

adani

Adani Electricity Mumbai Limited

Compliance Certificate (September 2020)

Comprising of Adani Electricity Mumbai Limited and Power Distribution Service Limited ("the Obligor Group")



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1. Executive Summary

At AEML, we firmly believe that electricity is more than just a means to power one's home or business, it is the force that powers every aspect of our lives. Uninterrupted power is uninterrupted life. The Company is committed and devoted to enhancing the reliability, quality and competitiveness of electricity and powering millions of lives.

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

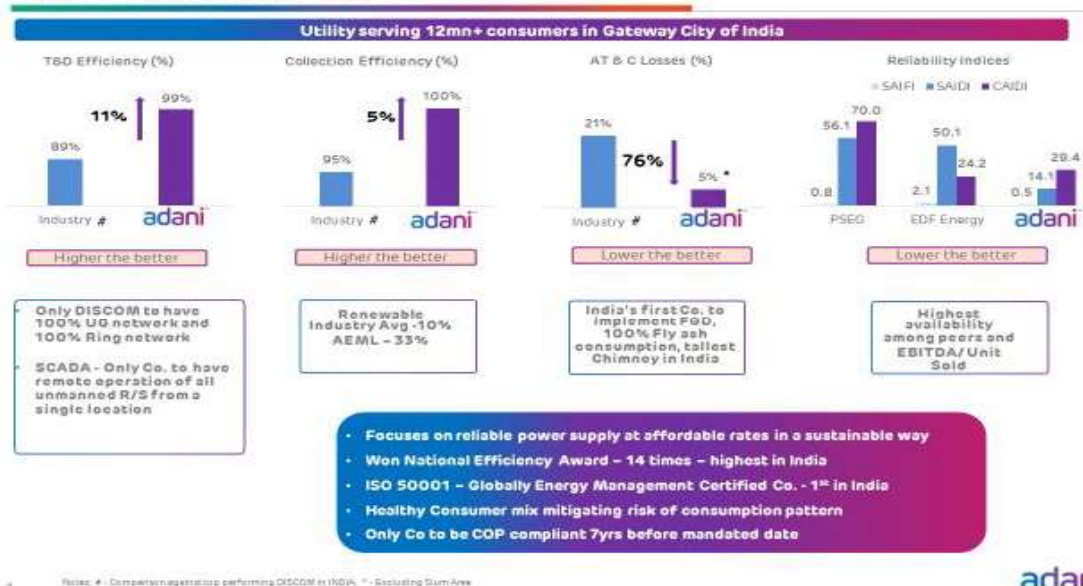
AEML has operated for over 90 years in a stable and evolved regulatory regime and has witnessed regulations since 1956 and 17 years of regulatory orders under the current Electricity Act. We endeavor to provide the highest quality of supply in terms of sustainable, reliable, and affordable power supply with an emphasis on excellent consumer service. The integrated Mumbai Generation, Transmission and Distribution (GTD) Business caters to ~3.05 million households (12 million consumers), making it the country's largest private sector integrated power utility.

As a largest private utility, AEML serves in the "gateway" city of Mumbai. The Company is 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.

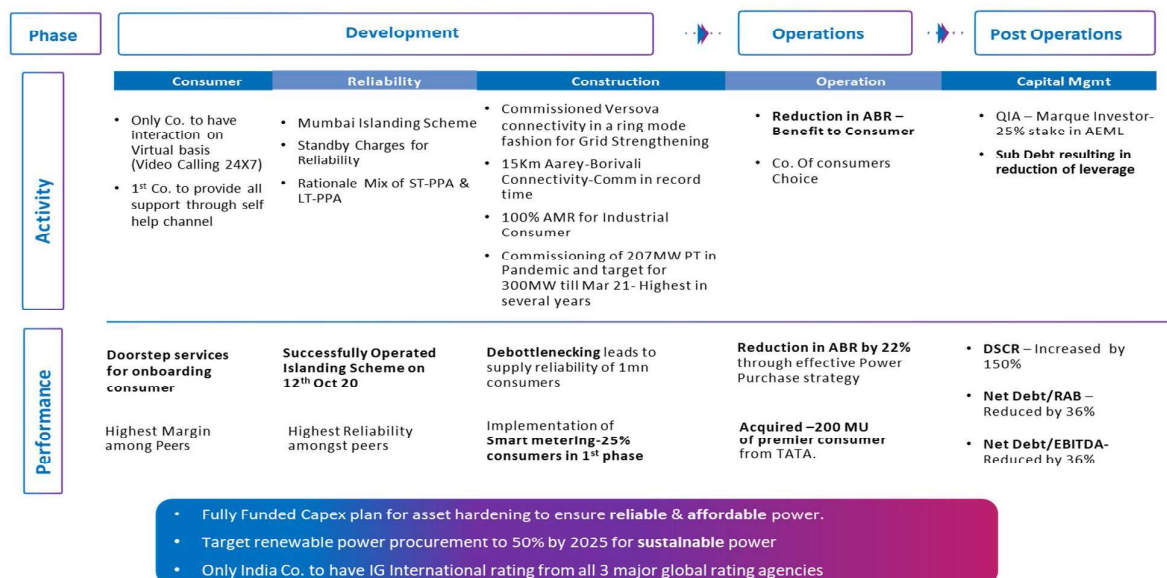
Since the year 1926, we have been a partner in the growth story of Mumbai and have a sound and steady 94 Year track record of serving Mumbai's consumers. With a modest consumer base of 2,500 households in 1931 the business has grown to 3.05 million households presently.

