We are India's No. 1 utility company according to Ministry of Power's 12th Annual Integrated Rating and Ranking for Power Distribution Utilities, a report prepared by McKinsey & Company.

The power of service | adani Electricity

INDIA'S NO. 1 POWER UTILITY

Adani Electricity Mumbai Limited

Compliance Certificate (March 2024)

Comprising Adani Electricity Mumbai Limited and Power Distribution Service Limited

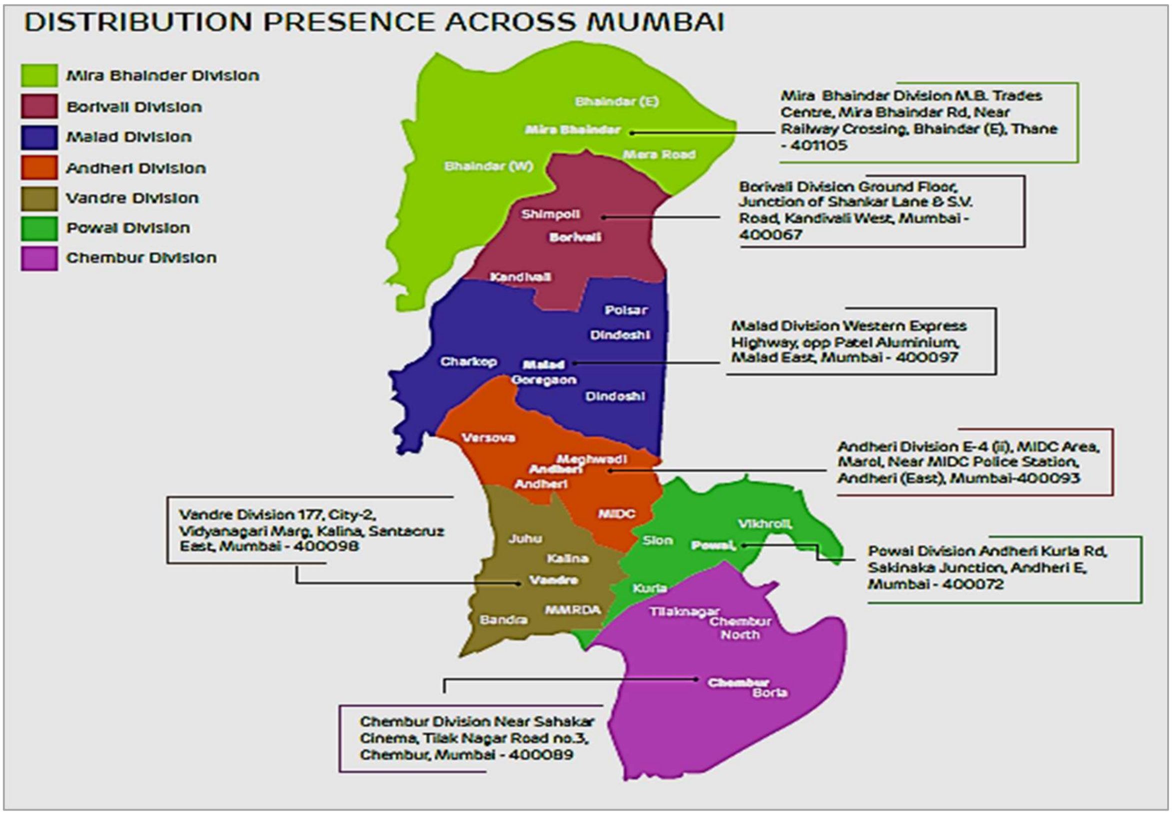
CONTENTS

1. Executive Summary

Adani Electricity Mumbai Limited (AEML) is a No.1 power utility company in India and operates as a wholly owned subsidiary of Adani Energy Solution Limited (formerly known as Adani Transmission Limited). The business of AEML went into existence in 1926. The company's business services Mumbai and its suburban region. With a customer base of over three million consumers across Mumbai and its suburbs, covering a vast area of 400 square kilometers, we seek to provide exceptional service. Our commitment to reliability is evident in our outstanding track record, with a remarkable uptime rate of 99.99%, which ranks among the highest in the country. Meeting the substantial power demand of Mumbai, we supply close to 2,200 MW through our extensive and highly efficient distribution network. We are Mumbai's preferred choice, providing the most competitive tariff powered by a large in-Group access to renewable energy.

The company is a part of the Adani Group, multinational conglomerate headquarters in Ahmedabad. With a diverse portfolio spanning multiple sectors, including energy, infrastructure, logistics, agribusiness, and more, the Group has established itself as a prominent player in the global business landscape. A key focus area of the Adani Group is sustainability and renewable energy. It made significant investments in the renewable power sector, particularly in solar and wind energy, contributing to the country's transition towards a cleaner and greener future.

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



AEML has operated for over 9.5 decades in a stable and evolved regulatory regime. With a modest consumer base of 2,500 households in 1931 the business has grown to 3.18 million households equivalent to 12 million consumers equivalent to the entire population of Sweden. AEML serves the "gateway" city of Mumbai servicing 85% of Mumbai's geography, touching 2 out of 3 households in Mumbai, which is India's commercial capital and most populous city in the country and among the top 10 Global Finance Centers with per capita income at 4x of India.

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

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

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

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

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

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

Adani Electricity Mumbai Limited (AEML) and Power Distribution Services Limited (PDSL) form a collective obligor group. AEML, predominantly operated by Adani Energy Solution Limited (AESL) (formerly known as Adani Transmission Limited (ATL)) with a 74.9% ownership stake, assumes primary responsibility. Qatar Holding LLC holds a 25.1% equity stake in AEML and PDSL. PDSL, a subsidiary of AESL, plays a vital role in collecting AEML's corporate expense allocations and safeguarding corresponding receipts within the obligor group. This corporate structure ensures that the US dollar noteholders benefit from the intended advantages and protections.

1.1 AEML has been rated Rated as India's number one power distribution company 2nd time in raw.

AEML topped the country's 71 electricity distribution companies for its overall performance including Financial Sustainability, Operational Excellence and Corporate Governance.

In the Ministry of Power's 12th edition of the 'Annual Integrated Rating & Ranking' of country's power distribution utilities, Adani Electricity secured the 1st rank with Grade A+ and the highest integrated score of 99.9 out of 100. The rating report is prepared by McKinsey & Company and the assessment is based on the accounts for Financial Year 2023-24

In the exhaustive evaluation exercise, Adani Electricity emerged as the best and only private utility to be rated in the top five and is also one of 15 discoms to not have any negative marking.

The Annual Integrated Rating & Ranking exercise is carried out by the nodal agency Power Finance Corporation Ltd as per the framework approved by the Ministry of Power since 2012. It covers 66 power distribution utilities comprising 42 state discoms, 13 private discoms and 11 power departments across India. The exercise provides a blueprint for stakeholders to assess performance, identify gaps, measure impact of steps taken and plan ahead.

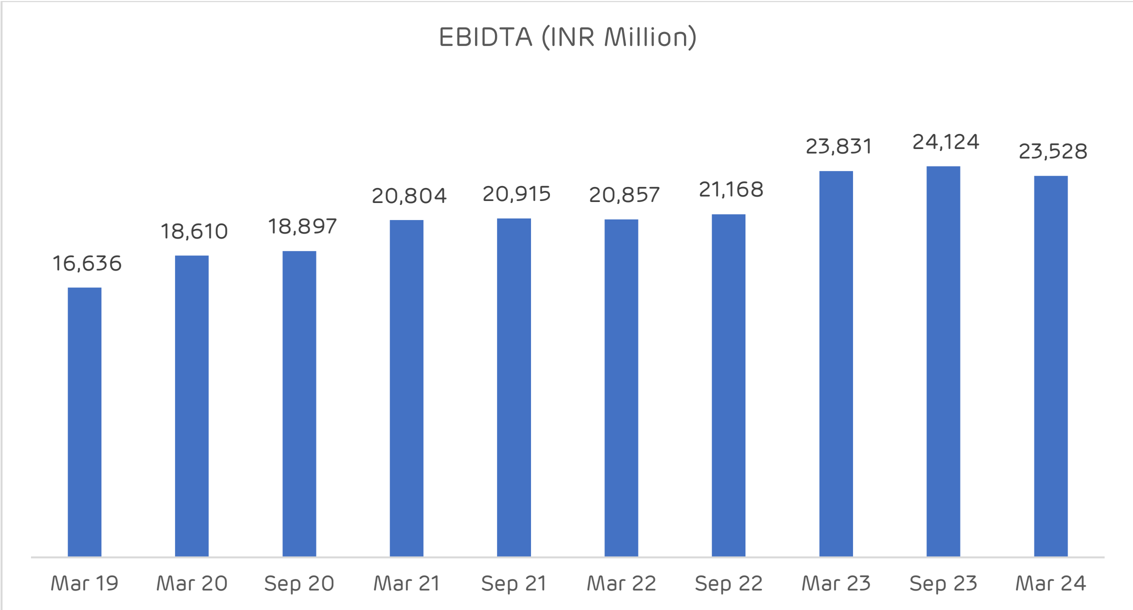
Adani Electricity scored 13 out of 13 for Performance Excellence, covering Billing Efficiency, Low Distribution Loss, Collection Efficiency and Corporate Governance.

Under Financial Sustainability, Adani Electricity scored all 75 marks for its ACS – ARR Gap (Cash adjusted), Days Receivable, Days Payable to Generation Companies, Adjusted Quick Ratio, Debt Service Coverage Ratio (Cash Adjusted) and Leverage Debt / EBITDA (Cash adjusted).

For all the above parameters, Adani Electricity has scored in the top matrix, and the superior ranking is a result of a set of best practices in the industry, including the following:

- Digitized bill generation and payments – partnering with UPIs and payment gateways to facilitate ease of payment for the customers.
- Deployment of advanced meter reading capabilities which reduces bill errors significantly.
- Analytics and MIS systems to curb power thefts – stronger vigilance drives. These efforts have led to reduce distribution losses to 5.29% in FY2024.

1.2 EBITDA Performance (in INR million)



FY19 & FY20 is AEML standalone EBITDA. EBITDA as on September is for trailing twelve months

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

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

3. Key Business Updates

Operational Performance for Distribution business

AEML has registered YoY growth of 9.4% in electricity demand mainly on the back of commercial & industrial activity getting back in place. The details for the same along with the breakup of the sales mix is represented in the table below:

Sales Mix (Mus)	FY2024	FY2023	Increase %
Residential	**4,952**	4,554	8.7%
Commercial	**3,770**	3,474	8.5%
Industrial	**1,195**	2,034	15.6%
Total	**9,916**	9,062	9.4%
Collection Efficiency %	**101%**	100%	
E- payments %	**80%**	75%	
Distribution Loss %	**5.29%**	5.93%	

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

Renewable Power commitment

- AEML increased share of Renewable Energy in last 30 months from 3% to 34% as on March 31, 2024 which is in line with commitments under July 2021 SLB issuance.

- AEML consumers will have proud distinction to be amongst the few globally to source a significant share of electricity from Renewable Energy sources (60% by 2027).

- Scaling Renewable Energy Supply is part of the Company's strategy to provide Reliable, Affordable and Sustainable Electricity to consumers.

Consumer Engagement Programme

On the customer engagement front we have launched 'SAMAPARK' program, which is our flagship initiative designed to foster stronger relationships with our customers. This program is built on the principle of active listening, where we engage with our customers to understand their evolving needs and adapt our services accordingly. By putting our customers first, we ensure their satisfaction remains at the heart of our operations. This year, we expanded 'SAMAPARK' to include more personalized interactions, ensuring that every customer feels valued and heard. This year, we have also launched the 'SAMVAAD' program, enabling our frontline workers, who serve as the primary touchpoints with our customers, who bring deep insights, to engage directly with the senior management team of our organization & help us in acting upon the crucial pain points of our customers.

Leading the digital transformation in utilities

We continue to invest in cutting-edge technologies to enhance our customer delight. The world's first Virtual Contact Center, advanced self-help kiosks, and our AI-powered chatbot 'Elektra' exemplify our commitment to leveraging technology for superior customer experiences. We have deployed 'Genius Pay' – a self-help recycler kiosk to assist our customers. All our efforts have resulted in AEML achieving 85% of digital payments in FY24. The implementation of a smart metering ecosystem empowers our customers to manage their energy consumption effectively with real-time meter reading, prepaid metering, and remote disconnection/connection on request. We have made significant strides in digitalization, reducing turnaround times, and improving customer interactions. Our Advanced Distribution Management System, supported by strategic Capex investments, ensures we remain responsive to supply and demand fluctuations.

Other Updates

- RAB increased from INR 5,648 crore in FY 2019 to INR 8,441 crore in FY2024
- Capex of INR 1,414 crore for FY 2023-24 has been fully funded through internal accruals without any debt incurrence.

Buyback of USD 120 million Notes

- Adani Electricity Mumbai Limited has completed cash tender offer up to USD 120 million of the outstanding 3.949% pa USD 1,000 million Senior Secured Notes due 2030 in November 2023.
- Company has funded USD 120 mn tender offer through internal accruals and cash surplus.
- Purpose is to demonstrate strong financial stability and liquidity position of the company.

The tender offer is being fully funded through its cash surplus and internal accruals and will help reduce the leverage of the company in line with the Adani portfolio companies to consistently improve financial matrices.

MYT Regulation, 2024

Maharashtra Electricity Regulatory Commission (MERC) is in the process of issuing Multi Year Tariff (MYT) Regulation 2025 which will be effective from April 1, 2025 to March 31, 2030.

Credit Ratings

International Rating

All three international rating agency has completed annual surveillance of AEML and has reaffirmed Investment Grade (IG) Rating capped at sovereign. S&P and Moody's has upgrade outlook from negative and stable during the year.

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

Domestic Rating

Rating Agency	Rating/Outlook
India Ratings	IND AA+/Stable
CRISIL	CRISIL AA+/Stable

Social: Making a difference in our communities

Our corporate social responsibility (CSR) programs have made a significant impact in health, education, and skill development, creating lasting social change. Leveraging our group's expertise, we have collaborated with Adani Foundation and expanded our CSR initiatives to reach more communities and address critical social issues. Our health programs focus on providing access to quality healthcare services, especially in underserved areas. We have organized health camps, distributed essential medical supplies, and supported local healthcare facilities to improve community health outcomes. In education, we have continued to support schools and educational institutions by providing scholarships, learning materials, and infrastructure support. Our skill development programs aim to empower individuals with the skills they need to secure sustainable livelihoods. By partnering with local organizations and vocational training centres, we have helped numerous individuals gain valuable skills and improve their economic prospects.

4. Sustainability, Reliability and Affordability

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

4.1 Sustainability

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

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

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

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

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

KPI under Sustainability Linked Notes

Sustainability Performance Targets (SPTs)

- KPI-1: Increase Renewable power mix in the overall power purchase mix
  - ➢ SPT 1: Attain at least 60% of renewable power procurement mix by end of FY2027
- KPI 2: Reduction in GHG Emission Intensity (Scope 1 and 2) (GHG Emission Scope 1 and 2 measured by tCO2 divided by EBITDA of AEML)
  - ➢ SPT 2: Reduce GHG Emission Intensity (Scope 1 and 2) by 60% by end of FY2029, compared with FY2019.

As agreed in the pricing supplement for USD 300 million Sustainability Linked Notes 2031, for each financial year the Obligor Group need to publish Assurance Report on verified and/or certified by the External Verifier, which shall disclose the Renewable Power Mix (RPM) and the GHG Emission Intensity.

Annual Assurance Report for March 2024 on GHG Emission Intensity (Scope 1 & 2) and Renewable Power Mix (RPM) for detailed information issued by TUV India Private Limited is available on website of the company (www.adanielectricity.com) under Investor Section.

The Progress under KPI-1 against base line year is as follows:

KPI-1 : Renewable Power Mix in Purchased Electricity: Units in Million (Mus)

Description		FY 2018-19 [2]	FY2023-24
Procurement of electricity from the eligible renewable energy sources [1]	a	280.73	**3,710.88**
Procurement of electricity from other than renewable energy sources	b	9,032.91	**7,093,77**
Total electricity procured	**c=a+b**	**9,313.64**	**10,804.65**
Percentage of procurement of electricity from the eligible renewable energy sources	**a/c**	3.01%	**34.35%**

1. Eligible Renewable Energy sources are considered as per 'Renewable Purchase Obligation, its Compliance and Implementation of Renewal Energy Certificate Framework Regulations, 2019' issued by Maharashtra Electricity Regulatory Commission (the "Regulation") which means renewable sources such as mini hydro, micro hydro, small hydro, wind, Solar, biomass including bagasse, bio fuel cogeneration, urban or municipal waste and such other sources as are recognized or approved by Ministry of New and Renewable Energy, Government of India.
2. This includes utilization of 3,268.16 Mus in FY 2018-19 and 3,248.49 Mus in FY 2023-24 through embedded captive generation as per power purchase arrangement
3. The FY2018-19 (Baseline year) numbers are referred from assured numbers reported by AEML

KPI-2 : GHG Emission Intensity (Scope 1 & 2)

	Boundary of emission within the company	FY-2018-19[2]	**FY-2023-24**
GHG tCO2e	AEML: Scope-1 & 2	37,50,069	**30,82,158**
EBITDA Rs Cr[1]	AEML	1,664	**2,350**
Emission Intensity (t CO2e/ EBITDA in Rs Cr)		2,254	**1,311**

1. The reported data on EBITDA of AEML within the Report are based on standalone audited financial statements of the respective year.
2. 1 crore = INR 100,00,000
3. The FY2018-19 (Baseline Year) numbers are referred from assured numbers reported by AEML.

AEML has achieved 42% reduction in GHG emission intensity during the financial year 2023-24 as compare to base line.

4.2 Reliability

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

- Dahanu Power Plant has enabled supply reliability through adoption of best-in-class practice.
- Mumbai network design insulates its consumers from grid failure.
- 23 instances of National/Regional Grid outages in last 20 years, however, consumers in Mumbai remained largely unaffected.
- Ensuring asset hardening and modernization
- Investing in modern O&M practices, ensuring lower SAIDI and SAIFI

4.3 Affordability

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

AEML will continue undertaking initiatives that enhance consumer service and community life quality. The Company's commitment centred around UN Sustainable Development Goals (SDGs), with SDG 7 on Affordable and Clean Energy being the cornerstone. AEML is committed to decarbonising production, transmission and distribution of power, in an effort to tackle climate change as well as providing access to affordable and clean energy, in line with SDG 7.

The measures undertaken comprise:

- Procurement of 34.35% through renewable sources in FY 2023-24 which includes 700 MW hybrid power at ₹ 3.24 per unit for 25 years for new fixed tariff PPA

- Saving on short term power requirement and thereby reducing the overall power purchase cost

- Smoothening of FAC resulting in tariff stability for consumers

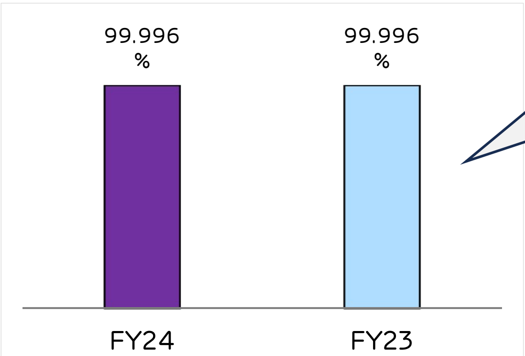
5. Operational Performance

Snapshot of Distribution Business

Parameter	UoM	FY24	FY23	FY22	FY21	FY20	FY19
Power Transformers	Nos.	247	244	234	228	217	211
PT Capacity	MVA	4,577	4,507	4,337	4,167	3,896	3,751
Distribution Transformers	Nos.	7,383	7,252	7,220	6,981	6.809	6,697
DT Capacity	MVA	5,484	5,379	5,300	5,191	5,076	4,978
Cable Network							
Total HT Length	Kms	5,164	5,060	4,973	4.885	4,860	4,580
LT Main Line Cable	Kms	6,726	6,596	6,496	6.247	6,226	6,139
LT Service Cable	Kms	12,001	11,816	11,668	11,511	11,400	11,244
Street Lt. Cable Length	Kms	2,186	2,177	21,40	2,106	2,091	2,062
Total LT Length	Kms	20,913	20,589	20,304	19,864	19,718	19,445

Operating Metrics

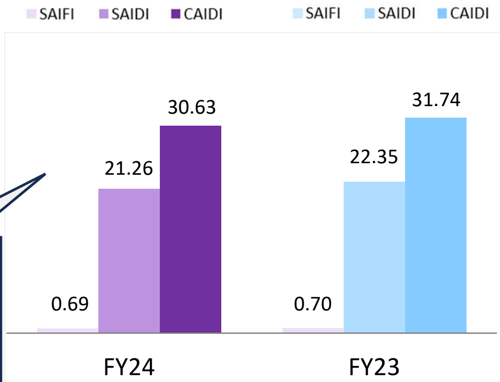
Supply Reliability (ASAI) (%)



Higher the better

Maintained supply reliability of more than 99.9%

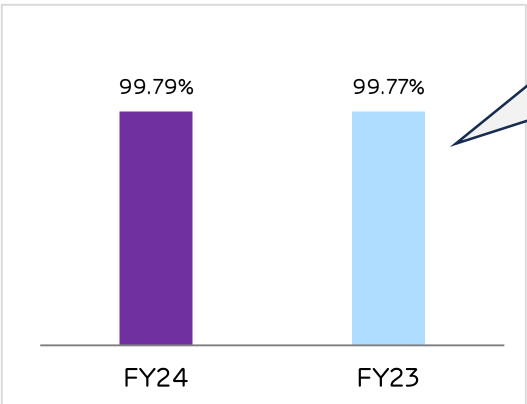
SAIDI (mins), SAIFI (nos.) and CAIDI (mins)(1)



Reliability parameters like SAIDI and SAIFI remains robust

Lower the better

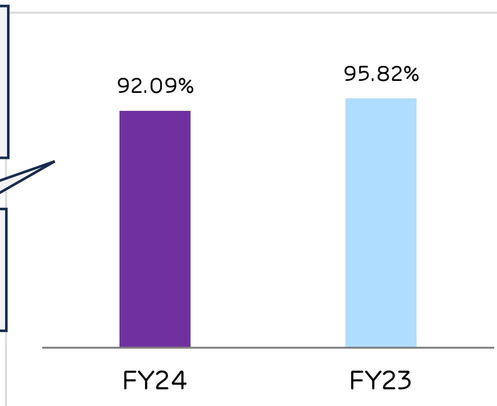
Transmission Availability (%)



Transmission system availability remains above 99%

Higher the better

Plant Availability Factor - DTPS

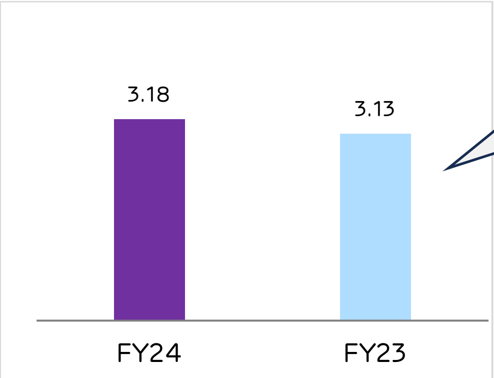


Plant availability decline due to scheduled overhauling

Higher the better

Notes: 1) SAIDI - System Average Interruption Duration Index indicates average outage duration for each customer served,
SAIFI - System Average Interruption Frequency Index indicates average number of interruptions,
Customer Average Interruption Duration Index (CAIDI): indicates average time required to restore service during a predefined period.

