to invest in such issuance of Securities, including eligible Qualified Institutional Buyers ("QIBs") (as defined in the ICDR Regulations), foreign/resident investors (whether institutions, incorporated bodies, mutual funds or otherwise), venture capital funds (foreign or Indian), alternate investment funds, foreign portfolio investors, qualified foreign investors and/ or multilateral financial institutions, mutual funds, insurance companies, banks, pension funds and/ or any other categories of investors as may be permissible under applicable laws, whether or not such investors are members of the Company, to all or any of them, jointly or severally through an offer/placement document and/ or other letter or circular ("Offering Circular") as may be deemed appropriate, in the sole discretion by the Board in such manner and on terms and conditions, including

the terms of the issuance, security, and at such price, whether at prevailing market price(s) or at a premium or discount to market price as may be permitted under applicable law and/ or as may be permitted by the relevant regulatory / statutory authority, with authority to retain oversubscription up to such percentage as may be permitted under applicable regulations, in such manner and on such terms as may be deemed appropriate by the Board at its absolute discretion (the "Issue") at the time of such issue and allotment considering the prevailing market conditions and other relevant factors in consultation with the lead managers/book running lead manager(s) and/ or underwriter(s) and/ or other advisor(s) to be appointed by the Company for such issue and without requiring any further approval or consent from the shareholders.

**RESOLVED FURTHER THAT** pursuant to the above-mentioned resolutions:

- (a) the Securities proposed to be issued, offered and allotted shall be fully paid up and dematerialized and shall be subject to the provisions of the Memorandum and Articles of Association of the Company, the Companies Act and other applicable laws;
- (b) the Equity Shares that may be issued by the Company shall rank *pari passu* with the existing Equity Shares of the Company in all respects including entitlement to dividend and voting rights, if any, from the date of allotment thereof, be subject to the requirements of all applicable laws and shall be subject to the provisions of the Memorandum and Articles of Association of the Company;
- (c) the number and/ or price of the Equity Shares to be issued on conversion of Securities convertible into Equity Shares shall be appropriately adjusted for corporate actions such as bonus issue, rights issue, stock split, merger, demerger, transfer of undertaking, sale of division, reclassification of equity shares into other securities, issue of equity shares by way of capitalization of profits or reserves or any such capital or corporate re-organisation or restructuring; and
- (d) a minimum of 10% of the Securities shall be allotted to mutual funds and if mutual funds do not subscribe to the aforesaid minimum percentage or part thereof, such minimum portion may be allotted to other QIBs.



**RESOLVED FURTHER THAT** the allotment of Securities (or any combination of Securities as may be decided by the Board) shall only be to QIBs as defined in the ICDR Regulations and shall be completed within a period of 365 days from the date of passing of this special resolution by the shareholders of the Company or such other time as may be allowed under the ICDR Regulations from time to time. The Company shall not undertake any subsequent QIP until the expiry of two weeks or such other time as may be prescribed in the ICDR Regulations, from the date of prior QIP made pursuant to one or more special resolutions.

**RESOLVED FURTHER THAT** subject to applicable law, the relevant date for the purpose of pricing of the Equity Shares shall be the date of the meeting in which the Board or any other committee duly authorized by the Board decides to open the QIP of Equity Shares as eligible securities, in accordance with applicable laws, rules, regulations and guidelines in relation to the proposed issue of Equity Shares, and in case Securities are eligible convertible securities, then either the date of the meeting in which the Board or any other committee duly authorized by the Board decides to open the proposed issue or the date on which holders of Securities become eligible to apply for Equity Shares, as may be determined by the Board or duly authorized Committee or such date as may be permitted under ICDR Regulations, as amended.

**RESOLVED FURTHER THAT** the Securities shall not be eligible to be sold by the allottee for a period of one year from the date of allotment, except on a recognized stock exchange, or such other time except as may be allowed under the ICDR Regulations from time to time and no single allottee shall be allotted more than fifty per cent of the issue size and the minimum number of allottees shall be as per the ICDR Regulations. Furthermore, the tenure of convertible or exchangeable Securities issued shall not exceed sixty months from the date of allotment;

**RESOLVED FURTHER THAT** any issue of Securities shall be at such price which is not less than the price determined in accordance with the pricing formula provided under Chapter VI of the ICDR Regulations ("QIP Floor Price"). Furthermore, the Board may, at its absolute discretion and in consultation with the lead managers / book running lead managers, also offer a discount of not more than 5% (five per cent) or such other percentage as may be permitted under applicable law to the QIP Floor Price subject to the

approval of the shareholders of the Company by way of a special resolution.

**RESOLVED FURTHER THAT** the Board shall have the authority to decide, at such price or prices in such manner and where necessary, in consultation with the lead managers and/or underwriters and/or other advisors or otherwise on such terms and conditions as the Board may, in its absolute discretion, decide in terms of ICDR Regulations, and all other applicable laws, regulations and guidelines, whether or not such investor(s) are existing members of the Company, at a price not less than the price as determined in accordance with relevant provisions of the ICDR Regulations or other applicable laws.

**RESOLVED FURTHER THAT** for the purpose of giving effect to any offer, issue or allotment of Securities or Equity Shares on conversion of Securities, the Board be and is hereby authorised on behalf of the Company to seek listing of any or all of such Securities or Equity Shares as the case may be, on one or more Stock Exchanges in India.