The consumers from Mumbai are from a city with the highest GDP and as such well-deserved, affluent, and paying customers. The major thrust and focus of these consumers are on reliable service, which AEML is dedicated to providing round the clock to them. It is on account of these reasons that we can firmly express that these consumers are the part of our growth trajectory path and hence put AEML EBIDTA at the least risk.

AEML: Long & Healthy track record amongst industry peers since last 9 decades

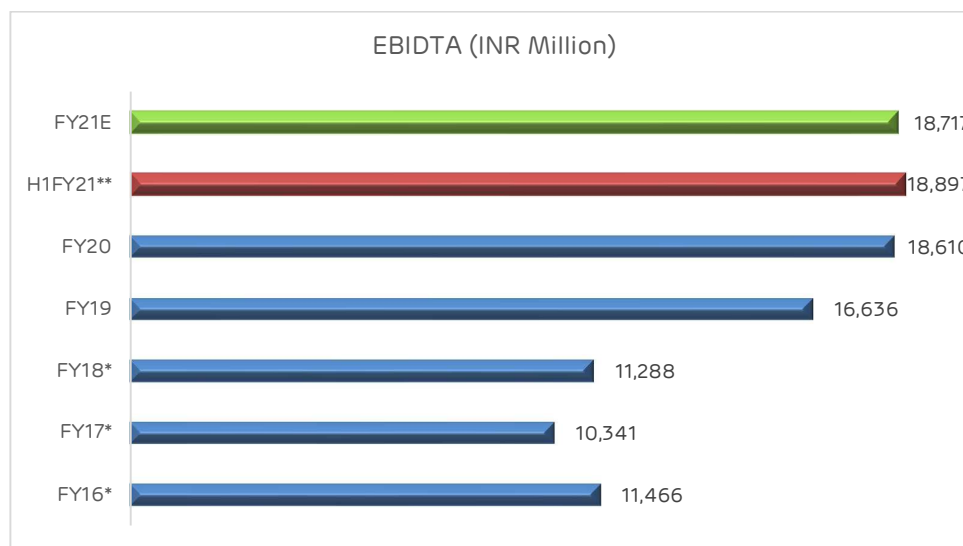


AEML: Following Footstep of ATL is a robust & proven model of investment



1.1 EBITDA Performance (in INR million)

The EBITDA of the company has increased by ~65% (as on FY 20) after the acquisition by Adani Transmission Limited



*FY16 to FY18 is regulated EBITDA

** For Trailing 12 months from October 2019 to September 2020

F21E is for AEML

During the period, a subsidiary of Qatar Investment Authority (QIA) – Qatar Holding LLC, completed the acquisition of 25.10% stake in Adani Electricity Mumbai Ltd (AEML) from Adani Transmission Ltd (ATL). Alongside, it also made an investment in AEML's shareholder subordinated debt on 10 February 2020. The total investment of QIA is ~\$450 million. These funds will help to provide growth equity to the business to fund our capex plans while deleveraging the balance sheet.

The Company successfully completed an investment grade, USD 1 billion bond issuance. This was a first by a private integrated utility from India. The issue was highly oversubscribed and generated significant interest from international investors. This issuance was majorly undertaken for refinancing the existing Domestic debt. The bond issued is in nature of bullet repayment after a tenure of 10 years which has helped in freeing the required cash flow for Asset hardening and maintaining Regulated Asset Base of the business. This facility has been rated as investment grade (IG) by all the three top renowned rating agencies of the world (S&P – BBB-, Moody's – Baa3 and Fitch – BBB-).

AEML has also been assigned a rating of "IND AA+" from India Ratings & Research Private Limited with a stable outlook for its Working capital facilities.

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

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

AEML has planned various capex schemes to cater to increased demand and maintain supply reliability and is undertaking capex under various schemes to strengthen network infrastructure. The Company executed a capex of INR 1,200 crore in FY 20, and Capex for the half year ending on September 30, 2020 was INR 337.35 crore, thus ensuring modernization of network and deployment of technology for enhancing its deliverables for its customers.

AEML as a Leader in the Power 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.

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

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

3. Strategic Partner – Qatar Investment Authority (QIA)

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

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

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

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

4. Capital Management Program

AEML's Capital Management Program brings diversity along with lower cost of debt. Through this program, the existing debt has been refinanced through USD 1 billion bond and to harden the assets, a rolling ECB capex facility of USD \$ 400 million is tied -up.

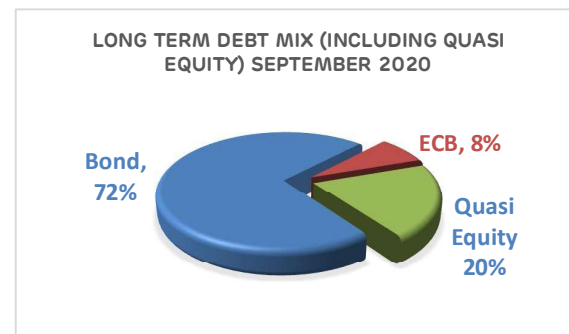
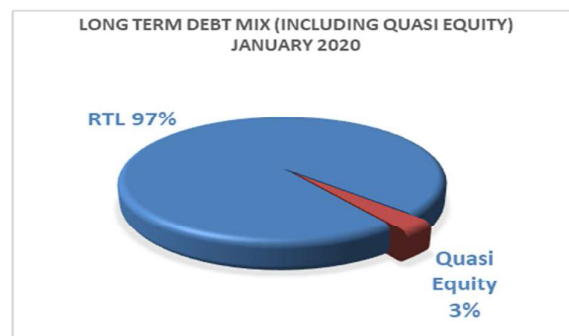
4.1 Executed Capital Management Plan