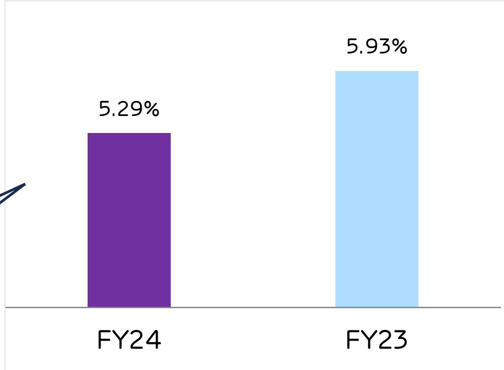
Consumer base (million)



Increase in consumer base reflecting AEML as a supplier of choice

Higher the better

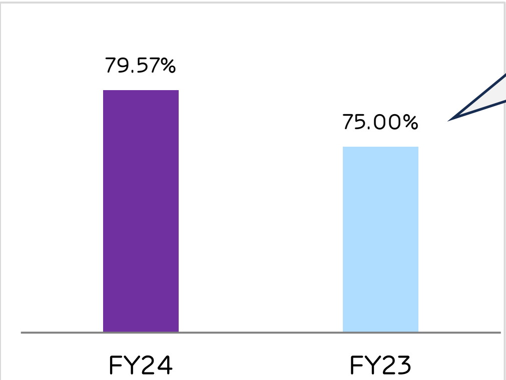
Distribution Loss (%)[1]



Improving consistently due to focused loss mitigation activities

Lower the better

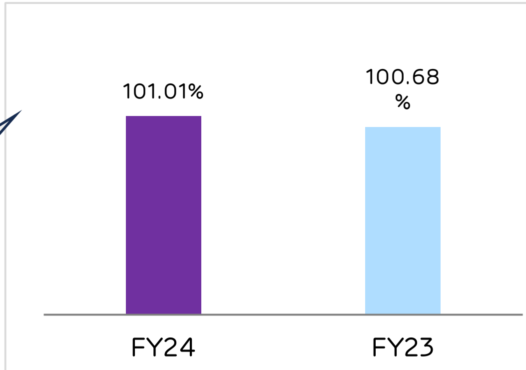
E-payment (% of total collection)



E-payments share increasing with greater adoption of digital payment

Higher the better

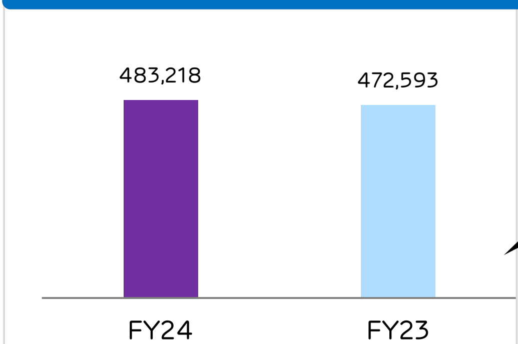
Collection Efficiency (%)



Collection efficiency remains higher than 100% due to past

Higher the better

Number of Complaints



Consumer complaints broadly in line with historical trend

Lower the better

Notes: 1) Distribution loss for FY24 is based on provisional numbers;

6. Financial Performance

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

12 months ended on	DSCR	PLCR	Net Debt to RAB	FFO to Net Debt
March 31, 2024	**3.92x**	**3.06x**	**0.78x**	**30.81%**
September 30, 2023	4.32x	2.67x	0.96x	9.35%
March 31, 2023	4.76x	3.29x	0.86x	13.37%
September 30, 2022	4.80x	3.24x	0.86x	9.91%
March 31, 2022	5.53x	3.37x	0.89x	4.76%*
September 30, 2021	6.04x	3.33x	0.85x	9.74%
March 31, 2021	6.01x	3.41x	0.81x	16.03%*
September 30, 2020	3.84x	3.79x	0.85x	18.43%
March 31, 2020	2.35x	3.57x	0.82x	30.07%

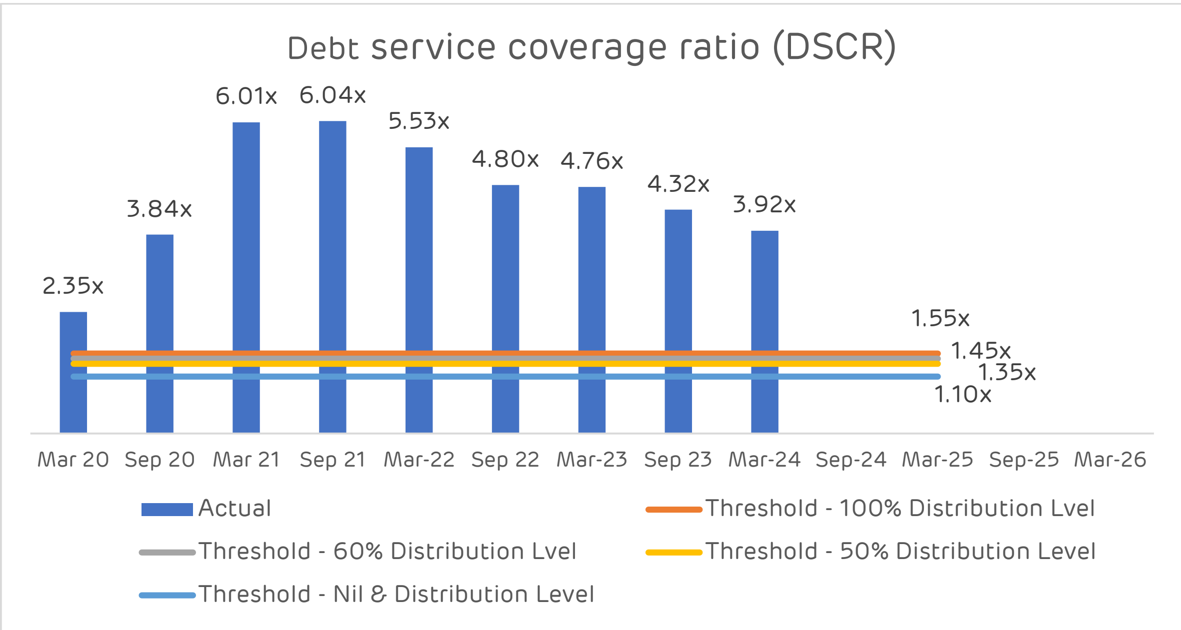
DSCR - Debt Service Coverage Ratio, PLCR - Project Life Coverage Ratio, RAB - Regulatory Asset Base, FFO - Fund from Operations

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

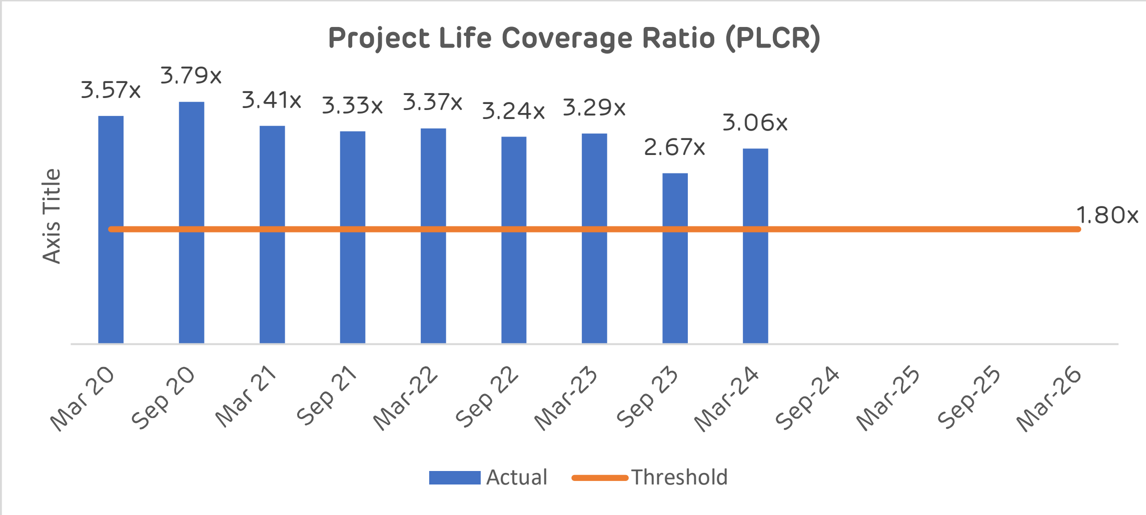
Note: Above covenants is calculated as per definitions given under Common Trust Deed (CTD) and Note Trust Deed (NTD) executed for USD 1,000 million and Accession Memorandum for USD 300 million. All covenants in forms of ratios are in compliance and are calculated on trailing twelve month basis at each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

Covenants Performance

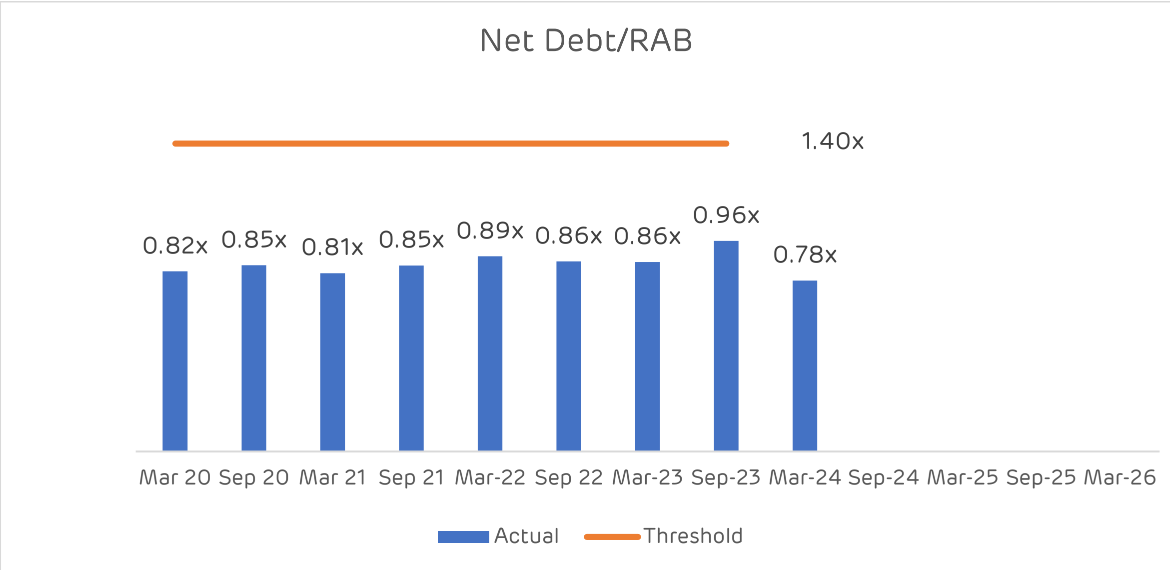
B1. Debt Service Coverage Ratio (DSCR)



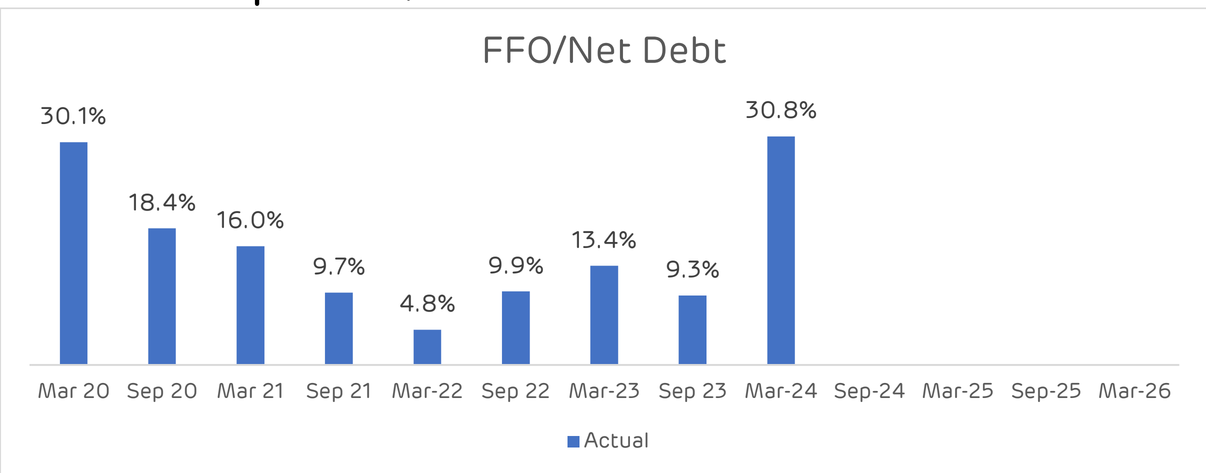
B2. Project Life Coverage Ratio (PLCR)



B3. Net Debt to RAB



B4. Fund from Operations / Net Debt



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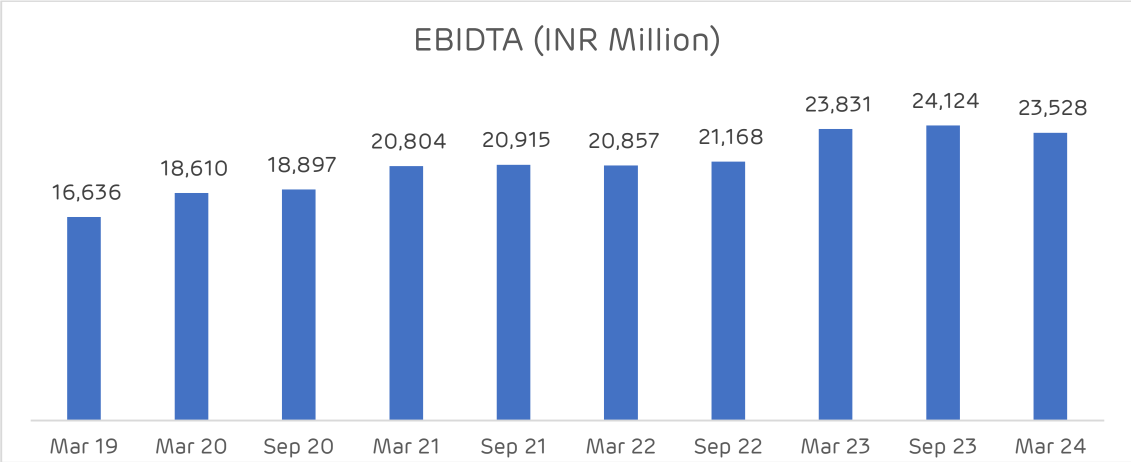
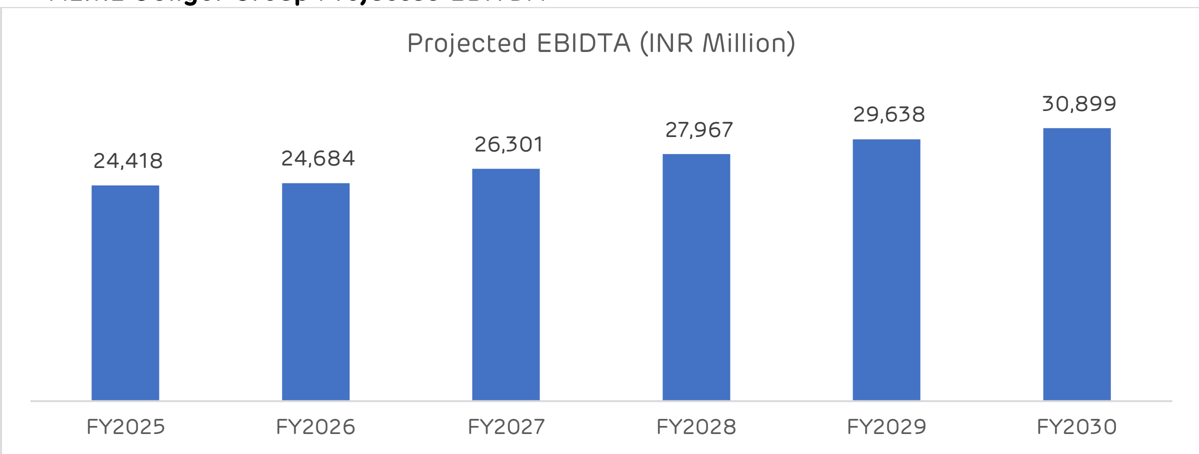
B5. EBITDA performance

Historical AEML Obligor Group EBITDA



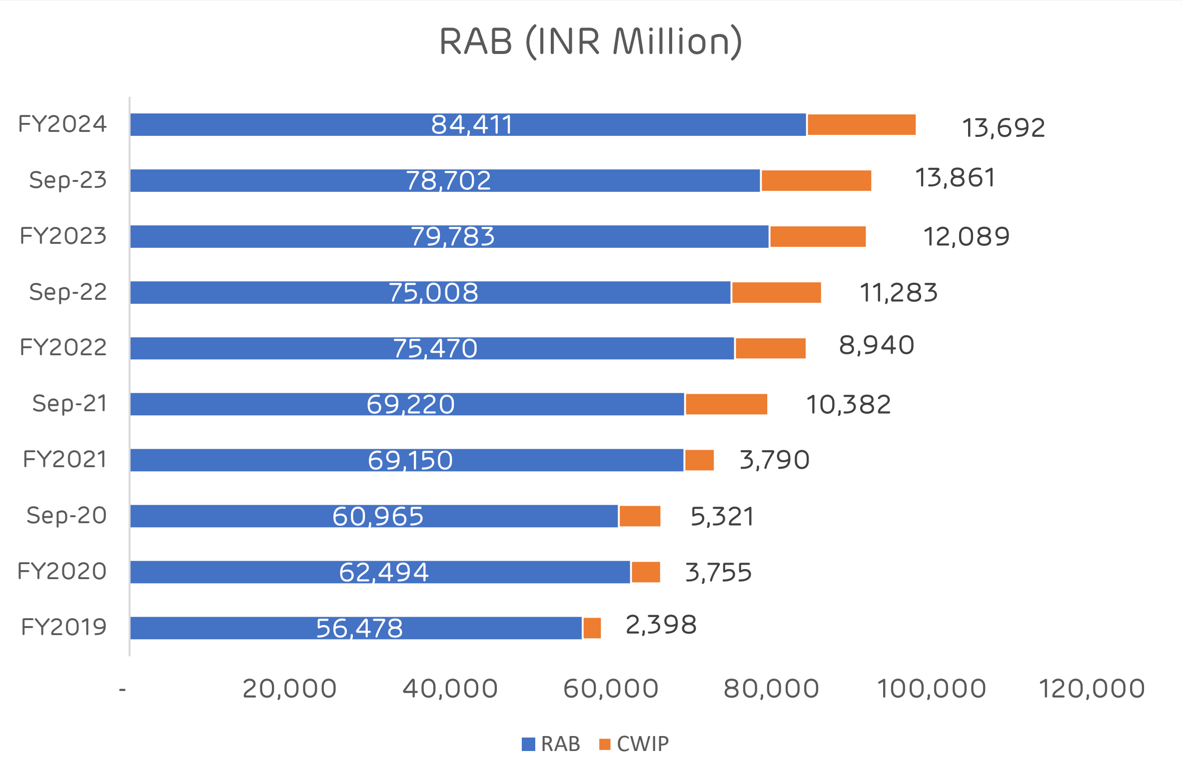
FY19 & FY20 is AEML standalone EBITDA. EBITDA as on September is for trailing twelve months

AEML Obligor Group Projected EBITDA

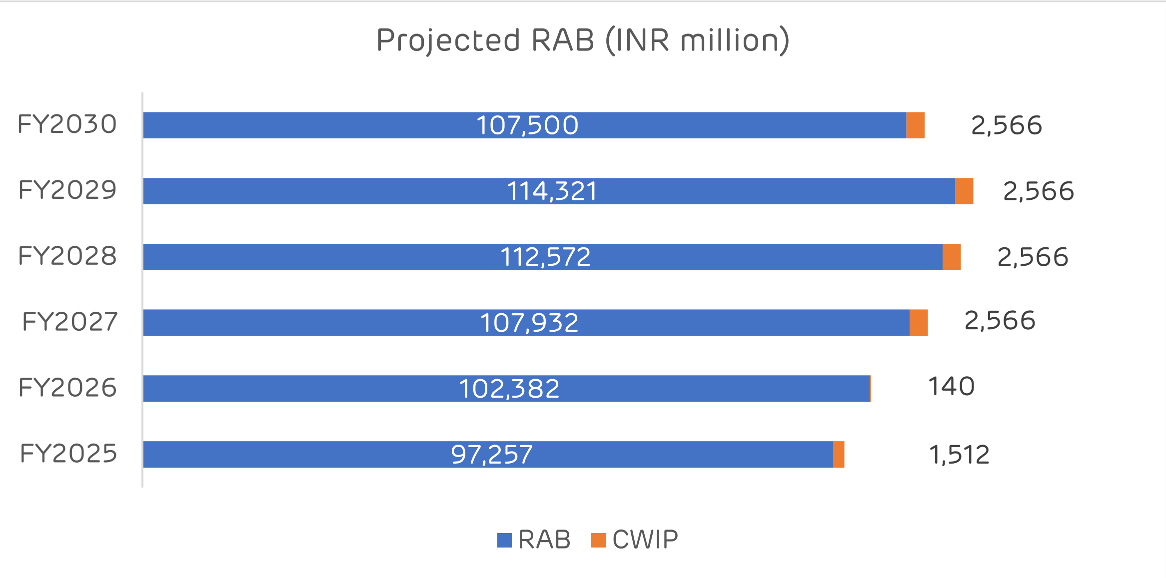


B6. AEML Regulated Asset Base (RAB)

Historical AEML RAB



AEML Projected RAB



C. Receivable Position

Trade Receivable position as on March 31, 2024 **INR million**

Categories	Unbilled	Within the Credit Preiod	1-90 days	91-182 days	> 182 days	Total
Commercial	3,258	1,083	172	77	30	4,619
Industrial	895	92	39	2	3	1,031
Residential	2,397	1,568	500	77	125	4,668
Total	**6,550**	**2,742**	**711**	**157**	**158**	**10,318**
Transmission	-	305	269	-	-	575
Others	-	12	337	-	-	349
Gross Debtors	**6,550**	**3,058**	**1,318**	**157**	**159**	**11,242**

Receivables includes normal unbilled revenue as on March 31, 2024 which will be billed during the next month as per applicable billing cycle of consumers.

7. Information on Compliance Certificate and workings

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

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

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

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

Dated: July 23, 2024

Dear sirs/madam

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

We refer to the Common Terms Deed. This is a Compliance Certificate given in respect of the Calculation Date occurring as on March 31, 2024. Terms used in the Common Terms Deed shall have the same meaning in this Compliance Certificate.

The Certificate is based on the following documents:

1. Audited Financial Statement of Obligor Group for the year ended as on March 31, 2024.
2. The Cash Flow Waterfall Mechanism as detailed in the Project Accounts Deed.
3. Management Information System (MIS) (for reconciliation of Ind AS and Legal definition) is provided in Annexure 7 to the Certificate.

8. **Computation of Operating Account Waterfall as per Project Account Deed for the Calculation Period ended as on March 31, 2024 (From April 1, 2023 to March 31, 2024)**

Amount (INR Million)

Sr. No.	Particulars	Mar-24	Mar-23	Source*
	Revenue from Operations	97,479.50	83,609.57	Profit & Loss Account
	Other Income	3,568.71	3,310.99	
	Net Movement in Regulatory Deferral Balance	(4,040.00)	10,355.77	
I	**Net Operating Income**	**97,008.21**	**97,276.33**	
	Operating Expenses			
	Cost of Power Purchased	(39,928.00)	(36,586.94)	
	Cost of Fuel	(11,190.90)	(13,841.81)	
	Transmission Charges	(4,935.60)	(4,823.09)	
	Purchases of traded goods	-	(35.87)	
	Employee Benefit Expense	(8,282.10)	(8,780.02)	
	Other Expenses	(9,143.28)	(9,377.78)	
II	**Total Operating Expenses**	**(73,479.88)**	**(73,445.51)**	
III	**Combined EBIDTA (I-II)**	**23,528.33**	**23,830.82**	
IV	Tax Paid	(865.78)	(372.22)	Statement of Cash Flow
V	Interest on Working Capital (RCF)	(389.33)	(714.33)	Working Note 4
VI	**Opening Cash Balance**	**14,587.30**	**16,699.29**	Working Note 1
	Distribution to Shareholders			
a	Interest and Hedge Cost Paid on Shareholders Affiliated Loans	(2,067.75)	(1,419.54)	Working Note 1
b	Dividend Payment to Equity shareholders	(3,417.70)	-	
VII	**Total Distribution to Shareholders (a+b)**	**(5,485.45)**	**(1,419.54)**	
IX	**Cash Flow Available for Debt Service (III-IV-V+VI-VII+VIII)**	**31,375.07**	**38,024.02**	
X	Debt Service - Interest on Senior Creditors	**(8,062.21)**	7,985.19	Working Note 4
	Reserve Funding & Transaction Cost			
	Capital Expenditure Reserve Account	(801.14)	-	MIS
	Investment in Contingency Reserve	(93.68)	(285.76)	MIS
XI	**Total Reserve Funding & Transaction Cost**	**(894.82)**	**(285.76)**	
XII	**Cash Available post Debt Service and Various Reserve funding of Senior Creditors and Transaction cost (IX-X-XI)**	**22,418.04**	**29,753.07**	
	Operating Inflow and Outflow			
	Working Capital Changes (net)	3,892.07	(8,673.11)	Statement of Cash Flow
	Working Capital Loan (net)	5,500.00	5,000.00	
	Payments towards Capital Expenditure (net)	(13,175.22)	(11,076.08)	Working Note 9
	Bond Buyback of USD 120 mn	(8,549.50)	-	Statement of Cash Flow
	Release on account of Interest received	373.32	-	
	Investment in Subsidiary	(135.00)	(2.80)	
	Other Finance Charges & Lease Obligation	(1,709.01)	410.47	MIS
	Loans (net)	(276.66)	-	
	Receipt on Hedge Rollover	-	(661.69)	MIS
	Senior Debt Restricted Reserve Account	-	665.00	MIS
XIII	**Total**	**(14,080.00)**	**(15,165.87)**	
XIV	**Total Cash Balance**	**8,338.04**	**14,587.30**	**Working Note 7**

Sr. No.	Particulars	Mar-24	Mar-23	Source*
	Funds earmarked			
A	Contingency Reserve Investment	(69.66)	(73.63)	MIS
B	Estimated Equity (internal accrual) for capital expenditure	-	(21,14)	MIS
XV	**Total Funds earmarked**	**(69.66)**	**(94.77)**	
XVI	**Net Cash Available for Operating Expenses (XIV-XV)**	**8,268.38**	**14,492.53**	
XVII	Funds for Operating Expenses expected equivalent to 1-month period less advance given	(3,373.32)	(6,120.46)	
XVIII	**Net Cash Available for transfer to Distribution Account (XVII-XVIII)**	**4,895.06**	**8,372.07**	

* For working Notes Refer Annexure 7

We confirm that:

(a) in accordance with the workings set out in the attached Annexure 1, the Debt Service Cover Ratio for the Calculation Period ended on the relevant Calculation Date was 3.92x:1x.

(b) as at the Calculation Date, the aggregate amount for transfer to our Distributions Account in accordance with the Operating Account Waterfall is Rs. 4,895.06 million

(c) acting prudently, the cash balance which can be distributed as permitted under the relevant Transaction Documents is Rs 4,895.06 million.