**RESOLVED FURTHER THAT** the issue to the holders of Securities, which are convertible into or exchangeable with the Equity Shares at a later date, will be, inter alia, subject to the following terms and conditions:

- a) In the event the Company is making a bonus issue by way of capitalization of its profits or reserves prior to the allotment of the Equity Shares, the number of Equity Shares to be allotted will stand augmented in the same proportion in which the Equity Share capital increases as a consequence of such bonus issue and the premium, if any, will stand reduced pro tanto;
- b) In the event the Company is making a rights offer by the issue of Equity Shares prior to the allotment of the Equity Shares, the entitlement to the Equity Shares will stand increased in the same proportion as that of the rights offer, and such additional Equity Shares will be offered to the holders of the Securities at the same price at which the same are offered to the existing shareholders;
- c) In the event of a merger, amalgamation, takeover or any other reorganization or restructuring or any such corporate action, the number of Equity Shares, the price and the time period as aforesaid will be suitably adjusted; and



- d) In the event of consolidation of outstanding Equity Shares or re-classification of the Securities into other securities and/or involvement in such other event or circumstances which in the opinion of the concerned stock exchange requires such adjustments, necessary adjustments will be made.

**RESOLVED FURTHER THAT** the Board shall have the authority and power to accept any modification in the proposal as may be required or imposed by SEBI/ Stock Exchanges where the shares of the Company are listed or such other appropriate authorities at the time of according/granting their approvals to issue, allotment and listing thereof and as agreed to by the Board.

**RESOLVED FURTHER THAT** without prejudice to the generality of the above, subject to applicable laws and subject to approval, consents, permissions, if any, of any governmental body, authority or regulatory institution including any conditions as may be prescribed in granting such approval or permissions by such governmental authority or regulatory institution, the aforesaid Securities may have such features and attributes or any terms or combination of terms in accordance with domestic and international practices to provide for the tradability and free transferability thereof as per applicable law and prevailing practices and regulations in the capital markets including but not limited to the terms and conditions in relation to payment of dividend, interest, additional interest, premium on redemption, prepayment and any other debt service payments whatsoever including terms for issue of additional Equity Shares or variation of the conversion price or period of conversion of Securities into Equity Shares during the duration of the Securities and the Board be and is hereby authorised in its absolute discretion, in such manner as it may deem fit, to dispose of such of the Securities that are not subscribed in accordance with applicable law.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the Issue, the Board be and is hereby authorized, on behalf of the Company, to take all actions and do all such acts, deeds, actions and sign such documents as may be required in furtherance of, or in relation to, or ancillary to, the Issue, including the finalization and approval of the draft as well as final offer document(s), and any addenda or corrigenda thereto, as applicable, with any applicable regulatory authorities or agencies,

as may be required, determining the form and manner of the Issue, identification and class of the investors to whom the Securities are to be offered, utilization of the issue proceeds and if the issue size exceeds ₹ 100 crore, the Board must make arrangements for the use of proceeds of the issue to be monitored by a credit rating agency registered with SEBI, in accordance with ICDR Regulations, authorising any Director(s) or Officer(s) of the Company to sign offer documents, execute any necessary documents, agreements, forms, deeds, appointment of intermediaries, open and close the period of subscription of the Issue, determine the issue price, premium amount on issue/conversion of the Securities, if any, rate of interest and all other terms and conditions of the Securities, signing of declarations, file any necessary forms with regulatory authorities and allot the Securities and to amend, vary or modify any of the above as the Board may consider necessary, desirable or expedient, and to take such steps and to do all such acts, deeds, matters and things as they may deem fit and proper for the purposes of the Issue and resolve and settle or give instructions or directions for settling all questions or difficulties that may arise in regard to such Issue without being required to seek any further consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution. Furthermore, all actions taken by the Board or any committee constituted by the Board to exercise its powers, in connection with any matter(s) referred to or contemplated in any of these resolutions be and are hereby approved.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to appoint/ engage book running lead manager(s), underwriters, intermediaries, depositories, custodians, registrars, bankers, lawyers, advisors, credit rating agencies, debenture trustees, guarantors, stabilizing agents, and all such persons/agencies as are or may be required to be appointed, involved or concerned in such Issue and to remunerate them by way of commission, brokerage, fees or the like and also to reimburse them out of pocket expenses incurred by them and also to enter into and execute all such arrangements, agreements, memoranda, documents, etc. with such agencies and to seek the listing of such Eligible Securities issued on the Stock Exchanges where the Equity Shares of the Company are listed.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above, the Board, in consultation with the lead managers/book running lead managers, underwriters, advisors and/or other persons as appointed by the Company, be and is hereby authorized to determine the form and terms of the Issue, including the class of investors to whom the Eligible Securities are to be allotted, number of Eligible Securities to be allotted in each tranche, issue price (including premium, if any), face value, premium amount on issue, number of Eligible Securities, the price, premium or discount on issue, book closure and related or incidental matters, listing on one or more stock exchanges

in India and/or abroad, as the Board in its absolute discretion deems fit.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to delegate (to the extent permitted by law) all or any of the powers herein conferred by this resolution herein to any committee of directors or any director(s) or officer(s) of the Company, in such manner as they may deem fit in their absolute discretion with the power to take such steps and to do all such acts, deeds, matters and things as they may consider necessary, desirable or expedient and deem fit and proper for the purposes of the Issue and settle any questions or difficulties that may arise in this regard to the Issue."