- 10 Years bullet 1bn \$ bond to repay existing debt
- ECB 400 Mn \$ revolver to support ongoing capex
- Quasi equity from QIA for 282 Mn \$ to reduce the overall external debt

4.2 Advantage of Capital management Program

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

	As on September 30 2020	As on March 31, 2020	As on January 31, 2020
Long Term Debt (Bond & ECB)	INR Billion 78.85	INR Billion 76.28	INR Billion 88.49
Average Debt Maturity for LT Debt	8.68 Years	9.54 Years	6.71 Years
Cost of Debt (weighted)	8.11%	8.97%	9.19%
Net Debt to EBITDA	2.97x	2.91x	4.62x
Net Debt to RAB	0.85x	0.82x	1.32x
Debt Service Coverage Ratio	3.67x	2.35x	1.47x



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

5. Fight against COVID – 19

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

Measures taken for enhancing collection

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

Adani Electricity rise to the challenge of COVID-19

- Supply released to 2,957 flats and 9 hospitals with 500 bed capacity identified for quarantine purpose
- Supply released within 24 hours to a 30,000 sq. feet camp at Versova ground built by Maharashtra Home Guards with a capacity to accommodate 500 people

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

6. Success of Islanding Scheme

Just to highlight our operational strength and capex philosophy directed towards asset hardening at our Distribution business, we would like to briefly talk about recent outage in Mumbai. On October 12, 2020, at 10:05 hours Mumbai saw a worst-ever outage plunging majority of the city into darkness. Our operational excellence and robust network infrastructure has come into play and due to activation of islanding scheme, AEML ensured 385 MW of supply for critical services in Mumbai through its Dahanu power plant and ensured quick restoration of services in the affected areas. Close to 95% of the supply to consumers was restored in next 70 minutes of disruption. AEML team well-coordinated with SLDC and successfully synchronized the Mumbai System with state grid as a rapid response.

The sequence of event is as follows:

The partial Grid Disturbance had resulted in to load shedding of 2,215 MW in Mumbai System and 980 MW in AEML system.

Mumbai System load before event was 2,600 MW, which was catered through AEML DTPS unit – 488 MW, TPC – Thermal 635 MW, TPC – Thermal 203 MW, Drawl through Mumbai Tie Lines (MSETCL) 1,275 MW.

Event triggered due to outage at MSETCL 400 kV Pune -Kalwa , Padghe- Kalwa and subsequent cascaded tripping between 10:01 Hrs to 10:05 Hrs at 400kV Kalwa-Padghe ,Talegaon PG -Kharghar and Boisar Due to system instability Kalwa ICT and TPC generations tripped.

During these events AEML islanding scheme operated successfully at 10:05:08 Hrs matching the generation and load to 385 MW.

AEML restored only critical feeders to maintain load generation balance in islanded mode.

Meanwhile through coordination at SLDC & MSETCL Boisar AEML decided to synchronize the AEML system with State Grid 11:11 Hrs to increase system stability and restore normalcy.

While line synchronization was successful the DTPS Unit 2 (250 MW) tripped on reverse power protection at 11:11 Hrs. As the synchronization was successful it did not affect the progress of restoration.

Through 220 kV Line the Supply was extended to TPC Trombay for starting generation.

- However, TPC Unit-7 ,8 & 5 could not be started immediately.
- TPC Unit-7 (180 MW) started at 13:00 Hrs.
- TPC was facing startup issues of Unit-5 (500 MW) & Unit 8 (250 MW)

As 400 kV Padghe – Kalwa one ckt was not in-service entire load cannot be met through existing system without TPC Unit-5 & 8. Hence rotational load shedding was carried till 19:25 Hrs.

100% Supply restored at 19:25 Hrs through feeder charging and network reconfiguration in AEML System.

The above incidence though very rare in nature displays AEML's commitment in such hard and difficult times to provide reliable power to its consumers. It also shows dedication of the Company to overcome grave situations of these nature and effectively overcoming and managing the same in the interest of its consumers.

7. Sustainability, Reliability and Affordability

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

7.1 Sustainability

Helping India meet its energy needs while minimizing the impact on the environment is a crucial challenge. Our environment protection initiatives aim to help curb the dangers of eroding landscapes and convert them into fertile, greener blankets of land. We are at the forefront when it comes to improving efficiency and reducing waste.

Sustainability refers to the commitment to raise the share of renewable power procurement from the current 3% to 30% till 2023 and 50% till 2025. To ensure sustainability throughout the organization, we have undertaken the following initiatives:

- Entered a PPA of 700 MW for hybrid power (solar + wind) with minimum guaranteed CUF of 50% - With a long-term objective of supplying green power to Mumbai at more affordable and economical rates, the Company is exploring various inorganic routes. A potential tie up with the hybrid source is being explored for renewable power supply. The Company is happy to announce that a 700-MW wind-solar hybrid project in Maharashtra was approved by the Maharashtra Electricity Regulatory Commission (MERC). The plant will sell power at a fixed tariff of ₹ 3.24 per kWh over a period of 25 years. The Power Purchase Agreement (PPA) is tied to a minimum capacity utilization factor (CUF) requirement of 50%.
- Use of environment-friendly dry and ester oil transformers
- Replaced oil-type switch gears with dry-type maintenance-free switch gears
- Reduced carbon footprint by using LED lamps for streetlights
- Continually improving heat rate of thermal power generation