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

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

12 months ended on	DSCR	PLCR	Net Debt to RAB	FFO to Net Debt
March 31, 2024	**3.92x**	**3.06x**	**0.78x**	**30.81%**
September 30, 2023	4.32x	2.67x	0.96x	9.35%
March 31, 2023	4.76x	3.29x	0.86x	13.37%
September 30, 2022	4.80x	3.24x	0.86x	9.91%
March 31, 2022	5.53x	3.37x	0.89x	4.76%*
September 30, 2021	6.04x	3.33x	0.85x	9.74%
March 31, 2021	6.01x	3.41x	0.81x	16.03%*
September 30, 2020	3.84x	3.79x	0.85x	18.43%
March 31, 2020	2.35x	3.57x	0.82x	30.07%

DSCR - Debt Service Coverage Ratio, PLCR - Project Life Coverage Ratio, RAB - Regulatory Asset Base, FFO - Fund from Operations

x – times

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

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

Yours faithfully

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

Encl.:

1. Legal form of compliance Certificate **Appendix 1**
2. Covenant calculations (Annexure 1 to 3)
3. Fund from Operations / Net Debt (Annexure 4)
4. Refinancing Plan (Annexure 5)
5. Investment Details (Annexure 6)
6. Legal form of Directors Certificate **Appendix 2**
7. Other Security Certificate
8. Working Notes (Annexure 7)
9. Obligor Group Audited Aggregated Accounts for 12 months ended on March 31, 2024

9. Appendix 1 - Form of Compliance Certificate

To:	SBICAP Trustee Company Limited (the "Security Trustee")
Copy to:	Madison Pacific Trust Limited (the "Note Trustee")
Copy to:	Note Holders for U.S. $ 1,000,000,000 Senior Secured Notes Due 2030 and U.S. $ 300,000,000 Sustainability Linked Senior Secured Notes due 2031
From:	Adani Electricity Mumbai Limited ("AEML") (as borrower)
	Power Distribution Services Limited ("PDSL") (as Obligor)
Dated:	July 23, 2024

Dear Sirs

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

We refer to the Common Terms Deed. This is a Compliance Certificate given in respect of the Calculation Date occurring as on March 31, 2024 (the "**Calculation Date**"). Unless otherwise defined herein, terms used in the Common Terms Deed and Facility Agreement shall have the same meanings in this Compliance Certificate.

We confirm that:

1. as at the Calculation Date, the aggregate amount for transfer to the AEML Distributions Account in accordance with the Project Accounts Deed is INR. 4,895.06 million.

2. in accordance with the workings set out in the attached Annexure 1, the Debt Service Cover Ratio for the Calculation Period ended on the Calculation Date was 3.92x:1.0x;

3. in accordance with the workings set out in the attached Annexure 2, the Project Life Cover Ratio for the Calculation Period ended on the relevant Calculation Date was 3.06x:1.0x;

4. in accordance with the workings set out in the attached Annexure 3, the ratio of Net Debt to RAB for the Calculation Period ended on the relevant Calculation Date was 0.78x:1.0x;

5. in accordance with the workings set out in the attached Annexure 4, the ratio of Funds From Operations to Net Debt for the Calculation Period ended on the relevant Calculation Date was 30.81%;

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

Sr. No.	Account Name	Amount (INR million)
	Cash and Cash Equivalents	
	AEML PAD Accounts (various)*	13,903.59
	AEML Non-PAD Account*	3,425.25
	Cash on Hand	140.78
	Cheques / Drafts on Hand	13.75
I	**Total Obligor Group Cash Balance (I+II)**	**17,483.37**
	Restricted Cash & Cash Equivalents	
	Debt Service Reserve Account	
	Senior Secured Notes (USD 1 billion)*	1,412.64
	Sustainability Linked Notes (USD 300 million)*	450.78
	Shareholders Affiliated Debts*	741.39
	Total Debt Service Reserve Account	**2,604.81**
	Capital Expenditure Reserve Account*	5.874.87
	Senior Debt Redemption Reserve (USD 300 million)*	665.65
IV	**Total Restricted Cash & Cash Equivalents**	**9,145.33**
	Cash Balance (III-IV)	**8,338.04**

* Includes accrued interest on Investment

6. the amount of capital expenditure forecast to be undertaken by the Company in the six-month period commencing on the Calculation Date was INR 5,780.00 million

7. as at the Calculation Date, the Obligors' EBITDA (on an aggregate basis) for the Calculation Period ended on the Calculation Date was INR 23,528.33 million.

8. No refinancing plan during the six-month period commencing from March 31, 2024, Calculation Date.

9. each of the Obligors is acting prudently and has completed the required maintenance.

10. the total taxes, operations and maintenance expenses, power purchase costs, fuel costs and other operating expenses of the Obligor Group for the Calculation Period ending on the above Calculation Date was INR 73,479.88 million

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

[In accordance with paragraph 1 (c) (*Compliance Certificate*) of Schedule 3 (*Undertakings*), the Company hereby encloses at Annexure 5 a refinancing plan for the six-month period commencing on March 31, 2024, the Calculation Date.][2]

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

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

Yours faithfully

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

10. Annexure I - Debt Service Coverage Ratio (DSCR) as on March 31, 2024

Amount (INR million)

Sr. No.	Particulars	March 2024	March 2023	Source*
	"**Debt Service Cover Ratio**" means, in relation to a Calculation Period ending on the relevant Calculation Date, the ratio of	**3.92**	**4.76**	
A	"Cashflow Available for Debt Service" means, for the Obligor Group in relation to a Calculation Period, Combined EBITDA less amounts paid during such period in cash in respect of Tax less interest on RCF for the relevant period incurred by the Obligor Group (if any) plus any Opening Cash Balance.	**31,375.07**	**38,024.02**	
I	**Combined EBIDTA**	**23,528.33**	**23,830.82**	
II	Tax Paid	(865.78)	(372.22)	Statement of Cash Flow
III	Interest on Working Capital (RCF)	(388.33)	(714.33)	Working Note 2
IV	Opening Cash Balance	9,101.85	15,279.75	Working Note 1
V	**Cash Flow Available for Debt Service (I-II-III+IV)**	**31,375.07**	**38,024.02**	
B	***Total Debt Service B (VI+VII)***	**8,008.25**	**7,985.19**	
VI	the sum of scheduled principal repayment (to the extent not refinanced and without considering any RCF) adjusting, if applicable, any opening cash carried forward from the previous Calculation Period in the relevant Senior Debt Redemption Account and the AEML Surplus Holdings Account,	Nil	Nil	
a	Scheduled Principal Repayment (to the extent not refinanced and without considering any RCF)	Nil	Nil	
b	Less : opening cash carried forward from the previous Calculation Period in the relevant Senior Debt Redemption Account	Nil	Nil	
c	Less : opening cash carried forward from the previous Calculation Period in the relevant AEML Surplus Holdings Account	Nil	Nil	
	Schedule Principal Repayments (a-b-c)	**-**	-	
VII	interest payments to Senior Creditors and payments of any Costs (of recurring nature) to Senior Creditors in relation to Senior Debt due or accrued during that period and any Initial Termination Payment and where such Senior Debt is denominated in a currency other than INR the relevant amounts shall be calculated at the rate at which such Senior Debt is hedged under any Hedging Agreement.	**8,008.25**	**7,985.19**	Working Note 3
C	***Debt Service Coverage Ratio (A/B)***	**3.92**	**4.76**	

*For working Notes Refer Annexure 7

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

Amount (INR million)

Sr. No.	Particulars	As on April 1, 2024	As on April 1, 2023	Source*
	"Project Life Cover Ratio" means, as of any given date of calculation:			
I	Net Present Value (discounted using the Discount Rate) of the Combined EBITDA forecast for the period from the calculation date until the end of the period covered by the MERC	204,024.13	250,155.96	MIS
II	Residual value of the Regulated Business as at such end date	102,342.08	114,033.99	MIS
III	Net present value (discounted using the Discount Rate) of the equity component of all Regulatory Capital Expenditure forecast for the period from the calculation date until the end of the period covered by the MERC Licenses;	(46,784.86)	(53,210.61)	MIS
A	**Total A (I+II-III)**	**259,581.35**	**310,979.34**	
IV	Senior Debt (excluding RCF),	87,484.18	97,258.09	Working Note 8
V	the amounts in the Senior Debt Service Reserve Account, Senior Debt Redemption Account and Senior Debt Restricted Amortisation Account outstanding as at such date.	(2,529.07)	(2,870.82)	Working Note 7
B	**Total B (IV-V)**	**84,955.11**	**94,387.27**	
C	**Project Life Cover Ratio (A / B)**	**3.06**	**3.29**	

* For working Notes Refer Annexure 7

12. Annexure III – Net Debt to RAB as on March 31, 2024

Amount (INR million)

Sr. No.	Particulars	March 2024	March 2023	Source*
	"Net Debt" means the total indebtedness of the Obligors (excluding any working capital debt) less any amounts held in the Senior Debt Restricted Amortisation Account, the Senior Debt Service Reserve Account, the Senior Debt Restricted Reserve Account, the Senior Debt Redemption Account and any cash balances.	**76,617.07**	**79,134.32**	
I	**Total Indebtness (Senior Debt and RCF Facility)**	**97,984.18**	**101,592.44**	Working Note 6
II	Working Capital Loans (RCF)	(10,500.00)	(5,000.00)	
III	Long Term Rupee Term Loans (RCF)	-	-	
IV	Senior Debt Service Reserve Account	(1,863.42)	(2,205.17)	Working Note 7
V	Senior Debt Restricted Reserve Account	-	-	
VI	Senior Debt Redemption Account	(665.65)	(665.65)	
VII	Cash Balances	(8,338.04)	(14,587.30)	
VIII	Unutilised Loan Balance	-	-	
A	**Net Debt (I-II-III-IV-V-VI-VII)**	**76,617.07**	**79,134.32**	

	Regulatory Asset Base (RAB)			
	"**RAB**" means, as of any given date of calculation, an amount equal to the sum of			
I	the regulated asset base of the Borrower as set forth in the then-prevailing tariff order	84,411.17	79,782.94	MIS
II	all spent Regulatory Capital Expenditure pending capitalisation	13,691.90	12,088.62	Working Note 11
B	**Total Regulatory Asset Base (RAB) (I+II)**	**98,103.07**	**91,871.56**	
	Net Debt to RAB (A/B)	**0.78**	**0.86**	

* For working Notes Refer Annexure 7

13. Annexure IV - Fund From Operation to Net Debt as on March 31, 2024

Amount (INR million)

Sr. No.	Particulars	March 2024	March 2023	Source*
	"**Funds From Operations**" means EBITDA minus cash taxes paid and adjusted for any positive or negative adjustments in working capital minus cash net interest.	**23,603.08**	**10,582.03**	
	Combined EBIDTA	**23,528.33**	**23,830.82**	
I	Tax Paid	(865.78)	372.22	Statement of Cash Flow
a	Working Capital changes	3,892.07	(8,673.11)	
b	Working Capital loan changes	5,500.00	5,000.00	
II	**adjustment in Working Capital (a+b)**	**9,392.07**	**(3,673.11)**	
III	Cash Net Interest	(8,451.54)	(9,203.46)	Working Note 4
A	**Fund from Operations (I+II-III)**	**23,603.08**	**10,582.03**	
	"Net Debt" means the total indebtedness of the Obligors (excluding any working capital debt) less any amounts held in the Senior Debt Restricted Amortisation Account, the Senior Debt Service Reserve Account, the Senior Debt Restricted Reserve Account, the Senior Debt Redemption Account and any cash balances.	**76,617.07**	**79,134.32**	
I	**Total Indebtness (Senior Debt and RCF Facility)**	**97,984.18**	**101,592.44**	Working Note 6
II	Working Capital Loans (RCF)	(10,500.00)	(5,000.00)	
III	Long Term Rupee Term Loans (RCF)	-	-	
IV	Senior Debt Service Reserve Account	(1,863.42)	(2,205.17)	Working Note 7
V	Senior Debt Restricted Reserve Account	-	-	
VI	Senior Debt Redemption Account	(665.65)	(665.65)	
VII	Cash Balances	(8,338.04)	(14,587.30)	Working Note 7
VIII	Unutilised Loan Balance	-	-	
B	**Net Debt (I-II-III-IV-V-VI-VII)**	**76,617.07**	**79,134.32**	
	Fund From Operation to Net Debt (A/B)	**30.81%**	**13.37%**	

* For working Notes Refer Annexure 7

** Balance in this account is to maintain minimum balance

14. Annexure – V Refinancing Plan as on March 31, 2024

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

15. Annexure VI– Details of all investments as per PAD as on March 31, 2024

Amount (INR million)

Sr. No.	Name of Project Account	Balance (a)	Investment* (b)	March 2024 (a+b)	March 2023
	AEML PAD Accounts				
	AEML Cash Collections Account	0.46	Nil	**0.46**	**0.16**
	AEML Cheque Collections Account	153.82	Nil	**153.82**	**131.47**
	AEML Non Energy Payment Collections Account	2.80	-	**2.80**	**7,453.57**
	AEML Utilisation Account*	6.11	4,581.33	**4,587.44**	**2,621.09**
	AEML Taxes Account	0.64	Nil	**0.64**	**0.42**
	AEML O&M Expenses Account	12.79	Nil	**12.79**	**6.22**
	AEML Senior Debt Restricted Amortisation Account	0.02	Nil	**0.02**	**0.02**
	AEML Senior Debt Service Reserve Account*	0.09	1,863.42	**1,863.51**	**2,205.41**
	AEML Senior Debt Redemption Account	0.07	Nil	**0.07**	**0.07**
	AEML Senior Debt Redemption Reserve Account	0.02	665.65	**665.67**	**665.67**
	AEML Capital Expenditure Reserve Account*	0.02	5,874.87	**5,874.89**	**4,978.88**
	AEML Subordinated Debt Payment Account	0.02	Nil	**0.02**	**0.02**
	AEML Subordinated Debt Reserve Account	0.02	741.39	**741.41**	**797.93**
	AEML Surplus Holdings Account	0.02	Nil	**0.02**	**0.02**
	AEML Distributions Account	0.01	Nil	**0.01**	**0.01**
	AEML Enforcement Proceeds Account	0.02	Nil	**0.02**	**0.02**
A	**AEML PAD Accounts**	**176.93**	**13,726.66**	**13,903.59**	**18,860.98**
B	AEML Non PAD Account*	631.99	2,793.26	3,425.25	4,229.21
C	**Total Fund Balance (A+B)**	**808.92**	**16,519.92**	**17,328.84**	**23,090.19**
E	Cash on Hand	140.78	-	**140.78**	**4.28**
F	Cheques / Drafts On Hand	13.75	-	**13.75**	**140.42**
I	**Total Obligor Group Cash Balance (I+II)**	**963.45**	**16,519.92**	**17,483.37**	**23,234.89**

* Includes accrued interest on Investment

16. Appendix 2 - Form Certificate of Directors

July 23, 2024

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

Dear Ladies and Gentlemen

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

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

a. As of July 17, 2024, no Event of Default or Potential Event of Default had occurred since December 26, 2023 (the last compliance certificate issue date).

b. from and including July 17, 2024 to and including July 23, 2024 each Issuer has complied in all respects with its obligations under the Note Trust Deed and Trust Deed.

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

Yours faithfully

For Adani Electricity Mumbai Limited	For Power Distribution Services Limited
KPatel	Rupera
Name: Kandarp Patel	Name: Mehul Rupera
Designation: Managing Director & CEO	Designation: Director

July 23, 2024

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

Dear Ladies and Gentlemen

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

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

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

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

2. Stipulated Security Creation Timelines

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

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

3. Ranking of Security

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

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

Yours faithfully

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

July 23, 2024

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

Dear Ladies and Gentlemen

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

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

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

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

2. Stipulated Security Creation Timelines

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

(iii) Security detailed under (a) and (f) is created and perfected for USD 300 million Notes by the relevant security providers (as applicable) within 90 (ninety days) from the date by which the Borrower has procured relevant regulatory approvals and completed formalities for release of charge of existing lenders (who are being refinanced through the proceeds of the bonds) ("**Second Security Longstop Date**").

3. Ranking of Security

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

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

Yours faithfully

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

17. Annexure VII - Working Notes

Working Note 1 : Opening Cash Balance (as on April 1, 2023) **Amount (Rs million)**

Sr. No.	Particulars	Amount	Financial Statement Note No.
a	Cash & Cash Equivalents	910.32	Note 13
	Investment (including income accrued)		
	Bank Balance Other than Cash and Cash Equivalents - At Amortised Cost	6,224.53	Note 14
	Fixed Deposit with Banks	6,087.38	Note 8
	Market Investment - classified under Loans	7,429.02	Note 6b
	Contingency Reserve Investments	2,583.64	Note 6a & 6b
b	**Total Investments (including income accrued)**	**22,324.57**	
I	**Total Opening Cash Balance (a+b)**	**23,234.89**	
	Restricted Cash & Cash Equivalents		
	Less : Debt Service Reserve Account		
	Senior Secured Notes - (USD 1,000 million)	1,732.64	MIS
	Sustainability Linked Notes (USD 300 million)	472.53	
	Shareholders Affiliated Debts	797.91	
c	**Total Debt Service Reserve Account**	**3,003.08**	
d	Capital Expenditure Reserve Account	4,978.86	
e	Senior Debt Redemption Reserve - USD 300mn	665.65	
II	**Total Restricted Cash Balance**	**8,647.59**	
	Total Opening Cash Balance	**14,587.30**	
	Interest and Hedge cost paid on Shareholders Affiliated Loans during trailing twelve months	(2,067.75)	MIS
	Dividend Payment to equity shareholders	(3,417.70)	Statement of Cash Flow
	Total Opening Cash Balance post distribution to shareholders	**9,101.85**	

Working Note 2 : Finance Cost Breakup **Amount (Rs million)**

Sr. No.	Particulars	Amount	Financial Statement Note No.
	Senior Secured Note (USD 1 billion)		
	Interest	3,146.13	MIS
	Withholding Tax on Interest	181.26	
	Fees Amortised	85.33	
A	**Total Interest Senior Secured Note**	**3,412.72**	Note 27
	Shareholders Affiliated Debts		MIS
	Interest	1,492.04	
	Fees Amortised	35.32	
B	**Total Interest - Shareholders Affiliated Debts**	**1,527.36**	Note 27
	Sustainability Linked Notes (USD 300 mn)		
	Interest	960.74	MIS
	Withholding Tax on Interest	55.37	
	Fees Amortised	29.92	
C	**Total Interest Sustainability Linked Notes**	**1,046.03**	Note 27
I	**Total Interest Foreign Currency Loans (A to C)**	**5,986.11**	

II	**Interest on Working Capital**		
	Interest on Working Capital	388.41	MIS
	Fees Payment	1.18	
	Total Interest on Working Capital	**389.59**	
	Hedge Cost on Foreign Currency Loans		
	Senior Secured Note	2,735.88	MIS
	Shareholders Affiliated Debts	640.03	
	Sustainability Linked Notes (USD 300 mn)	928.87	
III	**Total Hedge Cost on Foreign Currency Loans**	**4,304.78**	Note 27
IV	Interest on Consumer Security Deposits	327.70	Note 27
V	Interest on lease obligation (Ind AS)	30.72	
VI	Interest - Others	1.81	
VII	Other Finance Charges	9.42	
VIII	Interest Cost Capitalised	(309.63)	
	Total (I to VIII)	**10,740.50**	

Working Note 3 : Finance Cost as per Definition in DSCR **Amount (Rs million)**

	Particulars	Amount	Source
	Finance Cost as per Definition in DSCR		Refer Working Note No. 2
	Interest on (including withholding tax)		
	Senior Secured Notes (USD 1 billion)	3,327.39	
	Sustainability Linked Notes (USD 300 million)	1,016.11	
	Hedge Cost on		
	Senior Secured Notes (USD 1 billion)	2,735.88	
	Sustainability Linked Notes (USD 300 million)	928.87	
	Interest to Senior Creditors	**8,008.25**	

Working Note 4: Finance Cost Outflow Breakup (Net) **Amount (Rs million)**

Sr. No.	Particulars	Amount	Source
	Interest and Hedge Cost on (including withholding tax)		MIS
	Senior Secured Notes	6,136.19	
	Sustainability Linked Notes (USD 300 million)	1,926.02	
		8,062.21	
	Interest on Working Capital	389.33	
	Cash Interest for FFO	**8,451.54**	
	Interest and Hedge Cost on Shareholders Affiliated Debt	2,067.75	
	Other Finance Cost		
	Realised forex loss on buy back of Bond	1,224,49	
	Interest on Consumer Security Deposit	327.70	
	Other Finance Cost	10.11	
		1,562.30	
	Finance Cost Outflow	**12,081.59**	

Working Note 5: Lease Obligation Payments **Amount (Rs million)**

Sr. No.	Particulars	Amount	Source
	Lease Obligation Payments		
	Principal portion of lease liabilities	115.99	Cashflow Statement
	Interest on lease liabilities	30.72	
	Total Lease Obligation Payments	**146.71**	

Working Note 6: Total Indebtedness **Amount (Rs million)**

Sr. No.	Particulars	Amount	Financial Statement Note No
	External Commercial Borrowings - at Hedging Rate		
	Senior Secured Notes (USD 880 million)	64,503.18	MIS
	Sustainability Linked Notes (USD 300 million)	22,981.00	MIS
a	**Total External Commercial Borrowings**	**87,484.18**	
	Working Capital Loans (RCF)		
b	Secured Working capital short term loan	10,500.00	Note 23
	Total Indebtedness (a+b)	**97,984.18**	

Working Note 7: Closing Cash Balance **Amount (Rs million)**

Sr. No.	Particulars	Amount	Financial Statement Note No
a	Cash & Cash Equivalents	2,864.08	Note 13
	Investments (including income accrued)		
	Bank Balance Other than Cash and Cash Equivalents - At Amortised Cost	6,282.20	Note 14
	Fixed Deposit with Banks	5,656.39	Note 8
	Contingency Reserve Investment	2,680.70	Note 6a & 6b
b	**Total Investments (including income accrued)**	**14,619.29**	
I	**Total Cash & Cash Equivalents (a+b)**	**17,483.37**	
	Restricted Cash & Cash Equivalents		
	Debt Service Reserve Account		
	Senior Secured Notes - (USD 1 billion)	1,412.64	MIS
	Sustainability Linked Notes (USD 300 million)	450.78	
	Senior Debt Service Reserve Account	**1,863.42**	
	Sub Debt Service Reserve Account	741.39	
c	**Total Debt Service Reserve Account**	**2,604.81**	
d	Capital Expenditure Reserve Account	5.874.87	
e	Senior Debt Redemption Reserve USD 300 million	665.65	
II	**Total Restricted Cash Balance (c+d+e)**	**9,145.33**	
	Cash Balance (I-II)	**8,338.04**	

Working Note 8: Senior Debt Outstanding (at Hedging Rate) **Amount (Rs million)**

Sr. No.	Particulars	Amount	Source
	Senior Secured Notes (USD 880 million)	64,503.18	MIS
	Sustainability Linked Notes (USD 300 million)	22,981.00	
	Total Senior Debt	**87,484.18**	

Working Note 9: Cash utilised from internal accrual for Capital Expenditure during the trailing twelve months **Amount (Rs million)**

Sr. No.	Particulars	Amount	Source
	Cash Outflow towards Capital Expenditure	14,141.65	
	Proceeds from Sale of Property, Plant and Equipment	(531.77)	Cash flow Statement
	Consumer Contribution (Net)	(434.66)	
	Cash utilised from internal accrual to Fund Capital Expenditure	**13,175.22**	

Working Note 10: Estimated Equity (internal accrual) for capital expenditure from April to September 2024 **Amount (Rs million)**

Sr. No.	Particulars	Amount	Source
	Estimated Capital Expenditure - April 2024 to September 2024	5,780.00	MIS
	Capital Expenditure Reserve Account	(4,978.86)	Working Note No. 1
	Balance Estimated Equity (internal accrual) for capital expenditure reserve in cash waterfall	**801.14**	

Working Note 11: Regulatory Capital Expenditure pending capitalisation **Amount (Rs million)**

Sr. No.	Particulars	Amount	Financial Statement Note No
	Capital Work-In-Progress	8,268.20	Balance Sheet
	Leasehold Land - Under Development	4,946.20	MIS
	Capital Advance	477.50	Note 10
	Capital Expenditure pending capitalisation	**13,691.90**	

Working Note 12: Debt Service Reserve (DSRA) Calculation **Amount (Rs million)**

Sr. No.	Particulars	Required DSRA Amount	Actual DSRA Amount	Source
A	USD 1bn - Six month of Interest - @ 3.949% pa on INR 62,696.38 million) `	1,237.94	1,412.64	
B	USD 300 mn - Six month of Interest - @ 3.867% pa on INR 22,319.91 million)	431.55	450.78	
I	**Total Senior Debt DSRA**	**1,669.49**	**1,863.42**	Refer Working Note No. 7
II	**Shareholder Affiliated Debt**			
	Subordinate Debt - Six month of Interest - @ 6.365% pa on INR 20,095.39 million)	639.57	741.39	
	Total DSRA (I+II)	**2,309.06**	**2,604.81**	

Definitions and Abbreviations

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

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

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Independent Auditor's Report on the Special Purpose Combined Financial Statements for the year ended 31 March 2024

To The Board of Directors of Adani Electricity Mumbai Limited ('the Company')

Qualified Opinion

1. We have audited the accompanying Special Purpose Combined Financial Statements of **Adani Electricity Mumbai Limited** ('the Company') and Power Distribution Services Limited ('PDSL') (the Company and PDSL together referred to as 'the Obligor group'), which comprise the Special Purpose Combined Balance Sheet as at **31 March 2024**, the Special Purpose Combined Statement of Profit and Loss (including Other Comprehensive Income), the Special Purpose Combined Statement of Cash Flows and the Special Purpose Combined Statement of Changes in Net shareholder's Investment for the year then ended and notes to the Special Purpose Combined Financial Statements, including material accounting policy information and other explanatory information (hereinafter referred to as the 'Special Purpose Combined Financial Statements').