Date : May 27, 2024

Place : Ahmedabad

Regd. Office:

"Adani Corporate House",

Shantigram, Near Vaishno Devi Circle,

S. G. Highway, Khodiyar,

Ahmedabad - 382421

CIN: L40300GJ2013PLC077803

For and on behalf of the Board

**Adani Energy Solutions Limited**

(Formerly known as Adani Transmission Limited)

**Jaladhi Shukla**

Company Secretary

Membership No. FCS 5606

## NOTES:

1. The Government of India, Ministry of Corporate Affairs has allowed conducting Annual General Meeting through Video Conferencing (VC) or Other Audio Visual Means (OAVM) and dispensed the personal presence of the members at the meeting. Accordingly, the Ministry of Corporate Affairs issued Circular No. 14/2020 dated April 8, 2020, Circular No. 17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 5, 2020 and Circular No. 02/2021 dated January 13, 2021 and Circular No. 21/2021 dated December 14, 2021 and 02/2022 dated May 5, 2022, 10/2022 dated December 28, 2022 and latest being 09/2023 dated September 25, 2023 ("MCA Circulars") and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and Circular No. SEBI/HO/DDHS/P/CIR/2022/0063 dated May 13, 2022, SEBI/HO/CRD/PoD-2/P/CIR/2023/4 dated January 5, 2023 and Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 7, 2023 issued by the Securities Exchange Board of India ("SEBI Circular") prescribing the procedures and manner of conducting the Annual General Meeting through VC/OVAM. In terms of the said circulars, the 11<sup>th</sup> Annual General Meeting ("AGM") of the Members will be held through VC/OAVM. Hence, Members can attend and participate in the AGM through VC/OAVM only. The detailed procedure for participation in the meeting through VC/OAVM is as per note no. 14 and available at the Company's website: [www.adanienergysolutions.com](http://www.adanienergysolutions.com)
2. The helpline number regarding any query / assistance for participation in the AGM through VC/OAVM is 022-23058542/43.
3. Information regarding appointment/re-appointment of Directors and Explanatory Statement in respect of special businesses to be transacted pursuant to Section 102 of the Companies Act, 2013 and/or Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is annexed hereto.
4. Pursuant to the Circular No. 14/2020 dated April 8, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives for attending the AGM through VC/OAVM, participating thereat and casting their votes through e-voting.
5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
6. In line with the aforesaid Circulars of the Ministry of Corporate Affairs (MCA), the Notice calling the AGM has been uploaded on the website of the Company at [www.adanienergysolutions.com](http://www.adanienergysolutions.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com), respectively. The said Notice of the AGM is also available on the website of CDSL (agency for providing the Remote e-Voting facility) at [www.evotingindia.com](http://www.evotingindia.com).
7. Members seeking any information with regard to accounts are requested to write to the Company at least 10 days before the meeting so as to enable the management to keep the information ready.
8. Members holding the shares in physical mode are requested to notify immediately the change of their address and bank particulars to the R & T Agent of the Company. In case shares held in dematerialized form, the information regarding change of address and bank particulars should be given to their respective Depository Participant.
9. In terms of Section 72 of the Companies Act, 2013, nomination facility is available to individual members holding shares in the physical form. The members who are desirous of availing this facility, may kindly write to Company's R & T Agent for nomination form by quoting their folio number.
10. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 and all other documents referred to in the Notice will be available for inspection in electronic mode.
11. The Members can join the AGM in the VC/OAVM mode 15 (fifteen) minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1,000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are

allowed to attend the AGM without restriction on account of first come first served basis.

12. Process and manner for members opting for voting through Electronic means:

- i. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI Listing Regulations (as amended), and pursuant to the MCA Circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL), as the authorised e-voting agency for facilitating voting through electronic means. The facility of casting votes by a member using remote e-voting as well as e-voting system on the date of the AGM will be provided by CDSL.
- ii. Members whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date i.e. Tuesday, June 18, 2024, shall be entitled to avail the facility of remote e-voting as well as venue voting system on the date of the AGM. Any recipient of the Notice, who has no voting rights as on the Cut-off date, shall treat this Notice as intimation only.
- iii. A person who has acquired the shares and has become a member of the Company after the despatch of the Notice of the AGM and prior to the Cut-off date i.e. Tuesday, June 18, 2024, shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or venue voting system on the date of the AGM by following the procedure mentioned in this part.
- iv. The remote e-voting will commence on Friday, June 21, 2024 at 9.00 a.m. and will end on Monday, June 24, 2024 at 5.00 p.m. During this period, the members of the Company holding shares either in physical form or in demat form as on the Cut-off date i.e. Tuesday, June 18, 2024 may cast their vote electronically. The members will not be able to cast their vote electronically beyond the date and time mentioned above and the remote e-voting module shall be disabled for voting by CDSL thereafter.
- v. Once the vote on a resolution is cast by the member, he/she shall not be allowed to change it subsequently or cast the vote again.

vi. The voting rights of the members shall be in proportion to their share in the paid up equity share capital of the Company as on the Cut-off date i.e. Tuesday, June 18, 2024.

vii. The Company has appointed CS Chirag Shah, Practising Company Secretary (Membership No. FCS: 5545; CP No: 3498), to act as the Scrutinizer for conducting the remote e-voting process as well as the venue voting system on the date of the AGM, in a fair and transparent manner.

**13. Process for those shareholders whose email ids are not registered:**

- a) For Physical shareholders- Please provide necessary details like folio no., name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to RTA email id [rnt.helpdesk@linktime.co.in](mailto:rnt.helpdesk@linktime.co.in).
- b) For Demat shareholders - Please update your e-mail id and mobile no. with your respective Depository Participant (DP).

**14. THE INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER:**

- (i) The voting period begins on Friday, June 21, 2024 at 9.00 a.m. and will end on Monday, June 24, 2024 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Tuesday, June 18, 2024 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility

to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts / websites of Depositories / Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

**Step 1:** Access through Depositories CDSL/ NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode, is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-voting page without any further authentication. The users to login to Easi / Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-voting page of the e-voting service provider for casting your vote during the remote e-voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-voting Service Providers, so that the user can visit the e-voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>4) Alternatively, the user can directly access e-voting page by providing Demat Account Number and PAN No. from an e-voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-voting option where the e-voting is in progress and also able to directly access the system of all e-voting Service Providers.</li> </ol>



Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with <b>NSDL</b>	<ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider's website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL.