7.2 Reliability

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

- Dahanu 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

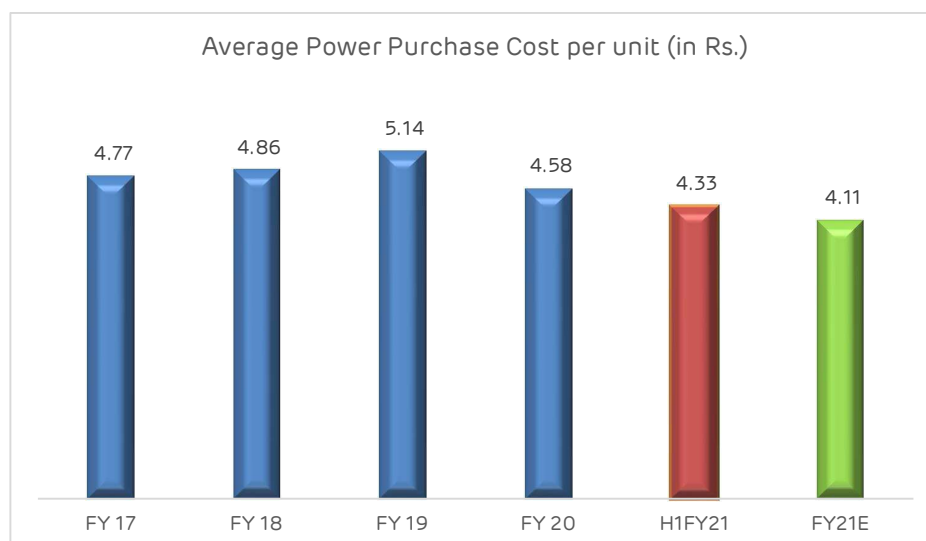
- Ensuring asset hardening and modernization
- Investing in modern O&M practices, ensuring lower SAIDI and SAIFI

7.3 Affordability

Affordability refers to our objective of providing affordable tariff for 12 million consumers. The measures undertaken comprise:

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

In line with our commitment to provide affordable power, we have target to reduce our power purchase cost by 10.26% in FY21 as compared to FY20. We are able to reduce power purchase cost 5.46% till H1FY21.



8. Initiative to Reduce Carbon Footprint

AEML is Poised to reduce the Carbon Footprint and is a responsible entity considering the Environment and Go-Green Initiative. With the objective of reducing cost of purchase of costly power (at peak load time), determining the set of activities at the load end, both within the company and for the consumers is the main activity of Initiative to reduce Carbon Footprint.

The Company conducts energy conservation and energy efficiency (EC and EE) programs to create awareness in the society on the importance of energy conservation and smart usage of energy in order to reduce environmental impact due to Green House Gas (GHG) emission. The goal is to make every citizen of licensed area of the Company a part of this program and make this program as citizen's movement.

Following are the initiatives undertaken during the period:

- Signed PPA for 700 MW hybrid power at ₹ 3.24 per unit for 25 years boosting share of renewable energy to 30% in power mix to consumers
- Under large scale program of replacement of 50,000 energy efficient ceiling fan for residential consumers, in this current period the Company has replaced 683 nos. of old inefficient ceiling fans with new BLDC technology 32 watts ceiling fans resulting in savings of 99,000 units.
- Under similar large-scale program of replacement of 20,000 inefficient refrigerator of residential consumers, in this financial year Company has replaced 554 old refrigerators by 5-star refrigerators, which resulted in savings of 2,00,000 Units.
- The Company through Urja Samvardhan Upakaram program, conducted energy conservation workshops in various academic institutions, offices, banks, hospitals, industrial estates, housing societies, slum areas, etc. reaching out to around 2,000 people in FY20 and educated them on 'Why to conserve and how to conserve energy'.
- The Company continues to pursue other programmes, such as, walkthrough energy audit services at no cost for commercial / industrial consumers, under which company has conducted walk through energy audits for more than 40 consumers in FY '20 with estimated saving potential of 3.23 lakh Kwh (units) identified.
- The Company has deployed 6 electric vehicles, 1 E-Verito (Sedan) and 5 nos. of eSupro (passenger vehicle) to carry out its network management activities since 2018. We have set up Electric Vehicle Charging Points at 8 strategic office locations to charge our fleet of all the 6 electric vehicles.
- Company has made tie-up with M/s Mass Tech Controls for owning and operating the Public EV Charging Station in MIDC (Andheri), Kalanagar Receiving Station (BKC) and Adani Electricity Management Institute (SEEPZ).

Details of EV Charging Station : MIDC, Andheri office (AC Slow Charger Type-2) • Kalanagar R/s (BKC) (DC Fast Charger with Bharat DC – 001) • AEMI (Fast Charger with Bharat DC – 001 & Slow Charger with Bharat AC – 001) • Devidas Lane (Captive EV Charging station)

Energy saving programs implemented by the Company in past years, continues to accrue energy savings as under:

- The Company under its "5-Star Split Air Conditioner (AC) program for residential, commercial & Industrial consumers" program of replacing old window AC units with new energy efficient 5-star rated split ACs, replaced 3,000 ACs till this current period. The estimated annual energy saving from this program is 2.97 million units (MU) and cumulative estimated energy savings from this program is 10.38 million units.
- The Company has already completed replacement of 25,000 old Ceiling Fans by 5 Star Ceiling fans for residential consumers. giving annual saving of 1.59 million units
- Replacement of 6,500 old Refrigerators by 5 Star Refrigerators for residential consumers resulting in cumulative savings of 14.5 million units

- The Company is also facilitating and promoting DELP (Domestic Efficient Lighting Program) which is under Ministry of Power, of the Government of India under which 2.8 lakh LED bulbs and tube lights are distributed in association with Energy Efficiency Services Limited (EESL) to residential consumers resulting in cumulative energy saving of 8 million units till date.