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 of PDSL, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying Special Purpose Combined Financial Statements have been prepared, in all material respects, in accordance with the basis of preparation set out in Note 2.2 to the Special Purpose Combined Financial Statements.

Basis for Qualified Opinion

3. As stated in Note 37 to the accompanying Special Purpose Combined 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. The management based on internal evaluation and an independent assessment from an external law firm has represented that Adani Energy Solutions Limited (formerly known as Adani Transmission Limited (ATL)) ("the Holding Company") and its subsidiaries are in compliance with the requirements of applicable laws and regulations and therefore these Special Purpose Combined 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 Special Purpose Combined Financial Statements in respect of the above matter.

   The audit report dated 24 July 2023 issued by the predecessor auditor on the Special Purpose Combined Financial Statements of the Obligor Group for the year ended 31 March 2023 was also qualified in respect of this matter.

WALKER CHANDIOK & CO. LLP * CHARTERED ACCOUNTANTS *

4. We conducted our audit of the Special Purpose Combined Financial Statements in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 ('the Act'). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Special Purpose Combined Financial Statements section of our report. We are independent of the Obligor Group, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the Special Purpose Combined 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 13 of the Other Matter section below, is sufficient and appropriate to provide a basis for our qualified opinion on the Special Purpose Combined Financial Statements.

Emphasis of Matter - Basis of Preparation and Restriction on distribution and use

5. We draw attention to notes 2.1 and 2.2 to the accompanying Special Purpose Combined Financial Statements, which describes that the Obligor Group does not form a separate legal group of entities and further describes the basis of its preparation, including the approach to and the purpose for preparing these Special Purpose Combined Financial Statements. Consequently, the Obligor Group's Special Purpose Combined Financial Statements may not necessarily be indicative of the financial performances, financial position and cash flows of the Obligor Group that would have occurred if it had operated as a single group of entities during the periods presented. These Special Purpose Combined Financial Statements has been prepared by the management of Adani Electricity Mumbai Limited solely to submit it to the Singapore Exchange Securities Trading Limited (SGX-ST) as per the requirement of clause 1(a)(ii) of Schedule 3 of the Common Terms Deed dated 12 February 2020 and CTD Accession Memorandum dated 13 July 2021 entered by the Obligor Group, Madison Pacific Trust Limited and SBICAP Trustee Company Limited in respect of the US Dollar denominated bonds listed on SGX-ST and therefore, it may not be suitable for another purpose. This audit report is issued solely for the aforementioned purpose, and accordingly, should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. Further, we do not accept or assume any liability or any duty of care for any other purpose for which or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing. Our opinion is not modified in respect of the above matter.

Responsibilities of Management and Those Charged with Governance for the Special Purpose Combined Financial Statements

6. The accompanying Special Purpose Combined Financial Statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the preparation of these Special Purpose Combined Financial Statements in accordance with the basis of preparation stated in Note 2.2 to the Special Purpose Combined Financial Statements including determination that such basis of preparation is acceptable in the circumstances. The respective Board of Directors of the companies included in the Obligor Group are responsible for design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Special Purpose Combined Financial Statements, in all material respects, in accordance with the basis of preparation specified in aforementioned Note 2.2 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 Special Purpose Combined Financial Statements by the Board of Directors of the Company, as aforesaid.

7. In preparing the special purpose combined financial statements, the respective Board of Directors of the companies included in the Obligor Group are responsible for assessing the ability of the Obligor 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 intends to liquidate entities forming part of the Obligor Group or to cease operations, or has no realistic alternative but to do so.

8. Those respective Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Obligor Group.

WALKER CHANDIOK & Co LLP ★ CHARTERED ACCOUNTANTS ★

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

9. Our objectives are to obtain reasonable assurance about whether the Special Purpose Combined Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with 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 special purpose combined financial statements.

10. 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 Special Purpose Combined Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the entities forming part of Obligor Group has in place an adequate internal financial controls with reference to financial statements 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 entities forming part of the Obligor Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Special Purpose Combined Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entities forming part of Obligor Group to cease to continue as a going concern;

- Obtain sufficient appropriate audit evidence regarding the financial information/ financial statements of the entities or business activities within the Obligor Group to express an opinion on the Special Purpose Combined Financial Statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entity included in the Special Purpose Combined Financial Statements, of which we are the independent auditors. For the other entity included in the Special Purpose Combined Financial Statements, which have been audited by the other auditor, such other auditor remain responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion.

11. 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.

12. 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.

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

Other Matter

13. We did not audit the financial statements of PDSL, whose financial statements reflect total assets of ₹ 10.79 crore as at 31 March 2024, total revenues of ₹ 12.76 crore and net cash outflows amounting to ₹ 0.42 crore for the year ended on that date, as considered in the Special Purpose Combined Financial Statements. This financial statements have been audited by other auditor whose report has been furnished to us by the management and our opinion on the Special Purpose Combined Financial Statements, in so far as it relates to the amounts and disclosures included in respect of PDSL, is based solely on the report of the other auditor.

    Our opinion above on the Special Purpose Combined Financial Statements is not modified in respect of the above matter with respect to our reliance on the work done by and the report of the other auditor.

14. The Special Purpose Combined Financial Statements of the Obligor 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 Special Purpose Combined Financial Statements vide their audit report dated 24 July 2023.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No.: 001076N/N500013

Neeraj Goel

Neeraj Goel
Partner
Membership No.: 99514

UDIN: 24099514BKCMWZ8694

Place: Gurugram
Date: 12 July 2024

ADANI ELECTRICITY MUMBAI LIMITED
C.N No : U74999GJ2008PLC107256
Obligor group special purpose combined Balance Sheet
(Amount in ₹ millions, unless otherwise stated)

adani

Particulars	Notes	As at 31 March, 2024	As at 31 March, 2023
ASSETS			
Non-current assets			
Property, plant and equipment	5	1,42,311.00	1,38,741.28
Capital work-in-progress	5a	8,268.20	6,544.32
Right of use assets	5b	5,498.30	5,709.32
Intangible assets	5c	10,316.40	10,414.40
Financial assets			
(i) Investments	6a	2,470.30	2,336.29
(ii) Loans	7	537.80	259.24
(iii) Other financial assets	8	11,444.51	11,843.40
Income tax assets (net)	9	48.00	29.30
Other non-current assets	10	509.90	581.70
Total non-current assets		**1,81,404.41**	**1,76,459.25**
Current assets			
Inventories	11	1,788.70	927.46
Financial assets			
(i) Investments	6b	345.60	7,676.57
(ii) Trade receivables	12	4,691.58	4,522.69
(iii) Cash and cash equivalents	13	2,864.08	910.32
(iv) Bank balances other than (iii) above	14	6,282.20	6,224.53
(v) Loans	7	66.80	68.70
(vi) Other financial assets	8	6,562.98	6,230.61
Income tax assets (net)	9	3.06	7.88
Other current assets	10	1,310.20	1,388.41
Total current assets		**23,915.20**	**27,957.17**
Total Assets before regulatory deferral account		**2,05,319.61**	**2,04,416.42**
Regulatory deferral account - assets		15,713.60	19,617.26
Total assets		**2,21,033.21**	**2,24,033.68**
EQUITY AND LIABILITIES			
Equity			
Net Shareholder's investment	15	45,961.83	48,375.75
Total equity		**45,961.83**	**48,375.75**
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	16	1,20,982.00	1,28,886.24
(ii) Lease liabilities	17	74.32	144.70
(iii) Trade payables	18		
(A) total outstanding dues of micro enterprises and small enterprises; and		-	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		373.88	327.56
(iv) Other financial liabilities	19	628.05	37.14
Provisions	20	5,972.06	5,025.96
Deferred tax liabilities (net)	21	2,333.76	1,448.30
Other non current liabilities	22	2,928.65	2,656.36
Total non-current liabilities		**1,33,292.72**	**1,38,526.26**
Current liabilities			
Financial liabilities			
(i) Borrowings	23	10,500.00	5,000.00
(ii) Lease liabilities	17	117.12	162.73
(iii) Trade payables	18		
(A) total outstanding dues of micro enterprises and small enterprises; and		442.52	428.76
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		13,906.59	15,469.79
(iv) Other financial liabilities	19	11,597.10	12,087.22
Provisions	20	639.30	987.39
Other current liabilities	22	4,576.03	2,995.78
Total current liabilities		**41,778.66**	**37,131.67**
Total liabilities		**1,75,071.38**	**1,75,657.93**
Total equity and liabilities		**2,21,033.21**	**2,24,033.68**

The accompanying notes form an integral part of the special purpose combined financial statements.

As per our attached report of even date

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration Number : 001076N / N500013

Neeraj Goel
Partner
Membership No. 99514

WALKER CHANDIOK & CO LLP ★ CHARTERED ACCOUNTANTS ★

Place : Gurugram
Date : 12 July, 2024

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

Anil Sardana
Chairman
DIN: 00006867

Kandarp Patel
Managing Director & CEO
DIN.: 02947643

Kunjal Mehta
Chief Financial Officer

Jaladhi Shukla
Company Secretary

Adani Electricity Mumbai Ltd.

Place : Ahmedabad
Date : 12 July, 2024

ADANI ELECTRICITY MUMBAI LIMITED
CIN No : U74999GJ2008PLC107256
Obligor group special purpose combined Statement of Profit and Loss
(Amount in ₹ millions, unless otherwise stated)

adani

Particulars	Notes	For the year ended 31 March, 2024	For the year ended 31 March,2023
Income :			
Revenue from operations	24	97,479.50	83,609.57
Other income	25	3,568.71	3,310.99
Total income		**1,01,048.21**	**86,920.56**
Expenses :			
Cost of power purchased		39,928.00	36,586.94
Cost of fuel		11,190.90	13,841.81
Transmission charges		4,935.60	4,823.09
Purchases of traded goods		-	35.87
Employee benefits expense	26	8,282.10	8,780.02
Finance costs	27	10,740.50	14,342.57
Depreciation and amortisation expenses	5d	7,968.70	7,426.21
Other expenses	28	9,143.28	9,377.78
Total expenses		**92,189.08**	**95,214.29**
Profit/(loss) before movement in regulatory deferral account balance and tax		**8,859.13**	**(8,293.73)**
(Less) / add : net movement in regulatory deferral account balance		(4,040.00)	10,355.77
Profit before tax for the year		**4,819.13**	**2,062.04**
Tax expense:	29		
Current tax		851.93	278.50
Deferred tax		1,649.30	812.60
		2,501.23	**1,091.10**
Profit after tax for the year	**Total A**	**2,317.90**	**970.94**
Other comprehensive income / (loss)			
(a) Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit plans		(139.10)	479.42
Movement in regulatory deferral account balance		139.10	(479.42)
(b) Tax related to items that will not be reclassified to profit or loss		-	(83.76)
(c) Items that will be reclassified to profit or loss			
Effective portion of gains and losses on designated portion of hedging instruments in a cash flow hedge		(2,185.90)	(655.54)
(d) Tax related to items that will be reclassified to profit or loss		763.84	229.10
Other comprehensive loss	**Total B**	**(1,422.06)**	**(510.20)**
Total comprehensive income for the year, net of tax	**Total (A+B)**	**895.84**	**460.74**

The accompanying notes form an integral part of the special purpose combined financial statements.

As per our attached report of even date

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration Number : 001076N / N500013

Neeraj Goel
Partner
Membership No. 99514

WALKER CHANDIOK & Co LLP ★ CHARTERED ACCOUNTANTS ★

Place : Gurugram
Date : 12 July, 2024

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

Anil Sardana
Chairman
DIN: 00006867

Kandarp Patel
Managing Director & CEO
DIN.: 02947643

Kunjal Mehta
Chief Financial Officer

Jaladhi Shukla
Company Secretary

Place : Ahmedabad
Date : 12 July, 2024

★ Adani Electricity Mumbai Ltd.

ADANI ELECTRICITY MUMBAI LIMITED
CIN No : U74999GJ2008PLC107256
Obligor group special purpose combined Statement of Changes in Net Shareholder's Investment
(Amount in ₹ millions, unless otherwise stated)

adani

Particulars	As at 31 March, 2024	As at 31 March, 2023
Opening balance	48,375.75	46,986.31
Impact of restatement on opening other comprehensive income (refer note 36)	-	928.70
Profit for the year	2,317.90	970.94
Payment of dividend on equity shares	(3,417.70)	-
Other comprehensive (loss) for the year	(1,422.06)	(510.20)
Adjustment on account of capital reorganisation (refer note 34)	107.94	-
Closing balance	**45,961.83**	**48,375.75**

Closing balance of equity represents the aggregate amount of share capital and other equity of each of the entities within the Obligor Group, and does not necessarily represent legal share capital for the purpose of the Obligor Group.

* Other Comprehensive (loss) includes the adjustments for changes in actuarial valuation and cash flow hedge reserve.

The accompanying notes form an integral part of the special purpose combined financial statements.

As per our attached report of even date

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration Number : 001076N / N500013

Neeraj Goel
Partner
Membership No. 99514

WALKER CHANDIOK & Co. LLP ★ CHARTERED ACCOUNTANTS ★

Place : Gurugram
Date : 12 July, 2024

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

Anil Sardana
Chairman
DIN: 00006867

Kandarp Patel
Managing Director & CEO
DIN.: 02947643

Kunjal Mehta
Chief Financial Officer

Jaladhi Shukla
Company Secretary

Place : Ahmedabad
Date : 12 July, 2024

Adani Electricity Mumbai Ltd. ★

ADANI ELECTRICITY MUMBAI LIMITED
CIN No : U74999GJ2008PLC107256
Obligor group special purpose combined Statement of Cash flows
(Amount in ₹ millions, unless otherwise stated)

adani

	Particulars	For the year ended 31 March, 2024	For the year ended 31 March,2023
A.	**Cash flow from operating activities**		
	Profit before tax	4,819.13	2,062.04
	Adjustments for:		
	Interest income	(1,473.36)	(2,631.69)
	Delayed payment charges	(265.02)	(354.90)
	Gain on partial repurchase of senior secured note	(1,364.23)	-
	Unrealised foreign exchange fluctuation loss (net of hedge costs) on borrowings	-	3,522.32
	Amortisation of service line contribution	(138.97)	(118.61)
	Gain on sale and changes in fair value of current investments measured at FVTPL	(116.25)	(47.33)
	Finance costs	10,740.50	10,820.25
	Depreciation and amortisation expense	7,968.70	7,426.21
	Profit on sale of property, plant and equipment (net)	(37.73)	(27.78)
	Sundry creditors balances written back	(17.83)	(24.38)
	Bad debts written off	170.89	152.09
	Allowance for doubtful debts / advances / deposits	-	55.82
	Operating profit before working capital changes	**20,285.83**	**20,834.04**
	Changes in working capital:		
	Adjustments for (increase) / decrease in assets :		
	Trade receivables	(339.78)	183.74
	Inventories	(861.24)	1,117.45
	Financial assets - current / non current	(301.14)	(86.35)
	Other assets - current / non current	90.01	60.39
	Regulatory deferral account - assets	3,903.66	(8,398.04)
	Adjustment for increase / (decrease) in liabilities :		
	Trade payables - current / non current	(1,485.29)	1,046.14
	Financial liabilities - current / non current	730.99	391.42
	Provisions - current / non current	598.01	(347.42)
	Other liabilities - current / non current	1,556.85	46.26
	Regulatory deferral account - liabilities	-	(2,715.60)
	Cash generated from operations	**24,177.90**	**12,132.03**
	Tax paid (net)	(865.81)	(372.22)
	Net cash generated from operating activities (A)	**23,312.09**	**11,759.81**
B.	**Cash flow from investing activities**		
	Capital expenditure on property, plant & equipment and intangible assets (including capital advances and work in progress)	(14,141.65)	(11,546.95)
	Proceeds from sale of property, plant and equipment	531.77	132.70
	Sale / (purchase) of mutual funds / other investments (net)	7,448.01	(7,670.70)
	Investment in subsidiary	(135.00)	-
	Bank balances other than cash & cash equivalents	373.32	(903.75)
	Loans (given) / repaid	(276.66)	10,426.10
	Delayed payment charges received	265.02	354.90
	Interest income received	1,473.36	2,631.69
	Net cash used in investing activities (B)	**(4,461.83)**	**(6,576.01)**
C.	**Cash flow from financing activities**		
	Increase in service line contribution	434.66	338.17
	Gain on partial repurchase of senior secured note	1,364.23	-
	Repayment of long-term borrowings	(8,549.50)	-
	Proceeds from short-term borrowings (net)	5,500.00	5,000.00
	Payment of dividend on equity shares	(3,417.70)	-
	Principal portion of lease liabilities	(115.99)	(141.00)
	Interest of lease liabilities	(30.72)	(44.83)
	Interest & other borrowing cost	(12,081.48)	(10,185.95)
	Net cash used in financing activities (C)	**(16,896.50)**	**(5,033.61)**
	Net increase in cash and cash equivalents (A+B+C)	**1,953.76**	**150.19**
	Cash and cash equivalents as at 01 April (Opening Balance)	**910.32**	**760.13**
	Cash and cash equivalents as at 31 March (Closing Balance)	**2,864.08**	**910.32**

Cash and cash equivalents includes	As at 31 March, 2024	As at 31 March, 2023
Balances with banks		
- In current accounts	808.92	565.59
- In fixed deposits	1,900.63	200.03
Cheques / drafts on hand	140.78	140.42
Cash on hand	13.75	4.28
Total cash & cash equivalents	**2,864.08**	**910.32**

Note

1 The statement of cash flows has been prepared under the indirect method as set out in Ind AS 7 "Statement of Cash Flows"

2 Disclosure under Para 44A as set out in Ind AS 7 on Statement of Cash Flows under Companies (Indian Accounting Standards) Rules, 2017 (as amended) is given below:

Particulars	As at 01 April, 2023	Cash flows		Non-cash transaction	As at 31 March, 2024
		Proceeds / Expenses	Repayment		
Non-current borrowings	1,28,886.24	-	(8,549.50)	645.30	1,20,982.04
Current borrowings	5,000.00	5,500.00	-	-	10,500.00
Lease liabilities	307.43	30.72	(115.99)	(30.72)	191.44
Accrued interest on borrowings	1,232.48	12,032.32	(12,081.48)	-	1,183.32
Total	**1,35,426.15**	**17,563.04**	**(20,746.97)**	**614.58**	**1,32,856.80**

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Adani Electricity Mumbai Ltd. *

Particulars	As at 01 April, 2022	Cash flows		Non-cash transaction	As at 31 March, 2023
		Proceeds / Expenses	Repayment		
Non-current borrowings	1,18,646.50	-	-	10,239.74	1,28,886.24
Current borrowings	-	45,067.80	(40,067.80)	-	5,000.00
Lease liabilities	448.43	44.80	(141.00)	(44.80)	307.43
Accrued interest on borrowings	1,111.18	10,262.50	(10,141.20)	-	1,232.48
Total	**1,20,206.11**	**55,375.10**	**(50,350.00)**	**10,194.94**	**1,35,426.15**

Note : Non-cash transactions represents movement in revaluation of foreign currency borrowings and amortised cost of borrowings

The accompanying notes form an integral part of the special purpose combined financial statements.

As per our attached report of even date

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration Number : 001076N / N500013

Neeraj Goel
Partner
Membership No. 99514

Place : Gurugram
Date : 12 July, 2024

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

Anil Sardana
Chairman
DIN: 00006867

Kandarp Patel
Managing Director & CEO
DIN.: 02947643

Kunjal Mehta
Chief Financial Officer

Jaladhi Shukla
Company Secretary

Place : Ahmedabad
Date : 12 July, 2024

ADANI ELECTRICITY MUMBAI LIMITED
CIN No: U74999GJ2008PLC107256
Notes to Obligor group Special Purpose Combined Financial Statements

1 Corporate information

Adani Electricity Mumbai Limited ("AEML") ("The Company") is a public limited company incorporated and domiciled in India having its registered office at Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad 382421, Gujarat, India, and its principal office at Devidas Lane, Off SVP Road, Near Devidas Telephone Exchange, Borivali(W), Mumbai 400105, Maharashtra, India. It is subsidiary of Adani Energy Solutions Limited (AESL) formerly known as Adani Transmission Limited ("the Holding Company") and ultimate holding entity is S. B. Adani Family Trust (SBAFT).

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

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

Power Distribution Services Limited ("PDSL"), (formerly known as Adani Electricity Mumbai Services Limited) is incorporated on 6 December 2019 and domiciled in India having its registered office at Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad 382421, Gujarat, India. It is subsidiary of Adani Energy Solutions Limited (AESL) formerly known as Adani Transmission Limited ("the Holding Company") and ultimate holding entity is S. B. Adani Family Trust (SBAFT). It is incorporated with the object to provide multiple services including human resource management, administrative support, information technology support, finance and accounts, audit and assurance support, treasury management, tax advisory, security support and training, other corporate support, business plan advisory, advisory on the implementation of best practices in line with global utility players, and advisory on process improvement. The above services are only indicative, and the nature and quantum of services may vary.

The Company and PDSL are together referred to as "the Obligor Group" in these Special Purpose Combined Financial Statements. The purpose and basis of preparation of financial statements explained in Note 2.1 & Note 2.2.

These financial statements of the Obligor Group for the year ended 31 March 2024 were authorised for issue by the board of directors on 12 July, 2024.

2.1 Purpose of the special purpose combined financial statements

The Special purpose combined financial statements of Obligor Group comprise of the Special Purpose Combined Balance Sheet as at 31 March 2024, the Special Purpose Combined Statement of Profit and Loss (including Other Comprehensive Income), the Special Purpose Combined Statement of Cash Flows and the Special Purpose Combined Statement of Changes in Net shareholders' Investment for the year then ended and notes to the Special Purpose Combined Financial Statements, including material accounting policy information and other explanatory information (together hereinafter referred to as the 'Special Purpose Combined Financial Statements), which have been prepared solely to submit it to the Singapore Exchange Securities Trading Limited (SGX-ST) as per the requirement of clause 1 (a) (ii) of Schedule 3 of the Common Terms Deed (CTD) dated 12 February, 2020 and CTD Accession Memorandum dated 13 July 2021 entered into between the Company, PDSL, Madison Pacific Trust Limited and SBICAP Trustee Company Limited in respect of the US Dollar denominated bonds listed on Singapore Exchange Securities Trading Limited (SGX-ST) and therefore, it may not be suitable for another purpose.

The Special purpose combined financial statements presented herein reflects the Obligor Group's results of operations, assets and liabilities and cash flows as at and for the year ended 31 March 2024.

2.2 Basis of preparation and presentation

The financial statements of the Obligor Group have been prepared in accordance with recognition, measurement, presentation and disclosure principles specified in the Indian Accounting Standards (Ind AS) as notified under Section 133 of the Companies Act, 2013 ("the Act") (except Ind AS 33, Earnings per Share), read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time), other accounting principles generally accepted in India, presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable and the Guidance Note on Combined and Carve-out Financial Statements issued by the Institute of Chartered Accountants of India (ICAI).

As this special purpose combined financial statements have been prepared on a combined basis, it is not meaningful to show share capital or provide an analysis of reserves. Net Shareholder's Investment, therefore, represents the difference between the assets and liabilities pertaining to combined businesses. Share capital of Obligor Group is

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Adani Electricity Mumbai Ltd. *

held by the Holding Company (74.90%) and Qatar Holding LLC (25.10%). Certain disclosure like Earnings Per Share have not been presented in this special purpose combined financial statements, as Obligor Group did not meet the applicability criteria as specified under Indian Accounting Standard 33 - Earnings per Share.

Management of the Company has prepared these Special Purpose Combined Financial Statements to depict the historical cost of the Obligor Group except for the following assets and liabilities which have been measured at fair value:

• Certain financial assets and liabilities measured at fair value (refer material accounting policy information regarding financial instruments)

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

Accordingly, the following procedure is followed for the preparation of the special purpose combined financial statements:

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

The carrying amounts of the Company and PDSL as reflected in the Consolidated financial statements of the Adani Energy Solutions limited (Formerly known as Adani Transmission Limited), Holding Company are used for the purpose of preparing special purpose combined financial statements. This special purpose combined financial statements is Combined Financial statements and may not be necessarily indicative of the financial performance, financial position and cash flows of the Obligor Group that would have occurred if it had operated as separate stand-alone entities during the period presented or the Obligor Group's future performance. The Special Purpose Combined Financial statements include the operation of entities in the Obligor Group, as if they had been managed together for the period presented.

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

The inclusion of entities in the Obligor Group in these Special Purpose Combined Financial Statement are not an indication of exercise of control as defined in Ind AS 110 "Consolidated Financial Statement", by the Company over the entities forming part of Restricted Group.

The special purpose combined financial statements of the Obligator Group are presented in "Indian Rupees (₹)" which is also the Obligor Group's functional currency and all amounts disclosed in the special purpose combined financial statements and notes have been are rounded to the nearest two decimals in million, (transactions below ₹ 5,000 are denoted as ₹ 0.00) as per the requirement of Schedule III to the Act, unless otherwise stated.

The accounting policies followed in preparation of the Special Purpose Combined Financial Statements are consistent with those followed in the most recent annual financial statements of the entities forming part of the Obligator Group except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

For the purpose of these Special Purpose Combined Financial Statement, event occurring after the balance sheet date are updated only till adoption of financial statement of respective entities forming part of Obligor Group by its Board of Directors.