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or call toll free no. 1800 22 55 33.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: (022) 4886 7000 and (022) 2499 7000

**Step 2** : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (v) Login method for e-Voting and joining virtual meeting for shareholders other than individual shareholders holding shares in physical form:
1. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  2. Click on Shareholders.
  3. Now Enter your User ID
    - a. For CDSL: 16 digits beneficiary ID,
    - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
  4. Next enter the Image Verification as displayed and Click on Login.
  5. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
  6. If you are a first time user follow the steps given below:

**For Shareholders holding shares in Demat Form other than individual and Physical Form**

PAN	Enter your 10-digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders).  Members who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.  If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN of the Company – ADANI ENERGY SOLUTIONS LIMITED on which you choose to vote.
- (x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) If a demat account holder has forgotten the login password, then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) There is also an optional provision to upload Board Resolution/Power of Attorney if any uploaded, which will be made available to scrutinizer for verification.

(xvii) Shareholders can also cast their vote using CDSL's mobile app m-Voting. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

**(xviii) Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively, Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company, if voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to

[helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 22 55 33.

All grievances connected with the facility for voting by electronic means may be addressed to Mr Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25<sup>th</sup> Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call toll free no. 1800 22 55 33.

**15. The instructions for shareholders attending the AGM through VC/OAVM & e-voting during meeting are as under:-**

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
  2. The link for VC/OAVM to attend the meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
  3. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available in the AGM.
  4. If any Votes are cast by the members through the e-voting available during the AGM and if the same members have not participated in the meeting through VC/OAVM facility, then the votes cast by such members shall be considered invalid as the facility of e-voting during the meeting is available only to the members participating in the meeting.
  5. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
16. The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.adanienergysolutions.com](http://www.adanienergysolutions.com) and on the website of CDSL i.e. [www.cdslindia.com](http://www.cdslindia.com) within three days of the passing of the Resolutions at the 11<sup>th</sup> Annual General Meeting of the Company and shall also be communicated to the Stock Exchanges where the shares of the Company are listed.

**17. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the AGM through VC/OAVM or view the live webcast of AGM through the CDSL e-Voting system. Members may access the same at <https://www.evotingindia.com> under shareholders'/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. Members are encouraged to join the Meeting through Laptops / iPads for better experience.
3. Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through

Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is, therefore, recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

5. For ease of conduct, members who would like to ask questions may send their questions in advance atleast (7) days before AGM mentioning their name, demat account number / folio number, email id, mobile number to [jaladhi.shukla@adani.com](mailto:jaladhi.shukla@adani.com) and register themselves as a speaker. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM.
6. Since the AGM will be held through VC/OAVM, the Route Map is not annexed in this Notice.

**Contact Details:**

<b>Company</b>	: Adani Energy Solutions Limited (Formerly known as Adani Transmission Limited) Regd. Office: "Adani Corporate House", Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad - 382421, Gujarat, India CIN: L40300GJ2013PLC077803 E-mail : <a href="mailto:jaladhi.shukla@adani.com">jaladhi.shukla@adani.com</a> Website: <a href="http://www.adanienergysolutions.com">www.adanienergysolutions.com</a>
<b>Registrar and Transfer Agent</b>	: Link Intime India Private Limited 5 <sup>th</sup> Floor, 506-508, Amarnath Business Centre-1 (ABC-1), Besides Gala Business Centre, Near St. Xavier's College Corner, Off C G Road, Ellisbridge, Ahmedabad - 380006 Tel: +91-79-26465179 Fax: +91-79-26465179 Email: <a href="mailto:ahmedabad@linkintime.co.in">ahmedabad@linkintime.co.in</a> Website: <a href="https://linkintime.co.in/">https://linkintime.co.in/</a>
<b>e-Voting Agency</b>	: Central Depository Services (India) Limited E-mail ID: <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> Phone : 022-23058542/43
<b>Scrutinizer</b>	: CS Chirag Shah Practising Company Secretary E-mail ID: <a href="mailto:pcschirag@gmail.com">pcschirag@gmail.com</a>

## Annexure to Notice

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND / OR REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.

### For Item No. 3:

Mrs Lisa Caroline MacCallum was appointed as an Independent Director on the Board of the Company pursuant to the provisions of Section 149 of the Companies Act, 2013 ("Act") read with Companies (Appointment and Qualification of Directors) Rules, 2014. Her first term of 3 (three) years is due to expire on November 30, 2024.

The Board, based on the performance evaluation of Independent Directors and as per the recommendation of Nomination and Remuneration Committee considers that given the background and experience and contributions made by Mrs Lisa Caroline MacCallum during her tenure, the continued association of Mrs Lisa Caroline MacCallum would be beneficial to the Company and it is desirable to continue availing her services as an Independent Director.

Accordingly, it is proposed to re-appoint Mrs Lisa Caroline MacCallum as an Independent Director of the Company, not liable to retire by rotation and to hold office for the second term of 3 (three) years on the Board of the Company.

Section 149 of the Act prescribes that an independent director of a company shall meet the criteria of independence as provided in Section 149(6) of the Act. Section 149(10) of the Act provides further that an independent director shall hold office for a term of up to five consecutive years on the Board and shall be eligible for re-appointment on passing a special resolution by the company and disclosure of such appointment in its Board's report. Section 149(11) provides that an independent director may hold office for up to two consecutive terms.