9. Environmental, Social, and Governance Initiatives (ESG)

At Adani Group the word ESG at its core means, covers & connects to, environment issues like climate change and resource scarcity, good labor practices, consumer security, good corporate & social governance and business and social ethics.

Adani group's belief in "Inclusive and Progressive Way of Life" has led to community impacting events.

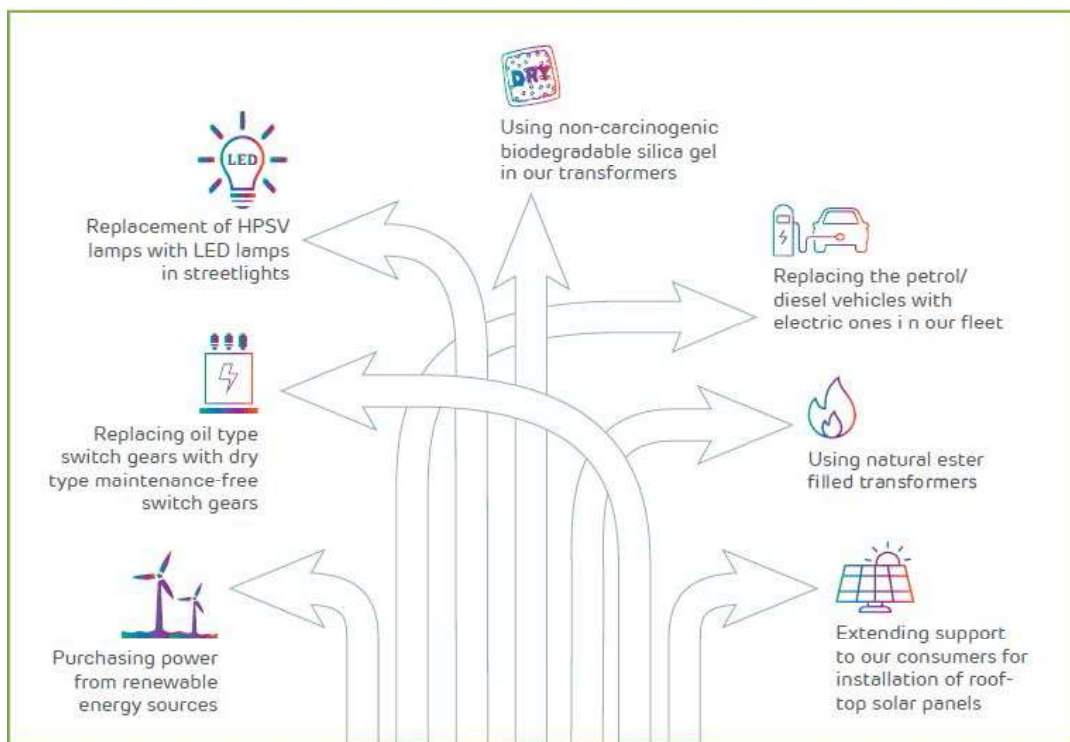
It has always been the endeavor of the Group to be a partner of growth in the environment. To show our concern for the nature, we are committed to sustainability and are already in compliance with the Paris Accord.

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

Operational Philosophy

Care for Planet Earth	Care for Society	Care for Stakeholders
Reducing carbon footprint. ~1/3 rd procurement from renewable sources by 2023	Providing high quality of reliable power supply	Safety for consumers and employees at the core
Most environmentally friendly thermal plant (Dahanu)	Mumbai insulated from external grid issues	Focus on social initiatives to support communities
	Investing significantly towards network strengthening and increasing reliability of supply	Maintaining high corporate governance standards

Our initiatives under the realm of environment-preservation have been outlined as under:



Refer Annexure VIII for detailed information

10. Consumer Initiatives

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

- New Contact Centre solution implementation to ensure smooth call center operation for customer. Migration of all servers to AEML Data Center (CtrlS) from Rlnfra Data Center w/o any major disruption
- Establishing AEML Multiprotocol Label Switching (MPLS) for all major locations and provide back-up links to avoid any major downtime of AEML Network
- Established Disaster Response (DR) Set-up at Hyderabad location for all critical application except SAP ISU which is in progress
- Material Requirement Planning enabled for enhanced productivity.
- 24X7 Security Operations Centre enabled and SIEM tool implemented for tracking and monitoring of critical server logs. SIEM monitoring helps to enhance security posture of AEML

 **Elektra - Digital Assistant**
(on website and Facebook)

 **Adani Electricity Mobile App**
Available on Google Play and App Store

Interactive Mobile App / Website

- Elektra - Digital Assistant on Website
- New Mobile App rolled out on 15th Aug 2020
 - Bill Download & Payments, Consumption trend
 - Complaint registration & Report Non-functional streetlights
 - Submit Meter Reading & many more

 **24X7 Toll-free helpline**
19122

Call Centre

- 2 BPOs with 24X7 support (Karvy & One-Point-One)
- Avaya IVR with network redundancy



geniusPay
PAYMENTS MADE SIMPLE

(Bill Payment Kiosk)

- Payment via cash/Cheque/Cards
- Duplicate Bill Printing
- Complaint Registration
- Extended Operating Hours from 7 AM to 11 PM
- Mobile Kiosk Vans introduced



Whatsapp

- We are LIVE on WhatsApp via a Verified Business Account (9594519122)
- Explicit permission sought from customers to start the service
- Approx. 20,000 customers registered over WhatsApp to get Alerts for
 - Disconnection notices
 - E-bills for premium & high-value customers
 - No supply complaint registration
 - Bill copy request
- First in the country to offer chat-bot services (in Electricity Utility) over WhatsApp

10.1 New Initiative for Consumers

Power Quality Management System (PQMS)

AEML has introduced Power Quality Management System (PQMS) to ensure that our consumers get efficient, reliable, and quality power supply. This will help to enhance our Power of Service with smooth technology integration. The main objective of PQMS is to add more precision into our ways of working and to give our customers the best experience.