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Mumbai Ltd. * Adani Electricity

3 Material accounting policies

3.1 Current versus Non-Current Classification

Material details of Operating Cycle: Based on the time involved between acquisition of assets for processing and their realisation in cash and cash equivalents, the Obligor Group has identified twelve months as its operating cycle for determining current and non-current classification of assets and liabilities in the Special Purpose Combined balance sheet.

3.2 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.

In respect of property, plant and equipment ("assets") pertaining to Mumbai generation, transmission and distribution business acquired from Reliance Infrastructure Limited (RIL) under a Court sanctioned scheme of arrangement with an appointed date of 01 April, 2018, in line with the requirements of the Court Scheme, the Obligor Group has accounted for such Assets at their respective fair values as at 01 April, 2018 based on valuation done by a Government registered valuer. Subsequent additions to the assets on or after 01 April 2018 are accounted for at cost.

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.

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 Special Purpose Combined statement of profit and loss.

Depreciation

Depreciation commences when an asset is ready for its intended use. Depreciation is recognised based on the cost of assets (other than freehold land) less their residual values over their useful lives. Freehold land is not depreciated.

Regulated Assets: Subject to the below, depreciation on property, plant and equipment in respect of Mumbai generation, transmission and distribution business of the Obligor Group covered under Part B of Schedule II of the Companies Act, 2013, has been provided on the straight-line method at the rates using the methodology as notified by the regulator.

For certain types of assets in respect of which useful life is not specified in MERC Multi Year Tariff Regulations ("MYT regulations"), useful life as prescribed under Schedule-II of Companies Act, 2013 is considered.

In respect of assets (other than Dahanu Thermal Power Station-DTPS) which have been accounted at fair value, considering life as specified in MYT regulations, depreciation is provided on Straight Line Method (considering a salvage value of 5%) over their balance useful life. In respect of DTPS based on technical evaluation, the balance useful life has been determined as 15 years as on 01 April 2018.

Salvage value in respect of assets which have not been accounted at fair value has been considered at 10% except in respect of furniture & fixture, vehicles, office equipment and electrical installations which has been considered at 5% and computers & software at nil (Consequent to amendment in tariff regulations, the Obligor Group has changed the salvage value of computers from 5 % to nil w.e.f. 01 April 2020).

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

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Adani Electricity Mumbai Ltd.

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

Type of Asset	Useful lives
Building	30-60 Years
Plant and equipment (except meters & batteries) *	25-35 Years
Plant and equipment - meters*	10 Years
Plant and equipment - batteries*	10 Years
Distribution line / transmission cable	35 Years
Streetlight	25 Years
Furniture and fixtures	15 Years
Office equipment	5 Years
Computers, servers & related network	3 Years
Vehicles	15 Years

*Consequent to amendment in tariff regulations, w.e.f. 12 July 2022 the Obligor Group has changed the useful life (years) in respect of batteries (from 5 to 10), computers (from 6 to 6/3), furniture and fixtures (from 10 to 15), vehicles (from 8-10 to 15) and roads bridges (from 15 to 30).

3.3 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 acquired from Reliance Infrastructure Limited (RIL) under a Court sanctioned scheme of arrangement with an appointed date of 01 April 2018, in line with the requirements of the Court Scheme, the Obligor Group has accounted for such Assets at their respective fair values as at 01 April, 2018 based on valuation done by professional valuation firm.

Subsequent additions to the assets on or after 01 April 2018 are accounted for at cost.

Derecognition of Intangible assets.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognised in Obligor group special purpose combined statement of profit and loss when the asset is derecognised.

Useful life

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Obligor group special purpose statement of profit and loss under the head depreciation and amortisation expenses, 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 license	Indefinite
Computer software	3 years

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3.4 Impairment of PPE and intangible assets

PPE (including CWIP) and intangible assets with definite lives, are reviewed for impairment, whenever events or changes in circumstances indicate that their carrying values may not be recoverable. Intangible assets having indefinite useful lives are tested for impairment, at-least annually and whenever circumstances indicate that it may be impaired.

For the purpose of impairment testing, the recoverable amount (that is, higher of the fair value less costs to sell and the value-in-use) is determined on an individual asset basis, unless the asset does not generate cash flows that are largely independent of those from other assets, in which case the recoverable amount is determined at the cash generating unit ("CGU") level to which the said asset belongs. If such individual assets or CGU are considered to be impaired, the impairment to be recognised in the statement of profit and loss is measured by the amount by which the carrying value of the asset / CGU exceeds their estimated recoverable amount and allocated on pro-rata basis.

Impairment losses are reversed in the statement of profit and loss and the carrying value is increased to its revised recoverable amount provided that this amount does not exceed the carrying value that would have been determined had no impairment loss been recognised for the said asset / CGU in previous years.

3.5 Financial instruments

Financial assets (except for trade receivables which are measured at transaction cost) and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities measured at fair value through profit or loss are recognised immediately in the Special Purpose Combined 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 Obligor 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 profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset.

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ii) Impairment of financial assets

The Obligor Group assesses at each date of Special Purpose Combined balance sheet whether a financial asset. IndAS 109 requires expected credit losses to be measured through a loss allowance. The Obligor Group recognises lifetime expected losses for all contract assets and/or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

iii) Derecognition

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

- the right to receive cash flows from the asset have expired, or
- the Obligor Group has transferred its right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Obligor Group has transferred substantially all the risks and rewards of the asset, or (b) the Obligor Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Obligor Group has transferred its right to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Obligor Group continues to recognise the transferred asset to the extent of the Obligor Group's continuing involvement. In that case, the Obligor Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Obligor Group has retained.

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 Net Shareholders' Investments is recognised in the Special Purpose Combined statement of profit and loss if such gain or loss would have otherwise been recognised in the Special Purpose Combined 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 Obligor Group are classified as either financial liabilities or as Net Shareholders' Investment 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)

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All financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in the Special Purpose Combined 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 Special Purpose Combined 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 (loans to related parties), 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 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 Special Purpose Combined statement of profit and loss.

iii) Derecognition of Financial Liability

The Obligor Group derecognises financial liabilities when, and only when, the Obligor 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 Special Purpose Combined statement of profit and loss.

3.6 Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement:

The Obligor Group uses derivative financial instruments, such as forward currency contracts and interest rate swaps to hedge its foreign currency risks and interest rate 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 Special Purpose Combined statement of profit and loss, except for the effective portion of cash flow hedges, which is recognised in Other Comprehensive Income (OCI) and later reclassified to the Special Purpose Combined statement of profit and loss when the hedge item affects profit or loss. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as OCI are transferred to the initial carrying amount of the non-financial asset or liability.

At the inception of a hedge relationship, the Obligor Group formally designates and documents the hedge relationship to which the Obligor Group wishes to apply hedge accounting 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 Special Purpose Combined 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 Net Shareholders' Investment until the forecast transaction occurs or the foreign currency firm commitment is met.

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3.7 Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on weighted average basis. Cost of inventory includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Unserviceable / damaged stores and spares are identified and written down based on technical evaluation.

3.8 Foreign currencies

The functional currency of the Obligor Group is Indian Rupee ₹.

In preparing the financial statements of the Obligor 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 Special Purpose Combined 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.

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

3.10 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 Obligor Group expects to be entitled in exchange for those goods or services.

1. **Transmission of power**
Revenue from transmission of power is recognised net of cash discount over time for transmission of electricity. The Obligor Group as per the prevalent tariff regulations is required to recover its Annual Revenue Requirement ('ARR') comprising of expenditure on account of operations and maintenance expenses, financing costs, taxes and assured return on regulator approved equity with additional incentive for operational efficiencies.

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Input method is used to recognize revenue based on the Obligor Group's efforts or inputs to the satisfaction of a performance obligation to deliver power.

As per tariff regulations, the Obligor Group determines ARR and any surplus/shortfall in recovery of the same is accounted as revenue.

2. Sale of power - Distribution

Revenue from sale of power is recognised net of cash discount over time based on output method i.e. for each unit of electricity delivered at the pre-determined rate. Sales of power under Deviation settlement mechanism is recognised at variable cost.

3. Rendering of services

Revenue from a contract to provide services is recognized over time based on output method where direct measurements of value to the customer based on surveys of performance completed to date. Revenue is recognised net of cash discount at a point in time at the contracted rate.

4. Interest on Overdue Receivables / Delay Payment Charges

Consumers are billed on a monthly basis and are given average credit period of 15 to 30 days for payment. No delayed payment charges ('DPC') / interest on arrears ('IOA') is charged for the initial 15-30 days from the date of invoice to customers. Thereafter, DPC / IOA is charged at the rate prescribed in the tariff order on the outstanding amount.

Revenue in respect of delayed payment charges and interest on delayed payments leviable as per the relevant contracts are recognised on actual realisation or accrued based on an assessment of certainty of realization supported by either an acknowledgement from customers or on receipt of favourable order from regulator / authorities.

5. Sale of traded goods

Revenue from sale of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

• the Obligor 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 Obligor Group.

There is no significant judgement involved while evaluating the timing as to when customers obtain control of promised goods and services.

6. Amortisation of Service line contribution

Contributions by consumers towards items of property, plant and equipment, which require an obligation to provide electricity connectivity to the consumers, are recognised as a credit to deferred revenue. Such revenue is recognised over the useful life of the property, plant and equipment.

7. Interest income:

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Obligor Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

8. Rental income:

Rental income from guest house and others are recognised as revenue in the period in which they are earned.

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3.11 Regulatory deferral account

The Obligor 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 The Institute of Chartered Accountants of India (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 Obligor Group presents separate line items in the Special Purpose Combined 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 Special Purpose Combined statement of profit and loss for the net movement in regulatory deferral account. Regulatory assets/ liabilities on deferred tax expense/income are presented separately in the tax expense line item.

3.12 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/ Maharashtra Electricity Regulatory Commission (MERC) tariff regulations.

3.13 Employee benefits

(i) 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.

(ii) Defined benefit plans:

The Obligor Group has an obligation towards gratuity, a defined benefit retirement plan which is a combination of funded plan / unfunded plan.

Defined benefit costs in the nature of current and past service cost and net interest expense or income are recognized in the Special Purpose Combined statement of profit and loss in the period in which they occur. Actuarial gains and losses on remeasurement are reflected immediately in the Special Purpose Combined 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.

(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

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

3.14 Leases

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

The Obligor 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 Obligor Group by the end of the lease term or the cost of the right-of-use asset reflects that the Obligor 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 Obligor Group's incremental borrowing rate. Generally, the Obligor Group uses its incremental borrowing rate as the discount rate. Subsequently, the lease liability is measured at amortised cost using the effective interest method.

3.15 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 Net Shareholders' Investment 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 Net Shareholders' Investment). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in Net Shareholders' Investment. 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 available against which those deductible temporary differences can be utilised.

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ADANI ELECTRICITY MUMBAI LIMITED
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Notes to Obligor group Special Purpose Combined Financial Statements

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in Net Shareholders' Investment). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in Net Shareholders' Investment.

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 Net Shareholders' Investment 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.

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 31 March 2024 MCA has not notified any new standards or amendments to the existing standards applicable to the Obligor Group.

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ADANI ELECTRICITY MUMBAI LIMITED
Notes to Obligor group special purpose combined financial statements
Note 5 : Property, plant and equipment (PPE)
(Amount in ₹ millions, unless otherwise stated)

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Particulars	Freehold Land	Buildings - Residential	Buildings- Others	Plant and Equipment	Distribution Systems	Street Light	Railway Siding	Jetty	Furniture and Fixtures	Vehicles	Office Equipment	Computers	Electrical Installations	Total
Gross carrying amount														
As at 01 April, 2022	26,368.70	1,049.15	8,713.38	52,844.22	61,888.24	2,321.33	68.74	13.94	215.35	462.26	284.48	1,835.14	471.78	1,56,536.71
Additions	-	15.52	294.72	4,227.87	5,163.85	459.50	-	-	4.90	319.85	35.59	350.40	81.06	10,953.26
Disposals	-	-	0.06	220.59	-	26.80	-	-	-	22.27	0.17	32.60	4.05	306.54
Gross carrying amount as at 31 March, 2023	**26,368.70**	**1,064.67**	**9,008.04**	**56,851.50**	**67,052.09**	**2,754.03**	**68.74**	**13.94**	**220.25**	**759.84**	**319.90**	**2,152.94**	**548.79**	**1,67,183.43**
Accumulated depreciation														
As at 01 April, 2022	-	156.68	1,132.36	10,584.69	8,239.47	430.65	16.60	3.23	120.05	128.79	150.54	556.16	140.39	21,659.61
Depreciation charge for the year	-	50.04	311.04	3,159.05	2,770.53	130.45	4.09	0.85	11.55	32.97	37.25	432.49	43.85	6,984.16
Eliminated on disposal of assets	-	-	0.06	142.05	-	9.99	-	-	-	13.01	0.16	32.60	3.75	201.62
Accumulated depreciation as at 31 March, 2023	**-**	**206.72**	**1,443.34**	**13,601.69**	**11,010.00**	**551.11**	**20.69**	**4.08**	**131.60**	**148.75**	**187.63**	**956.05**	**180.49**	**28,442.15**
Net carrying amount as at 31 March, 2023	**26,368.70**	**857.95**	**7,564.70**	**43,249.81**	**56,042.09**	**2,202.92**	**48.05**	**9.86**	**88.65**	**611.09**	**132.27**	**1,196.89**	**368.30**	**1,38,741.28**
Gross carrying amount														
As at 01 April, 2023	26,368.70	1,064.67	9,008.04	56,851.50	67,052.09	2,754.03	68.74	13.94	220.25	759.84	319.90	2,152.94	548.79	1,67,183.43
Additions	-	-	333.10	3,518.82	6,769.30	360.60	-	-	2.00	19.30	13.40	367.30	33.50	11,417.32
Transferred on capital reorganisation (refer note 34)	-	-	19.10	103.20	310.50	0.10	-	-	-	-	-	-	3.40	436.30
Disposals	-	-	0.70	130.50	-	15.20	-	-	0.60	1.70	0.20	6.60	0.10	155.60
Gross carrying amount as at 31 March, 2024	**26,368.70**	**1,064.67**	**9,321.34**	**60,136.62**	**73,510.89**	**3,099.33**	**68.74**	**13.94**	**221.65**	**777.44**	**333.10**	**2,513.64**	**578.79**	**1,78,008.85**
Accumulated depreciation														
As at 01 April, 2023	-	206.72	1,443.34	13,601.69	11,010.00	551.11	20.69	4.08	131.60	148.75	187.63	956.05	180.49	28,442.15
Depreciation charge for the year	-	37.60	331.90	3,388.50	3,011.00	149.60	4.10	0.90	9.80	44.30	42.80	392.60	48.40	7,461.50
Transferred on capital reorganisation (refer note 34)	-	-	2.70	33.20	60.90	-	-	-	-	-	-	-	0.10	96.90
Eliminated on disposal of assets	-	-	0.70	93.40	-	6.50	-	-	0.60	0.80	0.20	6.60	0.10	108.90
Accumulated depreciation as at 31 March, 2024	**-**	**244.32**	**1,771.84**	**16,863.59**	**13,960.10**	**694.21**	**24.79**	**4.98**	**140.80**	**192.25**	**230.23**	**1,342.05**	**228.69**	**35,697.85**
Net carrying amount as at 31 March, 2024	**26,368.70**	**820.35**	**7,549.50**	**43,273.03**	**59,550.79**	**2,405.12**	**43.95**	**8.96**	**80.85**	**585.19**	**102.87**	**1,171.59**	**350.10**	**1,42,311.00**

Notes:
(i) Refer note 16 (iii) for security charges created on aforesaid assets
(ii) Refer note 32 (B) for capital commitments
(iii) Details of Immovable Properties for which title deeds are not in the name of Obligor Group are given below:

Relevant line Item in Balance sheet	Description of Property	Gross carrying amount	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the Obligor Group
Property, Plant and Equipment	Free hold land	22,401.54	BSES / Reliance Energy Limited / Reliance Infrastructure Limited	No	28 August, 2018	The title deeds in respect of land and certain residential properties are either in the erstwhile names of the Company viz: "Bombay Suburban Electric Supply Limited" (BSES) / "Reliance Energy Limited" / "Reliance Infrastructure Limited". The Company is in process of updating the same from erstwhile Company's name to the name of the Company.
Property, Plant and Equipment	Building	5,878.60	BSES / Reliance Energy Limited / Reliance Infrastructure Limited	No		
Right-of-Use Assets	Leasehold Land	78.75	BSES / Reliance Energy Limited/ Reliance Infrastructure Limited	No		
Right-of-Use Assets	Leasehold Land	5,100.00	Mumbai Metropolitan Region Development Authority	No	18 September, 2021	The Company received the possession letter dated 18 September, 2021 and will enter into formal lease agreement on completion of the construction of the substation as per the applicable regulatory requirements.

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Note 5a: Capital work-in-progress (CWIP)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Opening Balance	**6,544.32**	**3,154.80**
Expenditure incurred during the year	12,484.64	13,751.02
Less : Capitalised during the year	(10,760.76)	(10,361.50)
Closing Balance	**8,268.20**	**6,544.32**

Refer note 16 (iii) for security charges created on aforesaid assets

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

Particulars	Amount in CWIP for a period of				Total
	<1 year	1-2 years	2-3 years	> 3 years	
As at 31 March, 2024					
- Projects in progress	4,355.60	2,984.50	614.30	313.80	**8,268.20**
- Projects temporarily suspended	-	-	-	-	-
Total	**4,355.60**	**2,984.50**	**614.30**	**313.80**	**8,268.20**
As at 31 March, 2023					
- Projects in progress	5,218.62	852.50	135.10	321.10	**6,527.32**
- Projects temporarily suspended	9.70	6.70	-	0.60	**17.00**
Total	**5,228.32**	**859.20**	**135.10**	**321.70**	**6,544.32**

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

CWIP	To be completed in				Total
	<1 year	1-2 years	2-3 years	> 3 years	
As at 31 March, 2024					
- Projects in progress	-	-	-	-	-
- Projects temporarily suspended	-	-	-	-	-
Total	-	-	-	-	-
As at 31 March, 2023					
- Projects in progress					
11kV Network_New Supply_FY 2019-20	2.38	-	-	-	**2.38**
- Projects temporarily suspended					
Total	**2.38**	-	-	-	**2.38**

Cost Overruns upto (+-) 10 % are envisaged by the management's plan, and hence not considered in above table.

(c) capital-work-in progress, whose completion is overdue compared to its plan:

CWIP	To be completed in				Total
	<1 year	1-2 years	2-3 years	> 3 years	
As at 31 March, 2024					
- Projects in progress	-	-	-	-	-
- Projects temporarily suspended	-	-	-	-	-
Total	-	-	-	-	-
As at 31 March, 2023					
- Projects in progress					
Main Plant DPR Jobs	1.21	0.09	-	-	1.30
Other DPR Jobs	0.59	-	-	-	0.59
11kV Network Strengthening 2017-18_New Supply	16.34	-	-	-	16.34
33-22/11 kV Receiving Station Schemes (11-12)	13.76	-	-	-	13.76
11kV Network strengthening 2013-14	0.75	-	-	-	0.75
11kV Network_New Supply_FY 2019-20	2.38	-	-	-	2.38
Services New Supply (2019-20)	2.60	-	-	-	2.60
IT Network_Revamping_FY 2020-21	24.37	-	-	-	24.37
LT Mains_Improvement_FY 2020-21 & FY 2021-22	4.38	-	-	-	4.38
Receiving Station_R M Prabodhani_FY 2020-21	15.11	-	-	-	15.11
DPR - Security Automation Augmentation_FY 2021-22	2.10	-	-	-	2.10
- Projects temporarily suspended	-	-	-	-	-
Total	**83.59**	**0.09**	-	-	**83.68**

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

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Note 5b: Right of use assets

Particulars	Land	Building	Right of Way	Total
Gross carrying amount				
As at 01 April, 2022	5,240.73	1,020.92	401.54	6,663.19
Additions	2.30	-	13.20	15.50
Derecognition	-	-	-	-
Gross carrying amount as at 31 March, 2023	**5,243.03**	**1,020.92**	**414.74**	**6,678.69**
Accumulated depreciation / amortisation				
As at 01 April, 2022	43.05	625.86	66.36	735.27
Depreciation / amortisation charge for the year	64.20	138.12	31.78	234.10
Derecognition	-	-	-	-
Accumulated depreciation / amortisation as at 31 March, 2023	**107.25**	**763.98**	**98.14**	**969.37**
Net carrying amount as at 31 March, 2023	**5,135.78**	**256.94**	**316.60**	**5,709.32**
Gross carrying amount				
As at 01 April, 2023	5,243.03	1,020.92	414.74	6,678.69
Additions	-	-	-	-
Derecognition	-	-	-	-
Gross carrying amount as at 31 March, 2024	**5,243.03**	**1,020.92**	**414.74**	**6,678.69**
Accumulated depreciation / amortisation				
As at 01 April, 2023	107.25	763.98	98.14	969.37
Depreciation / amortisation charge for the year	64.12	103.10	43.80	211.02
Derecognition	-	-	-	-
Accumulated depreciation / amortisation as at 31 March, 2024	**171.37**	**867.08**	**141.94**	**1,180.39**
Net carrying amount as at 31 March, 2024	**5,071.66**	**153.84**	**272.80**	**5,498.30**

(i) Refer note 31 for lease liabilities disclosure under Ind AS 116

(ii) Refer note 5 (iii) for the title deeds in respect of certain lease hold land properties.

During the financial year 2021-22, the Company had entered into memorandum of understanding in name of the Company with M/s. Super heights Infraspaces Private Limited (SIPL) (related party) for an amount of ₹ 5,100.00 millions towards acquiring leasehold rights of land parcel at BKC, Mumbai for construction of Extra High Voltage (EHV) substation to meet the incremental load requirement.

Note 5c: Intangible assets

Particulars	Computer Software	Transmission License	Total
Gross carrying amount			
As at 01 April, 2022	926.44	9,816.20	10,742.64
Additions	300.75	-	300.75
Disposal	-	-	-
Gross carrying amount as at 31 March, 2023	1,227.19	9,816.20	11,043.39
Accumulated amortisation			
As at 01 April, 2022	360.78	-	360.78
Amortisation charge for the year	268.21	-	268.21
Eliminated on disposal of assets	-	-	-
Accumulated amortisation as at 31 March, 2023	**628.99**	**-**	**628.99**
Net carrying amount as at 31 March, 2023	**598.20**	**9,816.20**	**10,414.40**
Gross carrying amount			
As at 01 April, 2023	1,227.19	9,816.20	11,043.39
Additions	258.80	-	258.80
Disposal	-	-	-
Gross carrying amount as at 31 March, 2024	1,485.99	9,816.20	11,302.19
Accumulated amortisation			
As at 01 April, 2023	628.99	-	628.99
Amortisation charge for the year	356.80	-	356.80
Eliminated on disposal of assets	-	-	-
Accumulated amortisation as at 31 March, 2024	**985.79**	**-**	**985.79**
Net carrying amount as at 31 March, 2024	**500.20**	**9,816.20**	**10,316.40**

Notes:

(i) The above intangible assets are other than internally generated intangible assets.

(ii) Transmission license was acquired as part of the business acquisition. The License is valid for 25 years from 16 August, 2011 to 15 August, 2036. The license is expected to be further extended at minimal cost, considering similar extensions have happened in the past. Based on an analysis of all of the relevant factors, the license is considered by the Company as having an indefinite useful life, as there is no foreseeable limit to the period over which the transmission business related assets are expected to generate net cash inflows for the Company.

(iii) Transmission License is pledged as security with the Lenders against borrowings. (refer note 16 (iii))

Note 5d: Depreciation and amortisation expense

Particulars		For the year ended 31 March, 2024	For the year ended 31 March, 2023
Depreciation on property, plant and equipment		7,461.50	6,984.16
Amortisation on intangible assets		356.80	268.21
Depreciation / amortisation on right of use assets		211.02	234.10
	Total	**8,029.32**	**7,486.47**
Less : Transferred to capital work in progress		(60.62)	(60.26)
Net depreciation and amortisation expense charged to the Statement of Profit and Loss		**7,968.70**	**7,426.21**

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		Face Value of ` unless otherwise specified	No of shares / units	As at 31 March, 2024	As at 31 March, 2023
6	**Investments**				
6a	**Non-current investments**				
	Investment in equity shares of subsidiary fully paid up (unquoted) (cost)				
	Adani Electricity Mumbai Infra Limited	10 (10)	10,000 (10,000)	0.10	0.10
	AEML SEEPZ Limited	10 (10)	13,510,000 (10,000)	135.10	0.10
	Investment in Government Securities fully paid up at amortised cost				
	Contingency reserve Investments (quoted)				
	Investment In Govt. Securities				
	7.16% Government Stock - 2050	100 (100)	18,750,000 (18,750,000)	2,009.20	2,011.59
	9.23% Government Stock - 2043	100 (100)	220,000 (220,000)	28.10	28.80
	5.63% Government Stock - 2026	100 (100)	3,000,000 (3,000,000)	297.80	295.70
			Total	**2,470.30**	**2,336.29**
	Aggregate market value of quoted investments			2,203.13	2,143.18
	Aggregate carrying value of quoted investments			2,335.10	2,336.09
	Aggregate carrying value of unquoted investments			135.20	0.20
	Aggregate amount of impairment in the value of investments			-	-

		Face Value of ` unless otherwise specified	No of Units	As at 31 March, 2024	As at 31 March, 2023
6b	**Current investments**				
	Investment in Treasury Bill (Quoted)				
	Contingency reserve investments				
	Investment in treasury bills at FVTPL (quoted)	100 (100)	3,500,000 (2,500,000)	345.60	247.55
	Investment in mutual funds at FVTPL (quoted)				
	SBI Overnight Direct Growth {NA (NAV ₹ 3,649.25)}		Nil (737,653.15)	-	2,691.88
	ABSL Overnight Direct Growth {NA (NAV ₹ 1,212.45)}		Nil (899,491.49)	-	1,090.58
	ABSL Liquid Direct Growth {NA (NAV ₹ 363.08)}		Nil (10,043,309.82)	-	3,646.56
			Total	**345.60**	**7,676.57**
	Aggregate market value of quoted investments			345.60	7,676.57
	Aggregate carrying value of quoted investments			345.60	7,676.57
	Aggregate carrying value of unquoted investments			-	-
	Aggregate amount of impairment in the value of investments			-	-

		Non-Current		Current	
7	**Loans**	As at 31 March, 2024	As at 31 March, 2023	As at 31 March, 2024	As at 31 March, 2023
	Housing loans to employees, considered good - secured	132.78	168.59	27.50	29.80
	Loans to related party - considered good - unsecured	315.00	2.80	-	-
	Loans to employees -considered good - unsecured	90.02	87.85	39.30	38.90
	Less: Allowance for bad and doubtful loans	-	-	-	-
	Total	**537.80**	**259.24**	**66.80**	**68.70**

Details of loans to specified persons

Type of Borrowers	Amount of loan in the nature of loan outstanding		Percentage to the total Loans in the nature of loans	
	As at 31 March, 2024	As at 31 March, 2023	As at 31 March, 2024	As at 31 March, 2023
Promoter	-	-	-	-
Director	-	-	-	-
Key Managerial Personnel	-	-	-	-
Related Party	315.00	2.80	52.10%	0.85%

Note : Loans to related party is given to AEML Seepz Limited (wholly own subsidiary of the Company), are for a period of 5 years, interest being the rate linked to weighted average interest rate of loan portfolio of the Company and are repayable on completion of 60 months.