Mrs Lisa Caroline MacCallum is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given her consent to act as Director.

Mrs Lisa Caroline MacCallum began her professional life in Accounting, Finance and Consulting with KPMG in Australia and the USA. She enjoyed a long career at NIKE Inc (2001-2014) based in the USA, serving on the executive leadership team in commercial and brand strategy roles and as Vice President of NIKE's Corporate Philanthropy and Global Community Investments. Prior to joining NIKE, Mrs Lisa co-founded a Tokyo-based multi-media and executive education company, Business Breakthrough, Inc. She currently serves as an ESG

Advisory Board member of KAO Corporation, Japan and is an independent non-executive Director of Bond University Australia Limited and Seattle based employee experience company Limeade Limited.

The Company has received notice in writing from a Member under Section 160 of the Act proposing the candidature of Mrs Lisa Caroline MacCallum for the office of Independent Director of the Company.

The Company has also received a declaration from Mrs Lisa Caroline MacCallum that she meets the criteria of Independence as prescribed under Section 149(6) of the Act and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

In the opinion of the Board, Mrs Lisa Caroline MacCallum fulfils the conditions for appointment as Independent Director as specified in the Act.

Copy of the draft letter for re-appointment of Mrs Lisa Caroline MacCallum as an Independent Director (Non-Executive) setting out terms and conditions would be available for inspection in electronic mode.

Brief resume and other details of Mrs Lisa Caroline MacCallum are provided in annexure to this Notice pursuant to the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

The Board recommends passing of the Special Resolution as set out in Item no. 3 of this Notice, for approval by the Members of the Company.

Mrs Lisa Caroline MacCallum is deemed to be interested in the said resolution as it relates to her re-appointment.

None of other the Directors, Key Managerial Personnel of the Company and their respective relatives, are in any way, concerned or interested, financially or otherwise, in the proposed Special Resolution, as set out in Item no. 3 of this Notice.

### For Item Nos. 4, 5, 6 & 7:

The provisions of the SEBI Listing Regulations, as amended by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2021, effective April 1, 2022, mandates prior approval of members by means of an ordinary resolution for all material related party



transactions and subsequent material modifications as defined by the audit committee, even if such transactions are in the ordinary course of business of the concerned company and at an arm's length basis. Effective from April 1, 2022, a transaction with a related party shall be considered as material if the transaction(s) to be entered into, either individually or taken together with previous transactions during a financial year, whether directly and/or through its subsidiary(ies), exceed(s) ₹ 1,000 crore, or 10% of the annual consolidated turnover as per the last audited financial statements of the listed entity, whichever is lower.

In the financial year 2024-25, the Company, along with its subsidiary(ies), propose to enter into certain related party transaction(s) as mentioned below, on mutually agreed terms and conditions, and the aggregate of such transaction(s), are expected to cross the applicable materiality thresholds as mentioned above.

Accordingly, as per the SEBI Listing Regulations, prior approval of the Members is being sought for all such arrangements / transactions proposed to be undertaken by the Company, either directly or along with its subsidiary(ies). All the said transactions shall be in the ordinary course of business of the Company and on an arm's length basis.

The Audit Committee has, on the basis of relevant details provided by the management, as required by the law, at its meeting held on April 30, 2024, reviewed and approved the said transaction(s), subject to approval of the Members, while noting that such transaction shall be on arms' length basis and in the ordinary course of business of the Company.

Your Board of Directors considered the same and recommends passing of the resolutions contained in Item Nos. 4 to 7 of this Notice.

A. Information required under Regulation 23 of SEBI Listing Regulations read with SEBI Circular dated November 22, 2021 is provided herein below:

Particulars	Resolution Nos.				Material RPTs by Subsidiary of the Company
	4	5	6	7	
	Material RPTs by the Company				
i. Name of the Related Party	Adani Power Limited (APL) and / or its subsidiaries	Mahan Energen Limited (MEL)	Adani Electricity Mumbai Limited (AEMIL)	Adani Infra (India) Limited (AIIL)	
ii. Type of transaction	1. Power Trading 2. EPC Contracts / Line Modification works 3. Operation and Maintenance Contracts	1. Power Trading 2. EPC Contracts / Line Modification works	Power Trading	Transaction between Adani Electricity Mumbai Infra Limited., (AEMIL) a subsidiary of the Company with AIIL for Engineering, procurement, and construction (EPC) contracts work.	
iii. Material terms and particulars of the proposed transaction	Material terms and conditions are based on the contracts which inter alia include the rates which are based on prevailing market price and commercial terms as on the date of entering into the contracts.				
iv. Nature of Relationship with the Company including nature of its concern or interest (financial or otherwise)	APL is an entity over which ultimate controlling entity or KMP have control or significant influence.	MEL is an entity over which ultimate controlling entity or KMP have control or significant influence.	AEMIL is a subsidiary of the Company.	AIIL is an entity over which ultimate controlling entity or KMP have control or significant influence.	
v. Tenure of the proposed transaction	During the Financial Year 2024-25.				
vi. Value of the proposed transaction (not to exceed)	₹ 4,510 crore (Power Trading : ₹ 4,400 crore EPC Contracts / Line Modification works : ₹ 107 crore Operation and Maintenance Contracts: ₹ 3 crore)	₹ 1,120 crore (Power Trading : ₹ 1,100 crore and EPC Contracts / Line Modification works ₹ 20 crore)	₹ 1,480 crore	₹ 1,624 crore	