Introduction of Power Quality Management System

to ensure that our consumers get efficient, reliable and quality power supply

To enhance our Power of Service with smooth technology integration, This PQMS is designed to add more precision into our ways of working, and to give our customers the best experience.

KEY HIGHLIGHTS:

'First in India' fully integrated Power Quality Management System	Transparent Mechanism between Customer and Utility
Handy tool for Diagnostic of Power System issue	Discrimination of voltage dip caused due to National Grid and Utility
Automatic e-mail generation of Power Quality Reports, Statistics and Events	24X7 monitoring of 700 parameters at Distribution and Transmission Receiving Stations

10.2 Cost Effective Initiatives

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

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

11. Regulatory Update

Indian government has proposed three reforms through setting new proposed rules by invoking section 176 of electricity act 2003, a rarely used provision to drive two set of reforms.

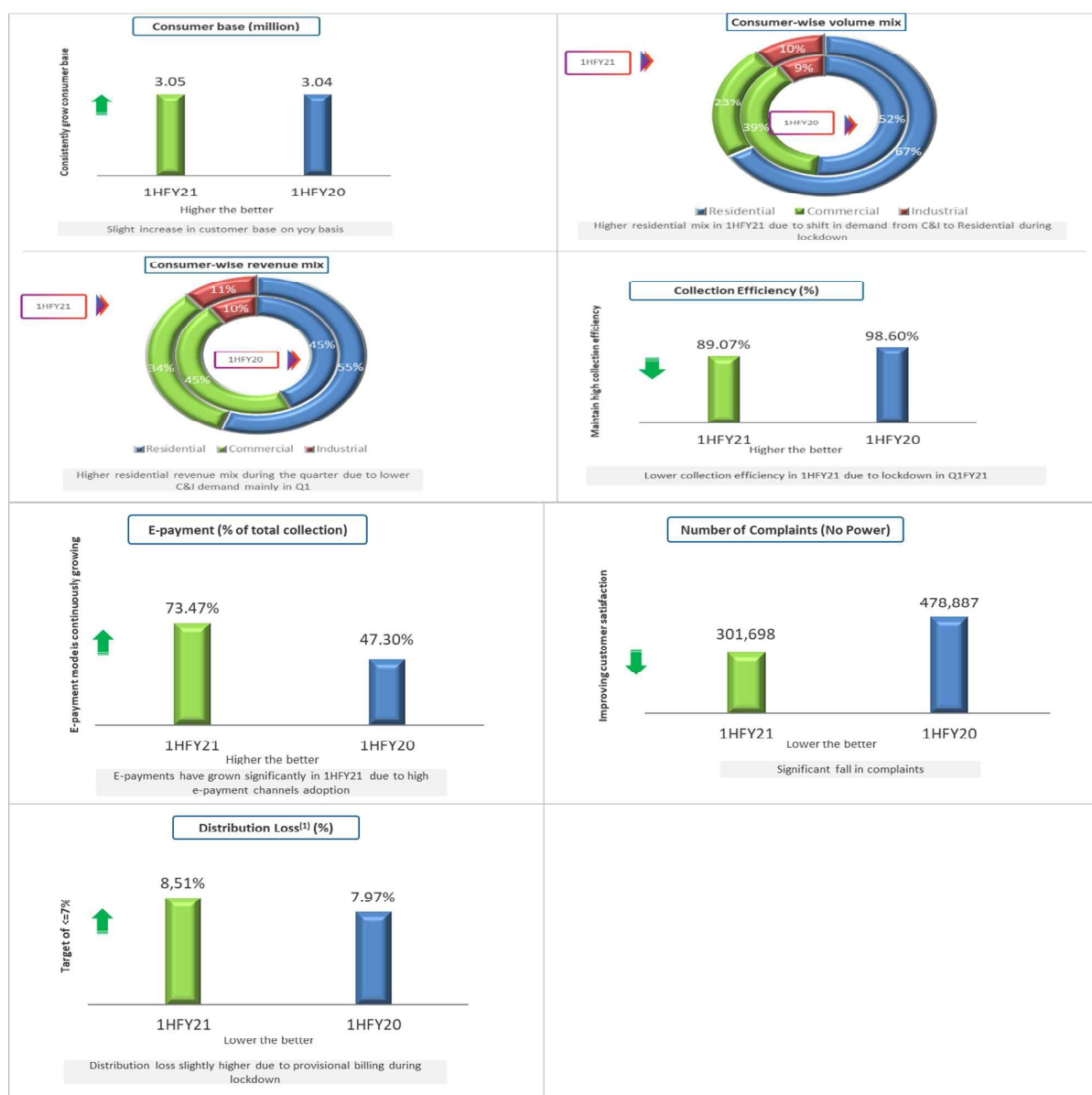
- for protecting consumer right including 24x7 supply and creating prosumers and
- for strengthening compensation for renewables wherever PPA is silent on compensation and
- to reduce the late payment surcharge applicable on payment delays by DISCOMs