		Non-Current		Current	
8	**Other financial assets**	As at 31 March, 2024	As at 31 March, 2023	As at 31 March, 2024	As at 31 March, 2023
	(Unsecured, considered good unless otherwise stated)				
	Security Deposits - unsecured				
	Considered good	191.19	222.31	-	-
	Considered doubtful	63.74	66.30	-	-
		254.93	288.61	-	-
	Less : Allowance for doubtful deposits	(63.74)	(66.30)	-	-
	Total	**191.19**	**222.31**	**-**	**-**
*	Deposit with banks having maturity more than 12 months	5,656.39	6,087.38	-	-
#	Derivative instruments designated in hedge accounting relationship	5,596.93	5,533.71	-	-
	Unbilled revenue	-	-	6,550.45	5,975.48
	Regulatory assets other than distribution	-	-	-	183.33
	Others	-	-	12.53	71.80
	Total	**11,444.51**	**11,843.40**	**6,562.98**	**6,230.61**

Note :

* Represents deposits towards Debt Service Reserve Account (DSRA), Capex Reserve Account (CRA), Hedge Reserve and margin money against bank guarantee.

Refer note 16 (i) for security/charges created on hedging instruments.

9	Income tax assets (net)	Non-Current As at 31 March, 2024	Non-Current As at 31 March, 2023	Current As at 31 March, 2024	Current As at 31 March, 2023
	Income tax assets (net)	48.00	29.30	3.06	7.88
	Total	**48.00**	**29.30**	**3.06**	**7.88**

Note : Tax Provision 31 March 2024 : ₹ 851.93 millions (31 March 2023 ₹ 278.50 millions)

10	Other assets	Non-Current As at 31 March, 2024	Non-Current As at 31 March, 2023	Current As at 31 March, 2024	Current As at 31 March, 2023
	Advances to suppliers	-	-	1,110.36	1,133.44
	Balances with government authorities	-	-	0.41	54.55
	Prepaid expenses	14.80	4.60	120.76	163.46
	Capital advances	477.50	537.50	-	-
	Advance to employees	17.60	39.60	78.67	36.96
	Total	**509.90**	**581.70**	**1,310.20**	**1,388.41**

11	Inventories	As at 31 March, 2024	As at 31 March, 2023
	Fuel	988.38	397.79
	Fuel - in transit	384.66	170.01
	Stores and spares	415.66	359.66
	Total	**1,788.70**	**927.46**

Refer note 16 (iii) for security charges created on aforesaid assets

12	Trade receivables	As at 31 March, 2024	As at 31 March, 2023
	Considered good, secured	1,337.40	1,273.70
	Considered good, unsecured	2,991.38	2,849.01
	Having significant increase in credit risk	362.80	399.98
	Credit impaired	13.86	13.86
		4,705.44	**4,536.55**
	Less : Loss allowance	(13.86)	(13.86)
	Total	**4,691.58**	**4,522.69**

Note :

(i) The Company holds security deposit (refer note 19) in respect of trade receivables to the extent covered by such deposits are presented as secured.

(ii) Above trade receivables are pledged as security with the Lenders against borrowings (refer note No 16 (iii)).

(iii) The average credit period for the Obligor Group's receivables from its transmission and distribution (including street light maintenance) business is in the range of 15 to 30 days. No interest or delayed payment is charged on trade receivables till the due date. Thereafter, one time delayed payment charges at the rate of 1.25% & interest after 30 / 60 days from bill date is charged in the range of 12% to 15% per annum.

(iv) In case of transmission business, regulator approved tariff is receivable from long-term transmission customers (LTTCs) and Discoms that are highly rated companies or government parties. Counterparty credit risk with respect to these receivables is very minimal.

(v) The Obligor Group considers for impairment its receivables from customers in its Mumbai distribution business. The risk of recovery in these businesses is reduced to the extent of security deposits already collected and held as collaterals. Balance amount receivable over and above the deposit is assessed for expected credit loss allowances. The Obligor 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.

12.1 Trade Receivables ageing schedule

Particulars	Outstanding for following periods from due date: Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
As at 31 March, 2024							
(i) Undisputed Trade receivables – considered good	2,884.08	1,358.40	16.40	40.60	-	-	**4,299.48**
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	169.90	99.20	36.20	57.20	-	-	**362.50**
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	13.86	-	-	**13.86**
(iv) Disputed Trade Receivables considered good	4.30	16.90	4.00	4.10	-	-	**29.30**
(v) Disputed Trade Receivables - which have significant increase in credit risk	0.30	-	-	-	-	-	**0.30**
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(vii) Loss Allowance	-	-	-	(13.86)	-	-	**(13.86)**
	3,058.58	**1,474.50**	**56.60**	**101.90**	-	-	**4,691.58**

Particulars	Outstanding for following periods from due date: Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
As at 31 March, 2023							
(i) Undisputed Trade receivables – considered good	2,913.99	1,122.47	2.56	50.99		-	**4,090.01**
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	172.29	147.17	28.74	51.49		-	**399.69**
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	13.86		-	**13.86**
(iv) Disputed Trade Receivables considered good	9.24	15.46	3.18	4.82		-	**32.70**
(v) Disputed Trade Receivables - which have significant increase in credit risk	0.29	-	-	-		-	**0.29**
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-		-	-
(vii) Loss Allowance	-	-	-	(13.86)		-	**(13.86)**
	3,095.81	**1,285.10**	**34.48**	**107.30**	-	-	**4,522.69**

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12.2 Movement in the provision for doubtful trade receivables

	As at 31 March, 2024	As at 31 March, 2023
Balance at the beginning of the year	13.86	13.86
Add : Loss allowance during the year (net of recoveries)	170.89	152.09
(Less) : Written off during the year	(170.89)	(152.09)
Balance at the end of the year	**13.86**	**13.86**

The concentration of credit risk is very limited due to the fact that the large customers are mainly government bodies / departments and remaining customer base is large and widely dispersed and secured with security deposit.

13 Cash and cash equivalents

	As at 31 March, 2024	As at 31 March, 2023
Balances with banks		
- In current accounts	808.92	565.59
- In fixed deposits	1,900.63	200.03
Cheques / drafts on hand	140.78	140.42
Cash on hand	13.75	4.28
Total	**2,864.08**	**910.32**

Cash and cash equivalents includes balance with banks which are unrestricted for withdrawal and usage.
Refer note 16 (iii) for security charges created on aforesaid assets

14 Bank balance other than cash and cash equivalents

	As at 31 March, 2024	As at 31 March, 2023
Bank Deposits with original maturity of more than 3 months but less than 12 months	6,282.20	6,224.53
Total	**6,282.20**	**6,224.53**

Refer note 16 (iii) for security charges created on aforesaid assets

15 Net Shareholder's Investment

	As at 31 March, 2024	As at 31 March, 2023
Opening Balance	48,375.75	46,986.31
Impact on account of restatement (refer note 36)	-	928.70
Profit for the year	2,317.90	970.94
Payment of dividend on equity shares	(3,417.70)	-
Other comprehensive (loss) for the year	(1,422.06)	(510.20)
Adjustment on account of capital reorganisation (refer note 34)	107.94	-
Closing Balance	**45,961.83**	**48,375.75**

The Board of Directors of the Company in their meeting held on 26 May, 2023, have declared interim dividend of ₹ 0.85 per equity share of ₹ 10 each for the financial year 2022-23 amounting to ₹ 3,417.70 million.

16 Non-current borrowings

	Non-current	
	As at 31 March, 2024	As at 31 March, 2023
Secured		
External Commercial Borrowings in Foreign Currency		
Senior Secured Note - 3.949%	72,898.67	81,586.94
Sustainability Linked Notes - 3.867%	24,804.51	24,404.09
Unsecured		
External Commercial Borrowings in Foreign Currency from related party		
Shareholders Affiliated Debts - 6.365%	23,278.82	22,895.21
Total	**1,20,982.00**	**1,28,886.24**

Notes 16 (i)
During the year the Obligor Group has complied with all the covenants as required under bond agreement.

Notes 16 (ii)
Pursuant to approval by Board of Directors held on 26 May, 2023, and approval of management committee of the Board of Directors of the Company in their meeting held on 13 November, 2023, during the year ended 31 March, 2024 the Obligor Group has completed partial re-purchase of USD 120 million of its outstanding 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 30 November, 2023.

Post re-purchase, the Obligor Group has recognised one time income of ₹ 1,364.93 millions (net of expenses ₹ 135.70 millions) on derecognition of liability and the Obligor Group has cancelled the aforementioned 3.949% USD 120 million Senior Secured Notes.

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Note 16 (iii)

Borrowings	Security	Terms of repayment of borrowings
Sustainability Linked Notes - 3.87% (and related hedging instruments)	a) a first pari passu mortgage over certain identified immovable properties; b) a first pari passu charge on the movable assets (both present and future); c) a first pari passu charge on all book debts, operating cash flows, receivables (excluding Past Period Regulatory Assets, monies in the Debenture Liquidity Account and the post distribution cash flows), commissions or revenues whatsoever arising out of the expansion of capex in relation to existing business (both present and future); d) a first pari passu charge on the accounts under the Project Accounts Deed (except the Excluded Accounts (which means the AEML PPRA Account, the Debenture Liquidity Account, each of the AEML Post Distribution Cash Flow Accounts; any accounts opened for the purpose of managing any Excluded Cash Flows; and the AEML Distributions Account)) and amounts lying to the credit of such accounts (both present and future); e) a first pari passu assignment in relation to Transmission License and Distribution License, subject to approval from the MERC; f) a pledge over 100% of the entire paid up equity and preference share capital of the Obligor Group if any: g) a non-disposal undertaking over immovable properties other than certain identified immoveable properties; h) a non-disposal undertaking over the immoveable and moveable assets (including all book debts, operating cash flows, receivables, commissions or revenues whatsoever) of Power Distribution Services Limited {PDSL, the Service Company} (both present and future); and i) a non-disposal undertaking over 100% of the equity and preference share capital of the Service Company, if any:	By way of bullet payment in July 2031 with an obligation to prepay the debt on occurrence of certain events. The Company can voluntarily prepay the Bond on payment of premium.
Senior Secured Note - 3.949% (and related hedging instruments)	In addition to the aforesaid, the Collateral shall also include such security interest as may be required to be created by other group entities of the Issuer in the future, and such collateral may be shared in the same manner as aforementioned with other lenders of the Obligor Group, and such future obligors.	By way of bullet payment in February 2030 with an obligation to prepay the debt on occurrence of certain events. The Company can voluntarily prepay the Bond on payment of premium.
Working capital short term loan	Ranking of Security The Collateral will be a first charge ranking pari passu among the debt security holders, without any preference or priority and shall rank pari passu with all the senior secured debt of the Obligor Group in accordance with the Senior Secured Note Documents and the intercreditor agreement.	Working capital short term loans outstanding as on 31 March, 2024 are repayable within 03 months and the rate of interest ranges from 7.60% p.a. to 8.98% p.a. (refer note 23)
Shareholders Affiliated Debts - 6.365%	(i) First-ranking fixed charge over all its present and future right, title, benefit and interest in the Excluded Loan Accounts (ii) First-ranking floating charge over all of its present and future right, title, benefit and interest in the equity distribution account	Shareholders Affiliated Debts are repayable commencing from February 2027 through February 2040 with an obligation to prepay the debt on occurrence of certain events. The Company can voluntarily prepay the debt on payment of premium.

17 Lease liabilities

	Non-Current		Current	
	As at 31 March, 2024	As at 31 March, 2023	As at 31 March, 2024	As at 31 March, 2023
Lease liabilities (refer note 31)	74.32	144.70	117.12	162.73
Total	**74.32**	**144.70**	**117.12**	**162.73**

18 Trade payables

	Non-Current		Current	
	As at 31 March, 2024	As at 31 March, 2023	As at 31 March, 2024	As at 31 March, 2023
(A) total outstanding dues of micro enterprises and small enterprises; and	-	-	442.52	428.76
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.	373.88	327.56	13,906.59	15,469.79
Total	**373.88**	**327.56**	**14,349.11**	**15,898.55**

This information as required to be disclosed under Micro,Small and Medium Enterprises, to whom the Obligor Group owes dues (including interest on outstanding dues), which are outstanding as at the Balance Sheet date. The above information has been determined to the extent such parties have been identified on the basis of information available with the Obligor Group.

	As at 31 March, 2024	As at 31 March, 2023
(a) the principal amount remaining unpaid to any supplier at the end of each accounting year (including payable for Property, plant & equipment)	2,172.63	2,324.18
(b) Interest due on principal amount remaining unpaid to any supplier at the end of each accounting year	6.69	6.68
(c) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(d) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	6.69	6.68
(e) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	6.69	6.68
(f) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	6.69	6.68

Trade payables ageing schedule

Particulars	Not Due	<1 year	1-2 years	2-3 years	More than 3 years	Total
	Outstanding for following periods from due date of payment					
As at 31 March, 2024						
(a) MSME	299.20	68.80	25.30	13.10	36.12	442.52
(b) Others	10,399.09	736.60	1,008.30	241.60	974.18	13,359.77
(c) Disputed dues – MSME	-	-	-	-	-	-
(d) Disputed dues - Others	-	-	-	920.70	-	920.70
Total	**10,698.29**	**805.40**	**1,033.60**	**1,175.40**	**1,010.30**	**14,722.99**
As at 31 March, 2023						
(a) MSME	260.72	107.95	16.70	12.70	30.70	428.77
(b) Others	9,032.80	2,682.41	1,565.00	978.90	617.50	14,876.61
(c) Disputed dues – MSME	-	-	-	-	-	-
(d) Disputed dues - Others	-	-	920.73	-	-	920.73
Total	**9,293.52**	**2,790.36**	**2,502.43**	**991.60**	**648.20**	**16,226.11**

19 Other financial liabilities

	Non-Current As at 31 March, 2024	Non-Current As at 31 March, 2023	Current As at 31 March, 2024	Current As at 31 March, 2023
Interest accrued but not due on borrowings	-	-	1,183.32	1,232.48
Interest accrued but not due on security deposit from consumers	-	-	27.92	27.92
Payable towards purchase of property,plant and equipment				
(A) total outstanding dues of micro enterprises and small enterprises; and	-	-	1,736.80	1,902.11
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.	-	-	2,627.74	3,634.38
Security deposit:				
-From consumers	-	-	5,590.09	5,070.20
-From customers / vendors	-	-	158.21	140.72
Regulatory liabilities other than distribution	-	-	193.61	-
Other financial liabilities	-	-	79.41	79.41
# Derivative instruments designated in hedge accounting relationship	628.05	37.14	-	-
Total	**628.05**	**37.14**	**11,597.10**	**12,087.22**

Refer note 16 (iii) for security/charges created on hedging instruments.

20 Provisions

	Non-Current As at 31 March, 2024	Non-Current As at 31 March, 2023	Current As at 31 March, 2024	Current As at 31 March, 2023
Provision for gratuity (refer note 40)	2,062.69	1,524.80	325.56	290.69
Provision for compensated absences	3,737.49	3,329.80	295.89	678.48
Provision for other employment benefits	171.88	171.36	17.85	18.22
Total	**5,972.06**	**5,025.96**	**639.30**	**987.39**

21 Deferred tax liabilities (net)

	As at 31 March, 2024	As at 31 March, 2023
Deferred tax liabilities in relation to		
Difference between book base and tax base of property, plant and equipment	19,869.57	17,599.53
Deferred tax liabilities	**19,869.57**	**17,599.53**
Deferred tax assets in relation to		
Impact on account of restatement (refer note 36)	-	928.70
Tax related to items that will be reclassified to profit or loss	1,921.64	229.10
Allowance for doubtful debts, deposits and advances	130.60	86.59
Provisions for employee benefits and others	2,528.27	2,035.10
Unabsorbed depreciation	12,955.30	12,871.74
Deferred tax assets	**17,535.81**	**16,151.23**
Deferred tax liabilities (net)	**2,333.76**	**1,448.30**

22 Other liabilities

	Non-Current As at 31 March, 2024	Non-Current As at 31 March, 2023	Current As at 31 March, 2024	Current As at 31 March, 2023
Deferred Revenue - service line contributions from consumers	2,928.65	2,656.36	152.39	128.99
Statutory dues payable	-	-	3,526.96	2,156.02
Advances From Customer	-	-	761.18	645.60
Other Payables	-	-	135.50	65.17
Total	**2,928.65**	**2,656.36**	**4,576.03**	**2,995.78**

23 Current borrowings

	As at 31 March, 2024	As at 31 March, 2023
Secured		
Working capital short term loan	10,500.00	5,000.00
Total	**10,500.00**	**5,000.00**

Security and rate of interest

(i) For security of working capital loans - {refer note 16 (iii)}

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

(iii) The Company has been sanctioned working capital from banks on the basis of security of current assets. The Company in this regard has been duly submitting with all such banks from whom such facilities are taken, the quarterly statements comprising details of said current assets viz. raw material, stores and spares, finished goods, advances for power purchases and coal, book debts (including unbilled revenue), other receivable (<90 days) and regulatory assets recoverable within 1 year reduced by relevant trade payables (i.e. net of provisions, regulatory payables and other payables). The said quarterly statements are in agreement with the unaudited books of account of the Company of the respective quarters based on draft figures at the point of time of reporting and there are no material discrepancies.

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Adani Electricity Mumbai Ltd.

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24	Revenue from operations	For the year ended 31 March, 2024	For the year ended 31 March,2023
a)	**Income from sale of power and transmission charges**		
*	Income from sale of power and transmission charges (net)	95,503.66	81,259.46
	(Less)/add: Income from transmission charges to be adjusted in future tariff determination (net)	(379.98)	212.59
		95,123.68	81,472.05
b)	**Other operating income**		
	Street light maintenance charges	1,227.90	1,197.33
	Income in respect of services rendered	689.26	484.08
	Sale of coal rejects / fly ash	134.46	139.02
	Amortisation of service line contribution	138.97	118.61
	Insurance claim received	1.47	0.01
	Miscellaneous revenue	163.55	161.66
		2,355.61	2,100.71
c)	**Sale of traded goods**		
	Sale of traded goods	0.21	36.81
		0.21	36.81
	Total	**97,479.50**	**83,609.57**

* Refer note 41 with respect to revenue recognised for performance obligation satisfied in previous periods.

A Details of revenue from contracts with customers (disaggregated by type and nature of product or services)

Particulars	For the year ended 31 March, 2024	For the year ended 31 March,2023
Income from sale of power	91,708.20	77,860.46
Income from transmission charges (net)	3,415.48	3,611.59
Income in respect of services rendered	689.26	484.08
Sale of coal rejects / fly ash	134.46	139.02
Street light maintenance charges	1,227.90	1,197.33
Sale of traded goods	0.21	36.81
Total revenue from contract with customers	**97,175.51**	**83,329.29**
Add: Cash discount / rebates etc.	518.60	416.52
Add: Income from transmission charges to be adjusted in future tariff determination (net)	379.98	(212.59)
Total revenue as per contracted price	**98,074.09**	**83,533.22**

B Timing of Revenue recognition

Particulars	For the year ended 31 March, 2024	For the year ended 31 March,2023
Goods and services are transferred at a point in time.	988.95	821.58
Goods and services transferred over the time	96,490.55	82,787.99
	97,479.50	**83,609.57**

C Transaction Price - allocated to the remaining performance obligation

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

There are no aggregate value of performance obligations that are completely or partially unsatisfied as of 31 March, 2024, other than those meeting the exclusion criteria mentioned above.

Contract balances		For the year ended 31 March, 2024	For the year ended 31 March,2023
Contract assets			
Recoverable from consumers			
Current		-	183.33
	Total	**-**	**183.33**
Contract liabilities			
Liabilities towards consumers			
Current		193.61	-
	Total	**193.61**	**-**
Net receivables			
Trade receivables (gross)		4,705.44	4,536.55
Unbilled revenue		6,550.45	5,975.48
Regulatory assets other than distribution		-	183.33
(Less): Advance from consumers		(761.18)	(645.60)
(Less): Allowance for doubtful debts		(13.86)	(13.86)
	Total	**10,480.85**	**10,035.90**

Contract assets

Contract asset is the right to consideration in exchange for goods or services transferred to the customer when that right is conditioned on something other than passage of time. 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 Obligor Group has received consideration (or an amount of consideration is due) from the customer, If the customer pays contribution before the Obligor Group transfers goods or services to the customers, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the performance of obligation is satisfied.

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

		For the year ended 31 March, 2024	For the year ended 31 March,2023
Opening balance			
Recoverable from consumers - regulatory assets other than distribution		183.33	-
Liabilities towards consumers - regulatory liabilities other than distribution		-	29.34
	A	**183.33**	**29.34**
Income from transmission charges to be adjusted in future tariff determination (net)		380.06	(212.67)
Movement in regulatory deferral balance other comprehensive income - Transmission		(3.12)	-
	B	**376.94**	**(212.67)**
Closing balance			
Recoverable from consumers - regulatory assets other than distribution		-	183.33
Liabilities towards consumers - regulatory liabilities other than distribution		193.61	-
	(A+B)	**193.61**	**183.33**

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Adani Electricity Mumbai Ltd ★

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25	Other income	For the year ended 31 March, 2024	For the year ended 31 March,2023
a)	**Interest income on**		
	Bank deposits	1,095.31	927.81
	Overdue trade receivables	169.45	205.34
	Investment in government securities	171.81	154.55
	Loans to related party	13.36	1,047.31
	Other interest	20.41	293.49
	Unwinding of interest on security deposit	3.02	3.19
b)	**Gain on investments**		
	Gain on sale / fair value of current investments measured at FVTPL	116.25	47.33
c)	**Other non-operating income**		
	Bad debts recovery	209.08	178.92
	Sale of scrap	74.19	40.95
	Rental income	10.31	4.74
	Delayed payment charges	265.02	354.90
	Foreign exchange gain (net)	0.01	0.30
	Profit / (loss) on sale of assets (net)	37.73	27.78
	Sundry credit balances written back	17.83	24.38
	Gain on partial repurchase of senior secured note {refer note 16 (ii)}	1,364.93	-
	Total	**3,568.71**	**3,310.99**

26	Employee benefits expenses	For the year ended 31 March, 2024	For the year ended 31 March,2023
#	Salaries, wages & bonus	6,793.66	8,316.24
	Contribution to gratuity (refer note 40)	444.73	324.82
	Contribution to provident and other funds	545.30	555.64
	Contribution to superannuation fund	60.64	77.06
	Compensated absences	658.54	177.82
	Staff welfare expenses	795.27	824.84
		9,298.14	10,276.42
	Less : Staff cost capitalised	(1,016.04)	(1,496.40)
	Total	**8,282.10**	**8,780.02**

\# A Special Voluntary Retirement Scheme (SVRS) 2023, was rolled out for employees of the Company from 28 March, 2023 to 15 April, 2023. An amount of ₹ 2,117.20 millions towards the expected payout was charged during the pervious year. During the current financial year the Company has discharged an amount of ₹ 1,229.70 millions and reverse the balance amount of ₹ 887.50 millions.

27	Finance costs	For the year ended 31 March, 2024	For the year ended 31 March,2023
a)	**Interest expense**		
	Borrowings- amortised cost		
$	Senior secured note	3,412.72	3,508.73
$	Shareholders affiliated debts	1,527.36	1,506.68
$	Sustainability linked notes	1,046.03	1,031.28
	Working capital loans	389.59	714.33
	Foreign exchange fluctuation loss (net)	-	3,522.32
	Interest - hedging cost	4,304.78	4,307.75
	Others		
	Security deposits from consumers	327.70	200.28
	Interest on lease liabilities	30.72	44.83
	Interest - others	1.81	11.27
		11,040.71	**14,847.47**
	Less : Interest cost capitalised	(309.63)	(518.69)
		10,731.08	14,328.78
b)	**Other borrowing costs**		
	Other finance cost	9.42	13.79
	Total	**10,740.50**	**14,342.57**

$ In foreign currency,

Note :

1 The capitalisation rate used to determine the amount of borrowing costs to be capitalised is the weighed average interest rate applicable to the Obligor Group's general borrowing is 9.13% p.a.(31 March 2023 : 8.76% p.a.).