	Particulars	Resolution Nos.			
		4	5	6	7
		Material RPTs by the Company			Material RPTs by Subsidiary of the Company
vii.	Value of RPT as % of Company's audited consolidated annual turnover of ₹ 17,218.31 crore for the financial year 2023-24.	approx. 26.19%	approx. 6.50%	approx. 8.60%	approx. 9.43% AEMIL is currently under construction and will have revenue once it is operational.
viii.	If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary:				
	(i) Details of financial indebtedness Incurred	Not Applicable			
	(ii) Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security	Not Applicable			
	(iii) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the related party transaction	Not Applicable			
ix.	Justification as to why the RPT is in the interest of the Company.	Refer – Note 1 : Transactions of Power Trading with Related Parties. Note 3: EPC Contracts / Line Modification works Note 5: Operation and Maintenance Contracts	Refer – Note 1 : Transactions of Power Trading with Related Parties. Note 4: EPC Contracts / Line Modification works.	Refer – Note 1 : Transactions of Power Trading with Related Parties.	Refer – Note 2 : Entering into EPC contract with Related Party.
x.	Copy of the valuation or other external party report, if any such report has been relied upon.				
xi.	Any other information relevant or important for the members to take a decision on the proposed transaction.				

## **Justification as to why the RPT is in the interest of the Company and / or its subsidiaries.**

### **Note 1 : Transactions of Power Trading with Related Parties.**

As the energy landscape underwent a dynamic shift, characterized by growing power loads and growing per capita energy consumption fuelled the need for reliable and sustainable power. This shift in the energy sector enabled Adani Energy Solutions to pivot from a service provider to a comprehensive energy solutions provider. AESL shall facilitate / support generating entity to forecast the generation available for Renewable Energy (RE) generating plant, so as to ascertain, load directly catered through scheduling from RE generating plant and sell excess energy available with the RE generating plant in open market including power exchange at optimal price. AESL shall schedule the power from RE generating plant and balance power from either bilateral arrangement or through power exchange.

To enable AESL for such energy solutions, the Company proposes to enter into Procure and supply of power subject to approval of the Central Electricity Regulatory Committee (CERC). For this purpose, the Company has also filed requisite petition with CERC. Post receipt of CERC approval, the Company will commence Procure and supply of power.

This will also enable the Company to purchase and sale power in the bilateral market as well as in the Power Exchanges, on behalf of its clients. APL, MEL and AEML are some of the prospective clients of the Company.

The Company, subject to requisite approvals of CERC, propose to facilitate sale/purchase of power to/from Adani's energy portfolio entities in accordance with the provisions of the Electricity Act, 2003 and prevailing regulations as governed by the CERC.

### **Note 2 : Entering into EPC contract with Related Party.**

Adani Electricity Mumbai Infra Limited (AEMIL), a subsidiary of the company, was incorporated in 2020, for development, construction, operation and maintenance of  $\pm 320\text{kV}$  Monopole,  $1 \times 1000$  MW HVDC Voltage Source Converter (VSC) based link between Kudus EHV substation and AEML Aarey EHV substation (The Project).

AEMIL has approached Adani Infra (India) Limited (AAIL), which has proven expertise in execution of similar contracts.

AAIL is a related party of the Company. AAIL is having expertise in Engineering, Procurement and Construction (EPC) work through best-in-class design & engineering, procurement of materials & services and construction. AAIL is an infrastructure development company with specialization in sectors such as Airports, Data Centre, Defence Projects, Manufacturing, Ports, Renewables, Roads, Thermal, Transmission and Water. AAIL provides Project Management Consultancy (PMC) services in Design and engineering, Technical data development, Logistics management, Quality, Safety, Health management and overall supervision and monitoring of the project.

### **Note 3 : EPC Contracts / Line Modification works.**

AESL having expertise on setting up transmission line, AESL will undertake EPC contract to shift EHV transmission line (18 nos.) on proposed Railway alignment for Raigarh Thermal Power Plant subsidiary of Adani Power Limited.

### **Note 4: EPC Contract / Line Modification works.**

AESL having expertise in the field of setting up transmission line. AESL will undertake contract on EPC basis to shift EHV 400kV D/C Transmission Line (Jabalpur – Vindhyachal) of Powergrid for Mahan Energen Limited.

### **Note 5: Operation and Maintenance Contract**

AESL provides Operation and maintenance services for 33 KV lines in Raipur Thermal Power Plant which ensures uninterrupted transmission from APL's Raipur Plant in normal course of business and on terms equivalent to those that prevails at arm's length basis.

The Board recommends passing of the Ordinary Resolutions as set out in Item nos. 4 to 7 of this Notice, for approval by the Members of the Company.

Mr Gautam S. Adani, Mr Rajesh S. Adani and Mr Anil Sardana, Directors and Mr Kandarp Patel, CEO and their relatives are deemed to be concerned or interested in these resolutions, as they are directors/KMPs in the said related parties. None of other the Directors, Key Managerial Personnel of the Company and their respective relatives, are in any way, concerned or interested, financially or otherwise, except to the extent of their shareholding in the Company, if any, in the proposed Ordinary Resolutions, as set out in Item nos. 4 to 7 of this Notice.

## Item No. 8

### **To raise capital by way of a Qualified Institutions Placement to eligible investors through an issuance of equity shares and/or other eligible securities**

The Company anticipates growth opportunities in its existing operations and continues to evaluate various avenues for organic expansion and achieving inorganic growth. Towards this, the Company continues to require capital for achieving such growth and expansion. Accordingly, our Company intends to undertake a capital raise by way of qualified institutional placement to eligible investors through an issuance of equity shares or other eligible securities in accordance with applicable law and use the proceeds from the Issue, towards inter alia, various capital expenditure, the pre-payment and / or repayment of debts, working capital requirements, general corporate purposes and such other purpose(s) as may be permissible under applicable laws.