Refer Annexure VIII for detailed information

12. Operational Performance

12.1 Snapshot of Distribution Business

Parameter	UoM	H1FY21	FY20	FY19
Power Transformers	Nos.	223	217	211
PT Capacity	MVA	4,027	3,896	3,751
Distribution Transformers	Nos.	6,882	6,809	6,697
DT Capacity	MVA	5,119	5,076	4,978
Cable Network				
Total HT Length	Kms	4,875	4,860	4,580
LT Main Line Cable	Kms	6,247	6,226	6,139
LT Service Cable	Kms	11,419	11,400	11,244
Street Lt. Cable Length	Kms	2,097	2,091	2,062
Total LT Length	Kms	19,763	19,718	19,445





13. Financial Performance

A. Summary of the Covenants

The Obligor Group on aggregate basis has achieved performance over threshold limits

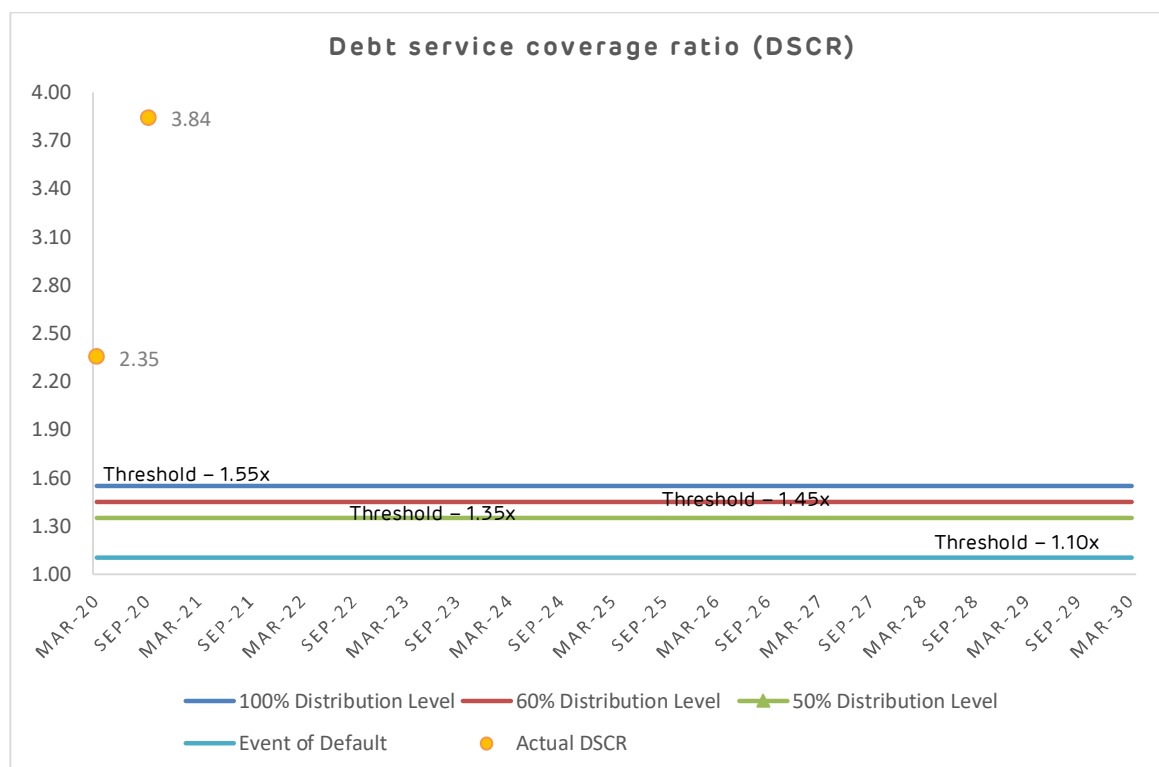
Sr. No.	Particulars	Annexure	Ratios (as per Covenants)	September 30, 2020	March 31, 2020
1	Debt Service Coverage Ratio (DSCR)	Annexure 1	> 1.1x	3.84x	2.35x
2	Project Life Coverage Ratio (PLCR)	Annexure 2	> 1.80x	3.79x	3.57x
3	Net Debt to Regulatory Asset Base (RAB)	Annexure 3	< 1.40x	0.85x	0.82x
4	Fund from Operations / Net Debt	Annexure 4		18.43%	30.07%

Note:

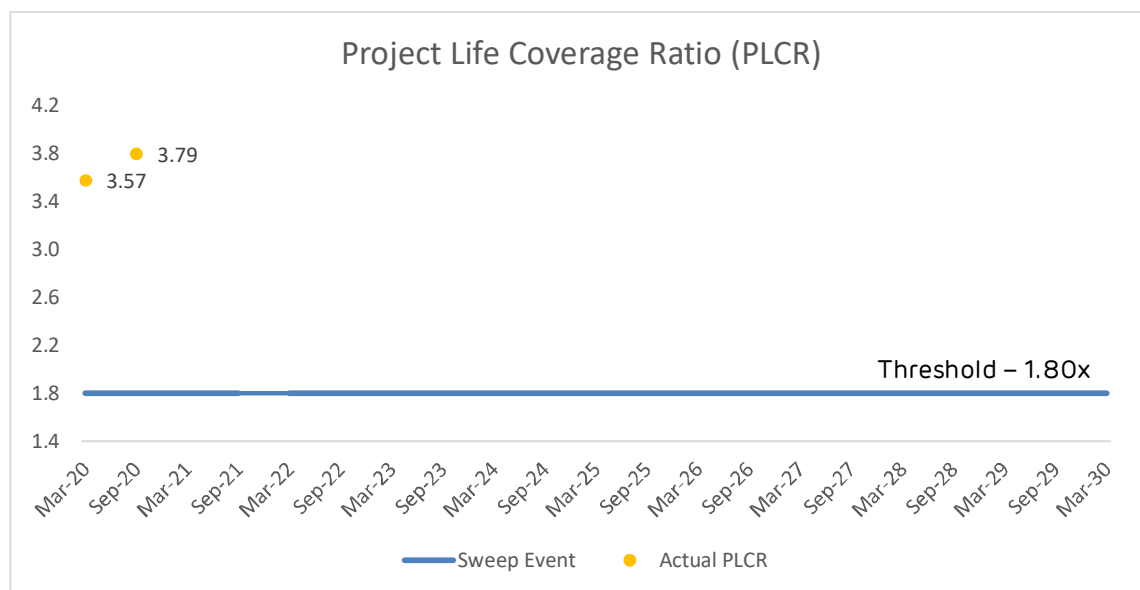
Above covenants is calculated as per definitions given under Common Trust Deed (CTD) and Note Trust Deed (NTD) executed for USD 1,000 million and Facility Agreement of USD 400 million.