2 Including mark to market gain of ₹ 1,649.80 millions (31 March 2023: ₹ 6,561.80 millions) on derivative instruments designated in hedge accounting relationship.

3 Shareholders affiliated debts includes ₹ 35.30 millions (31 March 2023 : ₹ 35.30 millions) towards amortisation of transaction costs.

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Electricity Mumbai Ltd

28	Other expenses	For the year ended 31 March, 2024	For the year ended 31 March,2023
	Consumption of stores and spares	470.43	514.16
	Repairs and maintenance		
	- Plant and machinery	3,047.56	3,475.75
	- Buildings	144.27	157.53
	- Others	264.14	344.61
	Expenses in respect of services rendered	648.90	354.89
	Short term lease rental of Land, Building, Plant & Machinery etc.	117.61	161.32
	Rates and taxes	124.77	114.11
	Legal and Professional Expenses	2,137.71	1,638.64
	Directors' sitting fees	0.89	0.83
	Bank charges	81.57	63.69
@@	Payments to auditors	20.05	18.71
	Communication expenses	85.41	86.77
	Travelling & conveyance expenses	325.65	343.78
	Insurance expenses	144.09	177.47
	License fees	42.93	18.17
	Security charges	291.81	310.58
	Seminar & training expenses	57.31	31.58
	Software expenses	256.99	406.02
	Provision for doubtful deposits	-	55.82
	Bad debt Written off	170.89	152.09
	Bill print/collection/ distribution	158.49	130.01
	Foreign exchange fluctuation loss(net)	3.52	4.79
	Call center expenses	61.62	119.91
	Donations	7.90	6.00
@@@	Corporate social responsibility expenses	96.47	76.50
	Electricity expenses	6.09	4.64
	Printing & stationery	5.58	9.58
	Advertisement & publicity	155.92	273.12
	Water charges	63.06	52.31
	Other miscellaneous expenses	151.65	274.40
	Total	**9,143.28**	**9,377.78**

@@	Payments to auditors	For the year ended 31 March, 2024	For the year ended 31 March,2023
	As auditor:		
	Statutory audit fees	15.92	13.29
	Other services	0.36	2.10
	Out of pocket expenses	0.71	0.47
	Applicable taxes	3.06	2.85
		20.05	**18.71**

@@@ **Details of Corporate social responsibilities (CSR) under Section 135 of Companies Act, 2013**

Particulars	For the year ended 31 March, 2024	For the year ended 31 March,2023
(i) Gross amount approved by the CSR committee / required to be spent by the Company during the year	96.40	76.12
(ii) Total of previous years shortfall / (excess) amounts	(0.82)	(0.44)
(iii) Amount spend during the year on :		
(a) Construction or acquisition of any assets	-	-
(b) on purpose other than (a) above	0.87	2.30
- Donation to related party trust (not controlled by the Company)	95.60	74.20
Total amount of expenditure incurred	**96.47**	**76.50**
(iv) (Excess) / Shortfall at the end of the year	(0.89)	(0.82)
(v) Provision made towards CSR expenditure	-	-

(vi) Reason for shortfall : Not applicable
(vii) Nature of CSR activities : Primary Education, Community Health and Sanitation, Sustainable Livelihood Development and Urban / Rural Infrastructure

29 Tax expenses

1	Income taxes recognised in the statement of profit and loss	For the year ended 31 March, 2024	For the year ended 31 March,2023
	Current income tax (MAT)	851.93	278.50
	Deferred tax	1,649.30	812.60
		2,501.23	**1,091.10**

2	Income Tax recognised in other comprehensive income	For the year ended 31 March, 2024	For the year ended 31 March,2023
	Tax on remeasurement of defined benefit plans	-	83.76
	Tax on effective portion of gains and losses on designated portion of hedging instruments in a cash flow hedge (refer note 36)	763.84	229.10
	Total income tax recognised in other comprehensive income	**763.84**	**312.86**
	Bifurcation of the income tax recognised in other comprehensive income into:		
	Items that will be reclassified to statement of profit and loss	763.84	229.10
	Items that will not be reclassified to statement of profit and loss	-	83.76
	Total income tax recognised in other comprehensive income	**763.84**	**312.86**
	The income tax expenses for the year can be reconciled to the accounting profit as follows:		
	Profit before tax for the year	4,819.13	2,062.04
	Income tax using the company's domestic tax rate @ 34.944%	1,681.53	720.56
	Tax effect of :		
	- Non deductible expenses	38.80	28.83
	- MAT credit not recognised	845.40	272.00
	- Tax on other Items	(64.50)	69.71
	Income tax expense recognised in statement of profit and loss	**2,501.23**	**1,091.10**
	Current tax	851.93	278.50
	Deferred tax	1,649.30	812.60
	Total	**2,501.23**	**1,091.10**

Unrecognised unused tax credits	For the year ended 31 March, 2024	For the year ended 31 March,2023
Unrecognised tax credits	845.40	355.76

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The expiry of unrecognised unused MAT credits is as described below:	As at 31 March, 2024	As at 31 March, 2023
Within one year	-	-
Greater than one year, less than five years	-	-
Greater than five years	3,141.26	2,295.86
No expiry date	-	-
Total	**3,141.26**	**2,295.86**

3 Deferred tax

	For the year ended 31 March, 2024	For the year ended 31 March,2023
Deferred tax assets	17,535.81	16,151.23
Deferred tax liabilities	19,869.57	17,599.53
Deferred tax (liabilities) / asset (net)	**(2,333.76)**	**(1,448.30)**

2023-24

Particulars	Opening Balance	Recognised in statement of profit and loss	Recognised in other comprehensive income	Closing Balance
Deferred tax assets in relation to				
Tax related to items that will be reclassified to profit or loss	1,157.80	-	763.84	1,921.64
Allowance for doubtful debts, deposits, advances and property tax payable	86.59	44.01	-	130.60
Provisions for employee benefits and others	2,035.10	493.17	-	2,528.27
Unabsorbed depreciation	12,871.74	83.56	-	12,955.30
	16,151.23	620.74	763.84	17,535.81
Deferred tax liabilities in relation to				
Difference between book base and tax base of property, plant and equipment	17,599.53	2,270.04	-	19,869.57
	17,599.53	2,270.04	-	19,869.57
Deferred tax (liabilities) / asset (net)	**(1,448.30)**	**(1,649.30)**	**763.84**	**(2,333.76)**

2022-23

Particulars	Opening Balance	Recognised in statement of profit and loss	Recognised in other comprehensive income	Closing Balance
Deferred tax assets in relation to				
Tax related to items that will be reclassified to profit or loss (refer note 36)	928.70	-	229.10	1,157.80
Allowance for doubtful debts, deposits and advances	76.99	9.60	-	86.59
Provisions for employee benefits and others	2,145.80	(110.70)	-	2,035.10
Unabsorbed depreciation	11,130.94	1,740.80	-	12,871.74
	14,282.43	1,639.70	229.10	16,151.23
Deferred tax liabilities in relation to				
Difference between book base and tax base of property, plant and equipment	15,147.23	2,452.30	-	17,599.53
	15,147.23	2,452.30	-	17,599.53
Deferred tax (liabilities) / asset (net)	**(864.80)**	**(812.60)**	**229.10**	**(1,448.30)**

30 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", Transmission Cash Generating Unit ("TCGU") which includes carrying value of Transmission License having indefinite useful life being Transmission License (₹ 9816.20 millions), has been tested for impairment as at 31 March, 2024 wherein, recoverable amount of the TCGU has been determined applying value in use approach. The value in use of the TCGU has been determined using Discounted Cash Flow Method (DCF).

In deriving the recoverable amount of the TCGU a discount rate (post tax) of 9.50 % (31 March 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 (31 March 2023: 6 years) and thereafter in perpetuity considering a terminal growth rate of 2 % (31 March 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 (31 March 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 :

(i) Discount Rate: 9.50 % (31 March 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.

(ii) Capital expenditure / Capitalisation: Capital expenditure and capitalisation for 6 years (31 March, 2023: 5 years) is estimated based on management projections subject to regulatory approval and thereafter ₹ 6,750 millions per annum (31 March, 2023: ₹ 5,000 millions per annum).

(iii) Terminal growth : 2% (31 March, 2023 : 1%).

31 Leases

Disclosure under Ind AS 116 Leases:

a) The following is the movement in Lease liabilities during the year ended 31 March, 2024

Particulars	As at 31 March, 2024	As at 31 March, 2023
Opening balance	307.43	448.43
Interest on lease liabilities	30.72	44.83
Lease liabilities on account of leases entered / terminated during the year	-	-
Payments of lease liabilities / other adjustments	(146.71)	(185.83)
Closing balance (refer note 17)	**191.44**	**307.43**

b) **Where the Obligor Group is a lessee :**

The Obligor Group has taken office premises, warehouse on lease. Generally leases are renewed on mutual consent and at a prevalent market price and sub lease is restricted. Further the lease agreements existing as at 31 March, 2024 does not contain any extension and termination option.

i Interest expenses on lease liabilities amounts to ₹ 30.72 millions (31 March, 2023 ₹ 44.83 millions)

ii 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

Low Value leases - Immaterial

Short-term leases - ₹ 117.60 millions (31 March, 2023 ₹ 161.32 millions)

iii Total Cash outflow for leases amounts to ₹ 264.33 millions (31 March, 2023 ₹ 347.13 millions) during the year including cash outflow short term and low value

iv Incremental rate of borrowing considered during the year is 10% (31 March, 2023 10%)

v Refer note 5b for gross / net carrying value of lease assets

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32 Contingent liabilities and commitments

		As at 31 March, 2024	As at 31 March, 2023
(A)	**Contingent liabilities :**		
	Claims against the Obligor Group not probable and hence not acknowledged as debts consists of : -		
(i)	Demand disputed by the Obligor Group relating to service tax on street light maintenance, wheeling charges and cross subsidy surcharges - refer note 3 below	3,535.50	3,535.50
(ii)	Claims raised by the Government authorities towards unearned income arising on alleged transfer of certain land parcels - refer note 3 below	1,276.50	1,276.50
(iii)	Way Leave fees claims disputed by the Obligor Group relating to rates charged - refer note 3 below	284.30	284.30
(iv)	Property related disputes - refer note 3 below	25.90	25.90
(v)	Other claims against the Obligor Group not acknowledged as debts.	21.20	21.20
(vi)	Claims raised by Vidarbha Industries Power Limited (VIPL) in respect of increase in fuel cost for the financial year ended 31 March, 2019 - refer note 3 below and refer note 33	13,812.80	13,812.80
(vii)	Demand disputed by the Obligor Group relating to standby charges payable - refer note 4 below	3,986.76	2,137.86
(viii)	Liability in respect of termination of power purchase lease agreement - refer note 6 below	@@	@@
		22,942.96	**21,094.06**

@@ Amount not determinable

Notes:

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

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

3 In terms of the Share Purchase Agreement entered into by the Obligor Group, AESL with RINFRA, in the event the above matters are decided against the Obligor Group and are not recoverable from the consumers, the same would be recovered from RINFRA.

4 Appeal has been filed by the Obligor Group under Section 111 of the Electricity Act, 2003, challenging the Order dated 31 March, 2023 passed by the Maharashtra Electricity Regulatory Commission directing levy of Standby charges by Maharashtra State Electricity Distribution Company Limited.

5 The above contingent liabilities (except interest payable of ₹ 286.70 millions included in vii) to the extent pertaining to regulated business, on which unfavourable outcome are recoverable from consumers subject to MERC approval,

6 The Obligor Group 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 Obligor Group, in respect of the above mentioned Contingent Liabilities has assessed that it is only possible but not probable that outflow of economic resources will be required.

		As at 31 March, 2024	As at 31 March, 2023
(B)	**Commitments :**		
	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of	2,810.50	5,519.00
		2,810.50	**5,519.00**

(C) Other commitments :

a) For procurement of Hybrid (Solar/Wind) power on long term basis, AEML has entered into a long term 25 years PPA of 700 MW 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.

b) AEML has entered into a Power Purchase Agreement for procurement of Power 500 MW per annum on Medium term basis, i,e from 01 September, 2022 to 14 October 2024 with a group entity (Adani Enterprises Limited) at ₹ 5.98 p.u.

33 On 21 August, 2022, RINFRA has filed a Consolidated statement of arbitration claims under the Share Purchase Agreement. Management has been legally advised by external legal counsel that the said claim is unlikely to succeed. The Management would follow the due process laid out under the Share Purchase Agreement for dispute resolution and will respond with facts and present its own claims against RINFRA in the arbitration proceedings.

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

34 Maharashtra Electricity Regulatory Commission ('MERC') vide its order dated 26 December 2022 granted an in-principal approval for the transfer of Company's distribution network infrastructure in Seepz SEZ area to AEML Seepz Limited ('ASL'), a wholly owned subsidiary of the Company. 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 09 October 2023.

Subsequently, the Company and ASL have entered into a Business Transfer agreement dated 1 November 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 ₹ 369.60 millions. Considering this is a business restructuring, the excess of consideration over net assets transferred aggregating ₹ 107.90 millions is recognised in Balance Sheet under 'Net Shareholder's Investment'.

Sr. No	Details related to transaction	Amount
a	**Consideration**	**369.60**
b	**Assets and liabilities transferred**	
	Assets	
	Property plant and equipment	339.40
	Trade receivable	10.40
b.1	**Total Assets**	**349.80**
	Liabilities	
	Security deposit received from consumers	84.10
	Advance received from consumers	4.00
b.2	**Total Liabilities**	**88.10**
c	**Net assets transferred (b1-b2)**	**261.70**
d	**Capital Reserve (a-c)**	**107.90**

35 Transaction with Struck Off Companies

Name of the struck off company	Nature of transactions with struck off company	Balance outstanding	Relation with the struck off company, if any, to be disclosed
As at 31 March, 2024			
Receivables			
United Glass Works Pvt. Ltd.	Sale of Power	0.08	Consumer
Suchammedi Mover Pvt. Ltd.	Sale of Power	0.08	Consumer
N R Enterprises Ltd.	Sale of Power	0.07	Consumer
J V D Developers Pvt. Ltd.	Sale of Power	0.06	Consumer
New Vision Pvt. Ltd.	Sale of Power	0.06	Consumer
Real Infrastructure Co.	Sale of Power	0.06	Consumer
Zenith Construction Co.	Sale of Power	0.06	Consumer
Others - 631 Parties < 50K	Sale of Power	1.40	Consumer

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As at 31 March, 2023			
Payables			
Saptagiri Electrical Engineering	Purchase of Service	0.23	Vendor
Inavit Engineering & Consulting Pvt	Purchase of Service	0.10	Vendor
Sanjyot Laser Pvt Ltd	Purchase of Service	0.08	Vendor
Receivables			
Shree Sai Seva Kripa Sra Society Ltd	Sale of Power	0.09	Consumer
Shanti Sagar Realty India Private Ltd	Sale of Power	0.09	Consumer
N R Enterprises Ltd	Sale of Power	0.08	Consumer
Parekh Bldg Dev P Ltd	Sale of Power	0.06	Consumer
Comet Plast Machinery P Ltd	Sale of Power	0.06	Consumer
Others - 797 Parties < 50K	Sale of Power	1.52	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 31 March, 2024 is less than 50K (31 March, 2023 is less than 50K).

36 During the year, the Obligor 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 Obligor Group has restated the numbers for the comparative periods, which has resulted increase in deferred tax credit on Other Comprehensive Income by ₹ 229.10 millions for the year ended 31 March, 2023, with corresponding increase in Total Comprehensive Income for the year. The opening balances as at 01 April, 2022 have also been restated in respect of Net Shareholder's Investment increased by ₹ 928.70 millions and Deferred Tax Liabilities decreased by ₹ 928.70 millions in respect of the above matter. As a result of the above, Net Shareholder's Investment has been increased by ₹ 1,157.80 millions and Deferred Tax Liabilities has been decreased by ₹1,157.80 millions as at 31 March, 2023.

37 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 Obligor Group. 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 directed the SEBI to consider certain additional aspects in its scope. The Expert committee submitted its report dated 06 May, 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 25 August, 2023 to the SC.

The SC in its order dated 03 January, 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 Holding 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 Holding 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 results, and that there is no material non-compliance of applicable laws and regulations.

In April 23, the Holding 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 Holding Company, under applicable frameworks; and (b) the Company and its Holding Company 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 or its Holding Company and accordingly, these financial statements do not have any adjustments in this regard.

38 Adani Energy Solutions Limited (AESL), formerly know as Adani Transmission Limited (ATL) has acquired the control of the Company w.e.f. 29 August, 2018, through its purchase from Reliance Infrastructure Limited ("RInfra"), of the equity shares of the Company. In accordance with Share Purchase Agreement, any incremental adjustment, arising as a result of the MERC MYT order for the period 01 April, 2017 to 28 August, 2018 is to the account of R-infra. MERC in its MYT order has provided for recovery of certain regulatory assets in subsequent years subject to final truing up adjustments.

Such recoverable amounts are mainly on account of various components such as annual surplus, capex disallowances, MAT credit etc. Pending final truing up by MERC, the amount recoverable from RInfra have not been accounted for as at 31 March, 2024 and would be accounted for as and when such amount is finally determined.

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39 Related Party Disclosure

As per the Ind AS 24, disclosure of transactions with related parties, are given below:

Name of related parties & description of relationship

(A) Ultimate Holding Entity	S. B. Adani Family Trust (SBAFT)
(B) Holding Company	Adani Energy Solutions Limited (Formerly known as Adani Transmission Limited)
(C) Subsidiary Company of AEML	Adani Electricity Mumbai Infra Limited AEML SEEPZ Limited
(D) Key Management Personnel:	Mr. Anil Sardana, Chairman and Non Executive Director Mr. Kandarp Patel, Managing Director & CEO Mr. Sagar Adani , Non Executive Director Mr. Kenneth McLaren, Non Executive Director Mr. Quinton Choi, Non Executive Director Mr. K Jairaj, Independent Director Ms. Chandra Iyengar, Independent Director Mr. Kunjal Mehta, Chief Financial Officer Mr. Jaldhi Shukla, Company Secretary Mr. Shashank Sharma, Director Mr. Mehul Rupera, Director Mr. Sanjay Bhatt, Director
(E) Entity having significant influence	Qatar Holding LLC

(F) Enterprises over which (A) or (B) or (C) or (D) above have significant influence :

(where transactions have taken place during the year and previous year / balance outstanding)

Adani Power Limited
Adani Enterprises Limited
Adani Properties Private Limited
Karnavati Aviation Private Limited
Adani Power (Mundra) Limited (amalgamated in to Adani Power Limited w.e.f. 08 February 2023)
Adani Green Energy Limited
Mundra Solar Pv Limited
Super heights Infraspaces Private Limited
Adani Electricity Navi Mumbai Limited
Adani Power Maharashtra Limited (amalgamated in to Adani Power Limited w.e.f. 08 February 2023)
Adani Total Gas Limited
Adani Hybrid Energy Jaisalmer Four Limited
Adani Foundation
Adani Hospitals Mundra Private Limited
Mumbai International Airport Limited
Adani Power Rajasthan Limited (amalgamated in to Adani Power Limited w.e.f. 08 February 2023)
Ahmedabad International Airport Limited
Adani Ports And Special Economic Zone Limited
Valuable Properties Private Limited
Adani Krishnapatnam Port Limited
Adani Petronet (Dahej) Port Limited
Adani Airport Holdings Limited
Ambuja Cements Limited
Guwahati International Airport Limited
PLR Systems Private Limited
Mundra Petrochem Limited
Dighi Port Limited
Adani New Industries Limited
Adani Sportsline Private Limited
SBSR Power Cleantech Eleven Private Limited
Adani Renewable Energy Holding Twelve Limited
Alpha Design Technologies Private Limited
Belvedere Gold and Country Club Private Limited
ACC Limited
Adani Digital Labs Private Limited
Adani Infrastructure and Developers Private Limited
Adani Skill Development Centre
Adani Social Development Foundation
Adani Totalenergies E-Mobility Limited
Adaniconnex Private Limited
Dharavi Redevelopment Project Private Limited
Kutch Copper Limited
M P Power Transmission Package-II Limited
Mundra Solar Energy Limited
TRV (Kerala) International Airport Limited
Vishakha Renewables Private Limited

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

Nature of transaction	Name of Related party	For the year ended 31 March, 2024	For the year ended 31 March,2023
Loan given	Adani Properties Private Limited	-	10,000.00
	AEML SEEPZ Limited	386.50	430.95
Loan received back	Adani Properties Private Limited	-	20,400.00
	AEML SEEPZ Limited	74.30	428.20
Investment in subsidiary	AEML SEEPZ Limited	135.00	-
Interest expenses on shareholders affiliated debts	Qatar Holding LLC	1,492.04	1,471.36
Interest income	Adani Properties Private Limited	-	1,047.31
	AEML SEEPZ Limited	13.36	-
	Adani Enterprises Limited	6.40	226.94
Contribution to employee benefits	AEML Gratuity Fund	9.50	9.80
	AEML Superannuation Fund	60.64	77.10

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Nature of transaction	Name of Related party	For the year ended 31 March, 2024	For the year ended 31 March,2023
Receipt of services	Karnavati Aviation Private Limited	-	90.05
	Adani Power (Mundra) Limited	-	0.01
	Adani Enterprises Limited	1,207.75	977.23
	Adani Petronet (Dahej) Port Limited	36.10	40.38
	Mundra Solar Pv Limited	-	0.06
	Alpha Design Technologies Private Limited	19.35	35.37
	Belvedere Gold and Country Club Private Limited	0.29	0.12
	Adani Hospitals Mundra Private Limited	-	0.36
	Adani Power Limited	0.08	-
	Adani Social Development Foundation	2.01	-
Purchase of goods / services	Adani Power Limited	523.10	-
Purchase of assets	Adani Totalenergies E-Mobility Limited	5.40	-
Expenses incurred on behalf of wholly owned subsidiary company	AEML SEEPZ Limited	30.13	-
Services given	Kutch Copper Limited	5.67	-
Employee advance transferred out	Adani Airport Holdings Limited	-	6.19
Employees benefits transferred from	Adani Enterprises Limited	57.72	1.05
	Adani Ports And Special Economic Zone Limited	-	2.39
	Adani Krishnapatnam Port Limited	0.11	-
	Mundra Solar Energy Limited	0.20	-
	M P Power Transmission Package-II Limited	0.57	-
	Adani Electricity Mumbai Infra Limited	62.80	-
Employees benefits transferred to	Adani Electricity Mumbai Infra Limited	-	65.45
	Adani Airport Holdings Limited	2.30	4.40
	Adani Enterprises Limited	1.05	1.27
	Ahmedabad International Airport Limited	2.64	0.23
	Adani Krishnapatnam Port Limited	-	4.25
	Adani Green Energy Limited	-	1.77
	Mumbai International Airport Limited	-	4.97
	Ambuja Cements Limited	0.55	9.02
	Adani Power Maharashtra Limited	-	0.13
	Guwahati International Airport Limited	-	0.46
	Adani Petronet (Dahej) Port Limited	-	0.15
	PLR Systems Private Limited	0.27	0.34
	Mundra Petrochem Limited	-	1.13
	Dighi Port Limited	-	0.13
	Adani New Industries Limited	-	0.51
	Adani Sportsline Private Limited	-	0.94
	Adani Power Limited	0.16	-
	Adani Ports And Special Economic Zone Limited	5.02	-
	Adani Total Gas Limited	1.02	-
	Adani Infrastructure and Developers Private Limited	3.19	-
	Adaniconnex Private Limited	0.43	-
	Dharavi Redevelopment Project Private Limited	0.85	-
Payment made on behalf of Group companies	Adani Electricity Navi Mumbai Limited	0.50	0.45
	Adani Electricity Mumbai Infra Limited	-	2.33
	AEML Seepz Limited	1.16	1.75
Payment made on behalf of Group companies - received back	Adani Electricity Navi Mumbai Limited	-	0.87
	Adani Electricity Mumbai Infra Limited	-	0.61
Advance paid towards purchase of power	Adani Enterprises Limited	-	14,094.09
Corporate social responsibility contribution	Adani Foundation	77.20	74.20
	Adani Skill Development Centre	18.40	-
Purchase of coal	Adani Enterprises Limited	-	927.35
Sale of coal	Adani Power Rajasthan Limited	-	38.62
Purchase consideration received towards capital reorganisation	AEML SEEPZ Limited	369.60	-
Sale of power	AEML SEEPZ Limited	64.70	-
Sale of material (meters)	AEML SEEPZ Limited	0.03	-
Sale of advertisement space	Adani Digital Labs Private Limited	0.74	-
Purchase of power (net of discount, if any)	Adani Enterprises Limited	24,648.31	19,710.78
	SBSR Power Cleantech Eleven Private Limited	-	6.20
	Adani Hybrid Energy Jaisalmer Four Limited	9,308.25	7,088.14
	AEML SEEPZ Limited	2.23	-
Rent paid	Mumbai International Airport Limited	11.42	11.42
Reimbursement of water expenses	Mumbai International Airport Limited	0.81	-
Earnest money deposit	Adani Total Gas Limited	-	1.00
	Adani Renewable Energy Holding Twelve Limited	-	0.38
	Vishakha Renewables Private Limited	1.36	-
	ACC Limited	5.00	-
	Ambuja Cements Limited	5.00	-
Dividend Paid	Adani Energy Solutions Limited	2,559.86	-
	Qatar Holding LLC	857.84	-
Earnest money deposit refunded	ACC Limited	5.00	-
	Ambuja Cements Limited	5.00	-