Accordingly, as approved by the board of directors of the Company ("Board") at their meeting held on May 27, 2024 and in order to fulfil the aforesaid objects of the Company, it is hereby proposed to have an enabling approval for raising funds by way of issuance of equity shares of face value ₹ 10 ("Equity Shares"), and/or other securities convertible into Equity Shares (including warrants, or otherwise), fully convertible debentures, partly convertible debentures, non-convertible debentures with or without warrants and/or convertible preference shares or any security convertible into Equity Shares (all of which are hereinafter collectively referred to as "Securities") or any combination thereof, in accordance with applicable law, in one or more tranches, whether Rupee denominated or denominated in foreign currency, in the course of domestic and/or International offering(s) in one or more foreign markets, in terms of the applicable regulations and as permitted under the applicable laws, in such manner in consultation with the lead managers/book running lead manager(s) and/or other advisor(s) or otherwise, for an aggregate amount not exceeding ₹ 12,500 crore (Rupees Twelve Thousand Five Hundred crore only) or an equivalent amount thereof (inclusive of such premium as may be fixed on such Securities) at such price or prices as may be permissible under applicable law by way of Qualified Institutional Placement ("QIP") in accordance with the provisions of Chapter VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (including

any amendment, modification, variation or re-enactment thereof) ("ICDR Regulations"), Section 42 and other applicable provisions of the Companies Act, 2013, the Companies (Prospectus and Allotment of Securities) Rules, 2014 and other applicable laws. The issue of Securities may be at such price, whether at prevailing market price(s) or at a premium or discount to market price as may be permitted under applicable law and to such classes of investors as the Board (including any duly authorized committee thereof) may in its absolute discretion decide, having due regard to the prevailing market conditions and any other relevant factors and wherever necessary, in consultation with lead managers / book running lead manager(s) and other agencies that may be appointed by the Company, subject to the ICDR Regulations, Companies Act, 2013 and other applicable guidelines, notifications, rules and regulations.

The Board (including any duly authorized committee thereof) may at their discretion adopt any one or more of the mechanisms prescribed above to meet its objectives as stated in the aforesaid paragraphs without the need for fresh approval from the members of the Company. The proposed issue of capital is subject to, inter alia, the applicable statutes, rules, regulations, guidelines, notifications, circulars and clarifications, as amended from time to time, issued by the Securities and Exchange Board of India, the BSE and National Stock Exchange ("Stock Exchanges"), Reserve Bank of India, Ministry of Corporate Affairs, Government of India, Registrar of Companies Gujarat at Ahmedabad, to the extent applicable, and any other approvals, permits, consents and sanctions of any regulatory/ statutory authorities and guidelines and clarifications issued thereon from time to time, as may be required in this regard domestically or internationally.

In case the Issue is made through a qualified institutions placement:

- (i) the allotment of Securities shall only be made to Qualified Institutional Buyers ("QIBs") as defined under ICDR Regulations;
- (ii) the allotment of the Securities shall be completed within 365 days from the date of passing of the special resolution in accordance with the ICDR Regulations and applicable laws;
- (iii) a minimum of 10% of the Securities shall be allotted to mutual funds and if mutual funds do not subscribe to the aforesaid minimum percentage



or part thereof, such minimum portion may be allotted to other QIBs;

- (iv) the floor price will be calculated as per the formula prescribed under the ICDR Regulations;
- (v) the "relevant date" for the purposes of pricing of the Securities to be issued and allotted in the proposed QIP shall be the date of the meeting in which the Board or a duly authorised committee decides to open the proposed QIP of equity shares as eligible securities; and in case eligible securities are eligible convertible securities, then either the date of the meeting in which the Board or a duly authorized committee of the Board decides to open the proposed issue or the date on which the holders of such eligible convertible securities become entitled to apply for the equity shares as provided under the ICDR Regulations;
- (vi) the equity shares of the same class, which are proposed to be allotted through qualified institutions placement or pursuant to conversion or exchange of eligible securities offered through qualified institutions placement, have been listed on a stock exchange for a period of at least one year prior to the date of issuance of notice to its shareholders for convening the meeting to pass the special resolution;
- (vii) an issuer shall be eligible to make a qualified institutions placement if any of its promoters or directors is not a fugitive economic offender;
- (viii) no single allottee shall be allotted more than 50% of the QIP size and the minimum number of allottees shall be in accordance with the ICDR Regulations. It is clarified that qualified institutional buyers belonging to the same group or who are under same control shall be deemed to be a single allottee;
- (ix) the Securities to be offered and allotted shall be in dematerialized form and shall be allotted on fully paid up basis;
- (x) the Securities allotted shall not be eligible for sale by the allottee for a period of one year from the date of allotment, except on a recognized stock exchange, or except as may be permitted from time to time;
- (xi) the schedule of the QIP will be as determined by the Board or its duly authorized committee; and

- (xii) The Company shall not undertake any subsequent QIP until the expiry of two weeks from the date of the QIP to be undertaken pursuant to the special resolution passed at this meeting.

Further, Section 62(1)(c) of the Companies Act, 2013 provides, inter alia, that when it is proposed to increase the issued capital of a company by allotment of further equity shares, such further equity shares shall be offered to the existing members of such company and to any persons other than the existing members of the company by way of a special resolution. Since the special resolution proposed in the business of the notice may result in the issuance of Equity Shares of the Company to the existing members of the Company and to persons other than existing members of the Company, approval of the members of the Company is being sought pursuant to the provisions of Section 62(1)(c) and other applicable provisions of the Act as well as applicable rules notified by the Ministry of Corporate Affairs and in terms of the provisions of ICDR Regulations.