Remuneration paid to Key Management Personnel (KMP):

Nature of transaction	Name of Related party	For the year ended 31 March, 2024	For the year ended 31 March,2023
Short term employee benefits	Mr. Kandarp Patel	78.20	51.50
	Mr. Kunjal Mehta	14.80	12.80
Post employment benefits	Mr. Kandarp Patel	3.10	2.90
	Mr. Kunjal Mehta	0.80	0.60
Sitting fees to directors	Mr. K Jairaj	0.50	0.44
	Ms. Chandra Iyengar	0.40	0.38

Closing balance	Name of Related party	As at 31 March, 2024	As at 31 March, 2023
Balance payable	Mundra Solar Pv Limited	0.96	0.96
	Karnavati Aviation Private Limited	-	60.46
	Adani Hybrid Energy Jaisalmer Four Limited	890.69	1,408.89
	Adani Enterprises Limited	-	1,696.58
	Superheights Infraspaces Private Limited	790.00	790.00
	Mumbai International Airport Limited	-	5.54
	Ambuja Cements Limited	0.55	9.02
	Adani Power Maharashtra Limited	-	0.13
	Guwahati International Airport Limited	-	0.46
	Adani Petronet (Dahej) Port Limited	-	0.15
	PLR Systems Private Limited	0.27	0.34
	Mundra Petrochem Limited	-	1.13
	Dighi Port Limited	-	0.13
	Adani New Industries Limited	-	0.51
	Vishakha Renewables Private Limited	1.36	-
	Adani Renewable Energy Holding Twelve Limited	0.38	0.38
	Adani Sportsline Private Limited	-	0.94
	Adani Green Energy Limited	-	1.77
	Adani Airport Holdings Limited	1.97	4.40
	Adani Hospitals Mundra Private Limited	-	0.36
	SBSR Power Cleantech Eleven Private Limited	-	6.19
	Ahmedabad International Airport Limited	2.64	0.23
	Valuable Properties Private Limited	0.58	0.58
	Adani Power (Mundra) Limited	-	0.26
	Adani Krishnapatnam Port Limited	-	4.25
	Alpha Design Technologies Private Limited	-	4.32
	Adani Total Gas Limited	1.02	1.00
	Adani Totalenergies E-Mobility Limited	6.41	-
	Adani Power Limited	0.16	-
	TRV (Kerala) International Airport Limited	0.17	-
	Adani Ports And Special Economic Zone Limited	7.41	-
	Adani Infrastructure and Developers Private Limited	3.19	-
	Adani Electricity Mumbai Infra Limited	62.80	-
	Adaniconnex Private Limited	0.43	-
	Dharavi Redevelopment Project Private Limited	0.85	-
Balance receivable	Adani Electricity Navi Mumbai Limited	0.50	0.01
	Adani Electricity Mumbai Infra Limited	-	67.78
	AEML SEEPZ Limited	380.72	5.05
	Adani Ports And Special Economic Zone Limited	-	2.27
	Adani Enterprises Limited	543.95	-
	Adani New Industries Limited	2.20	-
	Adani Krishnapatnam Port Limited	0.11	-
	Mundra Solar Energy Limited	0.20	-
	Dighi Port Limited	0.05	-
	M P Power Transmission Package-II Limited	0.57	-
	Adani Digital Labs Private Limited	0.74	-
Borrowings - Shareholders Affiliated Debt	Qatar Holding LLC	23,520.21	23,171.94
Interest accrued but not due on Shareholders Affiliated Debt	Qatar Holding LLC	573.87	577.67

Note:

1) The above disclosure does not include transaction with / as public utility services viz, electricity, telecommunications etc. in the normal course of business.
2) Transactions amongst related parties are made on terms equivalent to those that prevail in arm's length transactions and represent the substance over the legal form. 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 31 March, 2024 the Obligor Group has not recorded any impairment of receivables relating to amounts owed by related parties (31 March, 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.
3) Key Managerial Personnel are entitled to post-employment benefits and other long term employee benefits recognised as per Ind AS 19 - 'Employee Benefits' in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above.
4) Refer note 32 (C) for commitments with related parties.
5) Amounts disclosed are contractual undiscounted cash flows.

WALKER CHANDIOK & CO. LLP CHARTERED ACCOUNTANTS

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Adani Electricity Mumbai Ltd.

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40 Disclosure under Ind AS 19 "Employee Benefits" :

1 Defined Contribution Plan

(i) Provident fund
(ii) Superannuation fund
(iii) State defined contribution plans
- Employer's contribution to Employees' state insurance
- Employers' Contribution to Employees' Pension Scheme 1995

The provident fund and the state defined contribution plan are operated by the Regional Provident Fund Commissioner and the superannuation fund is administered by the trustees of the AEML Superannuation Scheme. Under the schemes, the Obligor Group is required to contribute a specified percentage of payroll cost to the retirement benefit schemes to fund the benefits. The Obligor Group has no obligation other than the contribution to the fund.

The Obligor Group has recognised the following amounts as expense in the statement of profit and loss for the year:

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Contribution to Provident Fund	418.40	414.97
Contribution to Employees Superannuation Fund	60.64	77.06
Contribution to Employees State Insurance Corporation	0.10	0.80
Contribution to Employees Pension Scheme	58.27	63.72

2 Defined Benefit Plan

Gratuity

The Obligor Group operates a funded gratuity plan in the form of a Trust, governed by Trustees appointed by the Obligor Group and administered by Life Insurance corporation. Every employee is entitled to a benefit equivalent to fifteen days salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972 or Obligor Group scheme whichever is beneficial. The same is payable at the time of separation from the Obligor Group or retirement, whichever is earlier. The benefits vest after five years of continuous service.

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Principal assumptions in actuarial valuation		
Rate of discounting	7.21%	7.44%
Rate of salary increase	10.50%	10.25%
Rate of employee turnover	1.00%	1.00%
Mortality rate during employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)
Change in the present value of defined benefit obligation	**31 March, 2024**	**31 March, 2023**
Present value of benefit obligation at the beginning of the year	6,561.41	6,821.18
Liability transferred in	33.87	1.55
Liability transferred out	(84.60)	(13.80)
Interest cost	433.13	476.12
Current service cost	309.70	371.89
Liabilities extinguished on settlement	-	(181.55)
Benefit paid from the fund	(829.50)	(406.01)
Actuarial (Gain) / Losses on obligation- due to change in financial assumptions	234.90	(221.81)
Actuarial (Gain) / Losses on obligation-due to experience	(113.20)	(286.16)
Present value of benefit obligation at the end of the year	**6,545.71**	**6,561.41**
Change in the fair value of plan assets		
Fair value of plan asset at the beginning of the year	4,745.92	4,894.59
Assets transferred out	(49.30)	(65.45)
Interest income	298.10	341.64
Benefit paid from the fund	(829.50)	(406.01)
Contribution by the employer	9.64	9.76
Return on plan assets excluding interest income	(17.40)	(28.61)
Fair value of plan asset at the end of the year	**4,157.46**	**4,745.92**
Amount recognised in the balance sheet		
Present value of benefit obligation at the end of the year	6,545.71	6,561.41
Fair value of plan assets at the end of the year	4,157.46	4,745.92
Funded status (Deficit)	**(2,388.25)**	**(1,815.49)**
Net (liability) recognized in the balance sheet	**(2,388.25)**	**(1,815.49)**
Provisions		
Current	325.56	290.69
Non-current	2,062.69	1,524.80
Expenses recognized in the Statement of profit and loss		
Current service cost	309.70	371.89
Net interest cost	135.03	134.48
Loss / (Gains) on curtailments and settlements	-	(181.55)
Expenses recognised	**444.73**	**324.82**
Expenses recognised in Other comprehensive income (OCI)		
Actuarial (Gains) / losses on obligation for the year	121.70	(508.03)
Return on plan assets excluding interest income	17.40	28.61
Net income for the year recognised in OCI	**139.10**	**(479.42)**
Major categories of plan assets		
Government securities	80.39%	80.39%
Debt and other instruments	9.85%	9.85%
Equity instruments	9.76%	9.76%
Total	100%	100%
Expected contribution for next financial year	**325.60**	**290.69**
Expected maturity analysis of undiscounted defined benefit obligation is as follows		
Within one year	395.44	1,072.48
Between 2 to 5 years	1,968.92	1,688.79
Between 6 to 10 years	3,369.80	3,100.43
Beyond 10 years	7,434.46	6,947.57
The weighted average duration of the defined benefit obligation	10.00	9.00
Sensitivity analysis		
Projected benefit obligation on current assumptions	**6,545.71**	**6,561.41**
Assumptions - discount rate		
Sensitivity level	1.00%	1.00%
Impact on defined benefit obligation –in % increase	(7.46%)	(6.69%)
Impact on defined benefit obligation –in ₹ millions	(488.26)	(439.03)
Impact on defined benefit obligation –in % decrease	8.51%	7.62%
Impact on defined benefit obligation –in ₹ millions	556.77	500.23

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Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Assumptions – Future salary increase		
Sensitivity level	1.00%	1.00%
Impact on defined benefit obligation –in % increase	7.90%	7.13%
Impact on defined benefit obligation –in ₹ millions	517.35	467.73
Impact on defined benefit obligation –in % decrease	(7.07%)	(6.41%)
Impact on defined benefit obligation –in ₹ millions	(462.93)	(420.37)
Assumptions – Employee turnover		
Sensitivity level	1.00%	1.00%
Impact on defined benefit obligation –in % increase	(1.61%)	(1.28%)
Impact on defined benefit obligation –in ₹ millions	(105.15)	(83.67)
Impact on defined benefit obligation –in % decrease	1.78%	1.41%
Impact on defined benefit obligation –in ₹ millions	116.41	92.36

2.(i) The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting year) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

2.(ii) The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

3 Risk exposure:

Through its defined benefit plans, the Obligor Group is exposed to a number of risks, the most significant of which are detailed below:

3.(i) Asset volatility:

The plan liabilities are calculated using a discount rate set with reference to government bond yield. If plan assets underperform this yield, it will result in deficit. These are subject to interest rate risk. To offset the risk, the plan assets have been deployed in high grade insurer managed funds.

3.(ii) Inflation rate risk:

Inflation higher than expected increase in salary could increase the defined benefit obligation.

3.(iii) 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.

41 **Regulatory deferral account**	As at 31st March, 2024	As at 31st March, 2023
Net regulatory deferral account		
Regulatory assets	15,713.60	19,617.26
Net regulatory assets	**15,713.60**	**19,617.26**

Rate regulated activities

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

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

3 Maharashtra Electricity Regulatory Commission ("MERC") vide its order dated 31 March, 2023, has approved the Truing -up of Annual Revenue Requirement (ARR) for FY 2019-20 to FY 2021-22, Provisional Truing-up of ARR for FY 2022-23 and revised projected ARR and Tariff for the period from 2023-24 to 2024-25 for Generation, Transmission and Distribution Business of the Obligor Group (MTR Order). Consequent to the above order, the Company has recognised net income of ₹ 2,427.64 millions during the year ended 31 March, 2023.

4 Pursuant to the Mid Term Review (MTR) order issued by Maharashtra Electricity Regulatory (MERC) on 31 March, 2023, the Company has recovered from customers Regulatory Asset Charge (RAC) for past years. The impact thereof on the Revenue from Operations and Net Regulatory Income/(Expense) for the reporting periods is as stated below:

Sr. No	Particulars	For the year ended 31 March, 2024	For the year ended 31 March,2023
a	Revenue from operations for the year	97,479.50	83,609.57
b	Less: Recovery of RAC for past years	(6,574.80)	-
c	**Revenue from operations (excluding past year recovery) (a-b)**	**90,904.70**	**83,609.57**
d	Regulatory income/(expense) (net)	(4,040.00)	10,355.77
e	Movement in regulatory deferral balance other comprehensive income - Distribution	136.04	(479.42)
f	Recovery of RAC for past years	6,574.80	-
g	**Regulatory income/(expense) (net) (d-e-f)**	**2,670.84**	**9,876.35**

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

Particulars	As at 31st March, 2024	As at 31st March, 2023
Opening regulatory assets (net)	19,617.26	8,503.62
Add:		
Income recoverable from future tariff		
Revenue gap for current year	2,670.84	7,728.26
Accrued in respect of earlier year consequent to MERC MTR Order	0.30	3,385.38
Total	**2,671.14**	11,113.64
Less:		
Recovery of RAC for previous years	(6,574.80)	-
Net movement during the year	(3,903.66)	11,113.64
Closing balance	**15,713.60**	**19,617.26**

Note:
(i) 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.

Any change in the Tariff regulations beyond the current tariff period ending on 31 March, 2024 may have an impact on the recovery of Regulatory Deferral Account Balances.

(ii) The Obligor Group will recover regulatory gap of ₹ 8,286.00 millions in FY 2024-25, out of ₹ 15,713.60 millions while balance will be recovered over the life of the projects as per existing MERC regulations.

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42 Financial instruments

1 Fair value measurement

Particulars	31 March, 2024		31 March, 2023	
	Book Value	Fair Value	Book Value	Fair Value
Financial assets				
Investment				
- Investment in mutual fund at FVTPL	-	-	7,429.02	7,429.02
- Investment in treasury bills at FVTPL	345.60	345.60	247.55	247.55
- Investment in government securities	2,335.10	2,203.13	2,336.09	2,143.18
Trade receivables	4,691.58	4,691.58	4,522.69	4,522.69
Loans	604.60	604.60	327.94	327.94
Cash and cash equivalents	2,864.08	2,864.08	910.32	910.32
Bank balance other than cash and cash equivalent	6,282.20	6,282.20	6,224.53	6,224.53
Derivative instruments designated in hedge accounting relationship	5,596.93	5,596.93	5,533.71	5,533.71
Other financial assets	12,410.56	12,410.56	12,540.30	12,540.30
Total	**35,130.65**	**34,998.68**	**40,072.15**	**39,879.24**
Financial liabilities				
Borrowings (Senior secured note - 3.949% & Sustainability linked notes - 3.867%) - fixed rate	97,703.18	83,105.71	1,05,991.03	76,500.27
Borrowings (Shareholders affiliated debts - 6.365%) - fixed rate	23,278.82	23,278.82	22,895.21	22,895.21
Interest accrued on borrowings	1,153.76	1,153.76	1,202.00	1,202.00
Borrowings (including interest accrued & current maturities) - floating rate	10,529.56	10,529.56	5,030.48	5,030.48
Lease Liability obligation	191.44	191.44	307.43	307.43
Trade Payables	14,722.99	14,722.99	16,226.11	16,226.11
Derivative instruments designated in hedge accounting relationship	628.05	628.05	37.14	37.14
Other Financial Liabilities	10,413.78	10,413.78	10,826.82	10,826.82
Total	**1,58,621.58**	**1,44,024.11**	**1,62,516.22**	**1,33,025.46**

Above excludes carrying value of investment in subsidiary accounted at cost in accordance with Ind AS 27.

The management assessed that the fair value of cash and cash equivalents, other balances with bank, trade receivables, loans, trade payables, other financial assets and liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties. The following methods and assumptions were used to estimate the fair values.

Fair value of the Government securities, mutual funds are based on the price quotations near the reporting date.

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

The Company enters into derivative financial instruments with various counterparties, principally banks and financial institutions with investment grade credit ratings. Foreign exchange forward contracts are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves and forward rate curves of the underlying currency. All derivative contracts are fully collateralized, thereby, eliminating both counterparty and the company's own non-performance risk.

2 The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels

Level 1 :
Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 :
Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 :
Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Particulars	Fair Value Hierarchy as at 31 March, 2024				
	Date of Valuation	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Assets					
Investments in treasury bills	31 March, 2024	345.60	-	-	345.60
Derivative financial assets	31 March, 2024	-	5,596.93	-	5,596.93
Total		**345.60**	**5,596.93**	**-**	**5,942.53**
Liabilities					
Derivative instruments designated in hedge accounting relationship					
Derivative financial Liabilities	31 March, 2024	-	628.05	-	628.05
Borrowings (Including Interest accrued & Current Maturities) - Floating Rate	31 March, 2024	-	10,529.56	-	10,529.56
Total		**-**	**11,157.61**	**-**	**11,157.61**

Particulars	Fair Value Hierarchy as at 31 March, 2023				
	Date of Valuation	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Assets					
Investments in mutual funds	31 March, 2023	7,429.02	-	-	7,429.02
Investments in treasury bills	31 March, 2023	247.55			247.55
Derivative financial assets	31 March, 2023	-	5,533.71	-	5,533.71
Total		**7,676.57**	**5,533.71**	**-**	**13,210.28**
Liabilities					
Derivative instruments designated in hedge accounting relationship					
Derivative financial Liabilities	31 March, 2023	-	37.14	-	37.14
Total		**-**	**37.14**	**-**	**37.14**

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3 Capital Management & Gearing Ratio

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

Gearing ratio

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

	As at 31 March, 2024	As at 31 March, 2023
Debt	1,32,665.32	1,35,118.72
Less : Cash & Bank Balance	14,802.67	13,222.23
Net debt	**1,17,862.65**	**1,21,896.49**
Net Shareholder's Investment	45,961.83	48,375.75
Net Shareholder's Investment & net debt	**1,63,824.48**	**1,70,272.24**
Net debt to Total Capital plus net debt ratio (%)	72%	72%

(i) Debt includes as Non-current borrowings (including current maturities), current borrowings and interest accrued on borrowings

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

4 Financial risk management objectives and policies

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

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

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

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

A. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk, and currency risk. Financial instruments affected by market risk include loans and borrowings. The sensitivity analysis in interest rate and foreign currency risk sections relate to the position as at 31 March, 2023 and as at 31 March, 2024.

The sensitivity analysis have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant as at 31 March, 2023 and as at 31 March, 2024.

I. Foreign currency risk

The Company is exposed to foreign currency risks arising from its exposure to the USD. Foreign currency risks arise from future commercial transactions and recognized assets and liabilities, when they are denominated in a currency other than Indian Rupee. Exposures on foreign currency loans are managed through the Company wide hedging policy, which is reviewed periodically to ensure that the results from fluctuating currency exchange rates are appropriately managed. The Company's exposure with regards to foreign currency risk is given below.

The following table shows foreign currency exposures in US Dollar on financial instruments at the end of the reporting period (refer note 42 (5))

Foreign Currency Exposures				
Particulars	**As at 31 March, 2024**		**As at 31 March, 2023**	
	Foreign Currency (In millions)	**Amount**	**Foreign Currency (In millions)**	**Amount**
In USD				
(i) Interest accrued but not due	13.83	1,153.83	14.63	1,202.04
(ii) Import creditors and acceptances	2.35	196.00	0.73	59.98
(iii) Bond	880.00	73,396.48	1,000.00	82,170.00
(iv) Bond - Sustainability Linked Notes	300.00	25,021.50	300.00	24,651.00
(v) Shareholders Affiliated Debts	282.00	23,520.21	282.00	23,171.94
Derivatives				
-Cross currency swaps	(993.24)	(82,841.18)	(982.00)	(80,690.94)
-Forward coupon	-	-	(2.00)	(164.34)
-Coupon only swaps	(2.59)	(216.02)	(12.63)	(1,037.81)
-Principal only swaps	(480.00)	(40,034.57)	(600.00)	(49,302.00)
Total	**2.35**	**196.25**	**0.73**	**59.87**
In Euro				
(i) Import creditors and acceptances	0.03	2.50	0.03	2.68
Total	**0.03**	**2.50**	**0.03**	**2.68**

(i) Foreign currency sensitivity analysis

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

Particulars	Effect on profit before tax and consequential impact on Equity			
	As at 31 March, 2024		As at 31 March, 2023	
	Appreciate	Depreciate	Appreciate	Depreciate
Rupee appreciate / (depreciate) by ₹ 1 against USD / EURO	2.38	(2.38)	0.76	(0.76)
Rupee appreciate / (depreciate) by ₹ 2 against USD / EURO	4.77	(4.77)	1.52	(1.52)
Rupee appreciate / (depreciate) by ₹ 3 against USD / EURO	7.15	(7.15)	2.28	(2.28)

II. Interest rate risk

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

The long-term borrowings of the Obligor Group includes borrowings by way of Senior Secured Notes (SSN) and Shareholder's Affiliated Debts carries fixed rate of interest till maturity. 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.

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(i) Interest rate sensitivity:

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

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

Particulars	As at 31 March, 2024		As at 31 March, 2023	
	50 bps increase	50 bps decrease	50 bps increase	50 bps decrease
Interest expense on loan	23.10	(23.10)	51.12	(51.12)
Effect on profit before tax	(23.10)	23.10	(51.12)	51.12

B. Credit risk

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

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

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

Particulars	As at 31 March, 2024	As at 31 March, 2023
Trade receivables	4,691.58	4,522.69
Loans	604.60	327.94
Other financial assets	18,007.49	18,074.01
Total	**23,303.67**	**22,924.64**

Refer Note 12 for credit risk and other information in respect of trade receivables. Moreover, given the diverse nature of the consumer profile of the Company, trade receivables are spread over a number of customers with no significant concentration of credit risk. No single customer accounted for 10.0% or more of revenue basis in any of the years presented. The history of trade receivables shows a negligible provision for bad and doubtful debts compared to the volume/value of sales recorded. Other receivables as stated above are due from the parties / banks under normal course of the business having sound credit worthiness. and as such the Company believes exposure to credit risk to be minimal.

The Company has not acquired any credit impaired asset.

C. Liquidity risk

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

Contractual Maturities of Financial liabilities	Less than 1 year	1 to 5 years	More than 5 years	Total
As at 31 March, 2024				
Borrowings**	17,033.82	21,402.10	1,29,821.50	1,68,257.42
Trade payables	14,349.11	-	373.88	14,722.99
Lease liabilities***	20.70	48.50	94.90	164.10
Other financial liabilities	10,413.78	628.05	-	11,041.83
Total	**41,817.41**	**22,078.65**	**1,30,290.28**	**1,94,186.34**
As at 31 March, 2023				
Borrowings**	12,002.50	22,968.30	1,42,467.04	1,77,437.84
Trade payables	15,898.55	-	327.56	16,226.11
Lease liabilities***	162.73	119.20	25.50	307.43
Other financial liabilities	10,826.82	37.14	-	10,863.96
Total	**38,890.60**	**23,124.64**	**1,42,820.10**	**2,04,835.34**

** 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.

*** Carrying Value of lease liabilities is ₹ 191.44 millions (31 March, 2023 - ₹ 307.43 millions)

5 Derivative Financial Instrument

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

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

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

The Company has designated derivative contracts as cash flow hedges and recognise 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 and March 31, 2023.

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

Derivative Financials Instruments	As at 31 March, 2024		As at 31 March, 2023	
	Assets	**Liabilities**	**Assets**	**Liabilities**
Cashflow hedge*				
-Cross Currency Swaps	4,516.03	583.05	3,679.61	36.04
-Forward	-	-	-	1.10
-Coupon Only Swaps	45.10	45.00	144.50	-
-Principal Only Swaps	1,035.80	-	1,709.60	-
Total	**5,596.93**	**628.05**	**5,533.71**	**37.14**

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

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

Particulars	As at 31 March, 2024			As at 31 March, 2023		
	Foreign Currency (In Millions)	Amount	Purpose	Foreign Currency (In Millions)	Amount	Purpose
In USD						
-Cross Currency Swaps*	982.00	81,903.71	Hedging of foreign currency borrowing principal & interest liability	982.00	80,690.94	Hedging of foreign currency borrowing principal & interest liability
-Forward	-	-	Hedging of foreign currency borrowing interest liability	2.00	164.34	Hedging of foreign currency borrowing principal & interest liability
-Coupon Only Swaps	480.00	40,034.40	Hedging of foreign currency borrowing interest liability	600.00	49,302.00	Hedging of foreign currency borrowing interest liability
-Principal Only Swaps	480.00	40,034.57	Hedging of foreign currency borrowing principal liability	600.00	49,302.00	Hedging of foreign currency borrowing principal liability
Total	**1,942.00**	**1,61,972.68**		**2,184.00**	**1,79,459.28**	

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

The Obligor Group's operations is majorly confined within India and the revenue earned is in INR. Accordingly there are no reportable geographical segments.

44 Statutory disclosures

(i) The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Obligor Group 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 Obligor Group will assess the impact and its evaluation once the subject rules are notified. The Obligor Group 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) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Obligor Group to or in any other person(s) or entity(is), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Obligor Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) No funds have been received by the Obligor Group from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the obligor Group 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.

(iv) The Obligor Group does not have any benami property, where any proceeding has been initiated or pending against the Obligor Group for holding any benami property.

(v) The Obligor Group does not have any such transactions which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act,1961 (such as, search or survey or any relevant provisions of Income Tax Act, 1961)

(vi) The Obligor Group has not been declared as wilful defaulter by any bank or financial institution or other lenders

(vii) The Obligor Group 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 Obligor Group has not traded or invested in Crypto Currency or in Virtual Currency during the reporting period.

45 Significant Events after the Reporting Period
There were no significant adjusting events that occurred subsequent to the reporting period other than the events disclosed in the relevant notes.

As per our attached report of even date
For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration Number : 001076N / N500013

Neeraj Goel
Partner
Membership No. 99514

WALKER CHANDIOK & Co. LLP CHARTERED ACCOUNTANTS

Place : Gurugram
Date : 12 July, 2024

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

Anil Sardana
Chairman
DIN: 00006867

Kandarp Patel
Managing Director & CEO
DIN.: 02947643

Kunjal Mehta
Chief Financial Officer

Jaladhi Shukla
Company Secretary

Place : Ahmedabad
Date : 12 July, 2024

Adani Electricity Mumbai Ltd.