In terms of Rule 14(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014, a company can make a private placement of its securities under the Companies Act, 2013 only after receipt of prior approval of its members by way of a Special Resolution. Consent of the members would therefore be necessary pursuant to the aforementioned provisions of the Companies Act, 2013 read with applicable provisions of the ICDR Regulations and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, for issuance of Securities. The Equity Shares allotted pursuant to the issue shall rank in all respects *pari passu* with the existing Equity Shares of the Company.

The Equity Shares to be allotted would be listed on the Stock Exchanges. The offer/issue/ allotment would be subject to the availability of the regulatory approvals, if any. The conversion of Securities held by foreign investors into Equity Shares would be subject to the applicable foreign investment cap and relevant foreign exchange regulations, including Foreign Exchange Management Act, 1999, including any amendments, statutory modification(s) and/or re-enactment(s) thereof ("FEMA"), the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 and Foreign Exchange Management (Debt Instruments) Regulations,

2019. As and when the Board does take a decision on matters on which it has the discretion, necessary disclosures will be made to the Stock Exchanges as may be required under the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In terms of Section 102(1) of the Companies Act, 2013, none of the Directors and Key Managerial Personnel of

the Company or their relatives is directly or indirectly concerned or interested, financially or otherwise, in this resolution, except to the extent of their shareholding, if any, in the Company.

The Board has approved the Issue pursuant to its resolution dated May 27, 2024. The Board recommend the aforesaid resolution for the approval by the members as a special resolution.

Date : May 27, 2024

Place : Ahmedabad

Registered Office:

"Adani Corporate House",  
Shantigram, Near Vaishno Devi Circle,  
S. G. Highway, Khodiyar,  
Ahmedabad - 382421  
CIN: L40300GJ2013PLC077803

For and on behalf of the Board

**Adani Energy Solutions Limited**

(Formerly known as Adani Transmission Limited)

**Jaladhi Shukla**

Company Secretary

Membership No. FCS 5606

# Annexure to Notice

## Particulars of Directors seeking Appointment / Re-appointment

Name of Director	Age, Date of Birth (No. of Shares held)	Qualification	Nature of expertise in specific functional area	Name of the companies in which he holds directorship as on March 31, 2024	Relationship with other Directors, Manager and other Key Managerial Personnel of the Company.	Name of committees in which he holds membership / chairmanship as on March 31, 2024
Mr Gautam S. Adani (DIN: 00006273)	61 Years June 24, 1962 (Note 1)	S.Y. B.Com.	Mr Gautam Adani is the Chairman and Founder of the Adani Group. Under his leadership, Adani Group has emerged as a global integrated infrastructure player with interest across Resources, Logistics and Energy verticals. His journey has been marked by his ambitious and entrepreneurial vision, coupled with great vigour and hard work. This has not only enabled the Group to achieve numerous milestones with speed and scale but also resulted in the creation of a robust business model which is contributing towards building sound infrastructure in India.	<ul style="list-style-type: none"> <li>Adani Energy Solutions Limited<sup>^^</sup></li> <li>Adani Power Limited<sup>^^</sup></li> <li>Adani Ports and Special Economic Zone Limited<sup>^^</sup></li> <li>Adani Enterprises Limited<sup>^^</sup></li> <li>Adani Total Gas Limited<sup>^^</sup></li> <li>Adani Green Energy Limited<sup>^^</sup></li> <li>Ambuja Cements Limited<sup>^^</sup></li> <li>Adani Institute for Education and Research [Section 8 company]</li> <li>Adani Medicity And Research Center [Section 8 company]</li> </ul>	Mr Gautam S. Adani is brother of Mr Rajesh S. Adani, Director of the Company.	--

<sup>^^</sup>Listed company.

### Note 1 -

- Mr Gautam S. Adani holds 1 (one) Equity Share of the Company as on March 31, 2024 in his individual capacity.
- Mr Gautam S. Adani / Mr Rajesh S. Adani (on of behalf S. B. Adani Family Trust) is holding 60,16,34,660 (53.93%) Equity Shares of the Company.

Name of Director	Age, Date of Birth (No. of Shares held)	Qualification	Nature of expertise in specific functional area	Name of the companies in which she holds directorship as on March 31, 2024	Relationship with other Directors, Manager and other Key Managerial Personnel of the Company.	Name of committees in which she holds membership / chairmanship as on March 31, 2024
Mrs Lisa Caroline MacCallum (DIN: 09064230)	52 Years 10.04.1972 (Nil)	Post- Graduate: Bachelor of Commerce (accounting, finance, international business) Bachelor of Arts: Communications and Japanese	Mrs Lisa Caroline MacCallum began her professional life in Accounting, Finance and Consulting with KPMG in Australia and the USA. She enjoyed a long career at NIKE Inc (2001-2014) based in the USA, serving on the executive leadership team in commercial and brand strategy roles and as Vice President of NIKE's Corporate Philanthropy and Global Community Investments. Prior to joining NIKE, Lisa co-founded a Tokyo-based multi-media and executive education company, Business Breakthrough, Inc. She currently serves as an ESG Advisory Board member of KAO Corporation Japan and is an independent non-executive Director of Bond University Australia Limited and Seattle based employee experience company Limeade Limited.	<ul style="list-style-type: none"> <li>Adani Energy Solutions Limited<sup>^^</sup></li> </ul>	N.A.	--

<sup>^^</sup>Listed company.

## Adani Energy Solutions Limited

### Registered office

Adani Corporate House, Shantigram,  
Near Vaishno Devi Circle, S. G. Highway,  
Khodiyar, Ahmedabad – 382 421



[www.adanienergysolutions.com](http://www.adanienergysolutions.com)