B. Covenants Performance

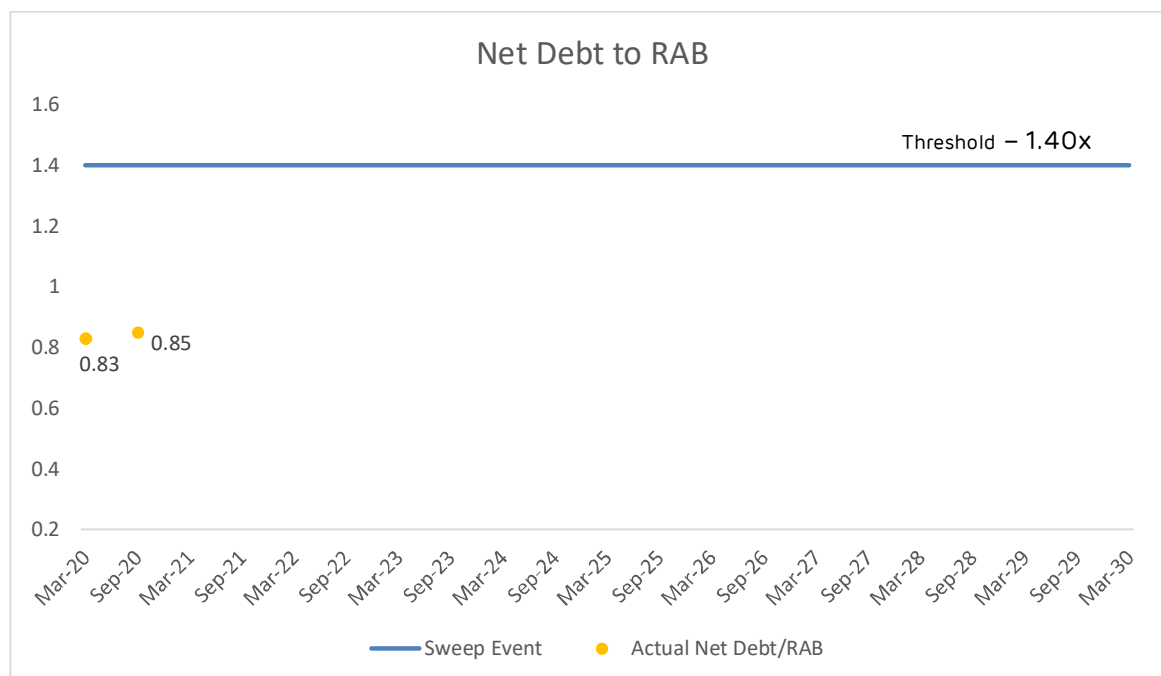
B1. Debt Service Coverage Ratio (DSCR)



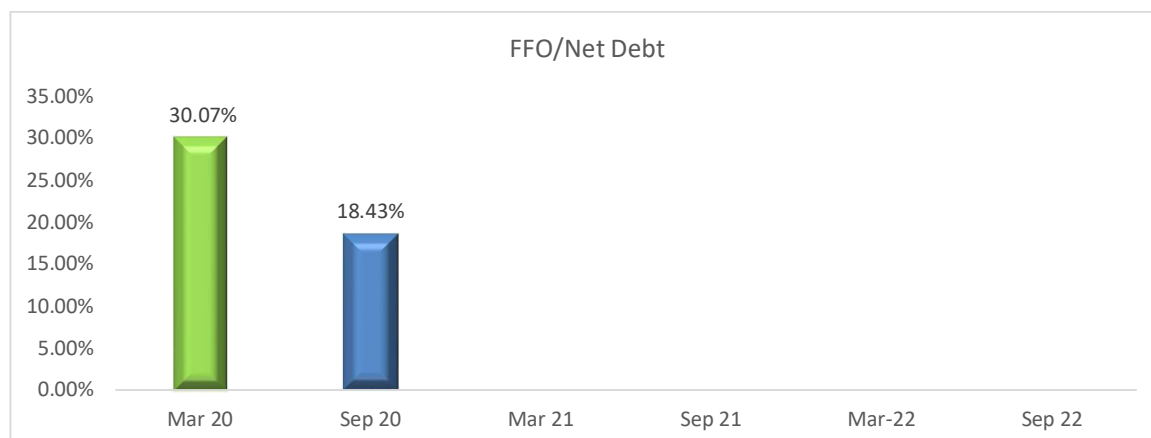
B2. Project Life Coverage Ratio (PLCR)



B3. Net Debt to RAB

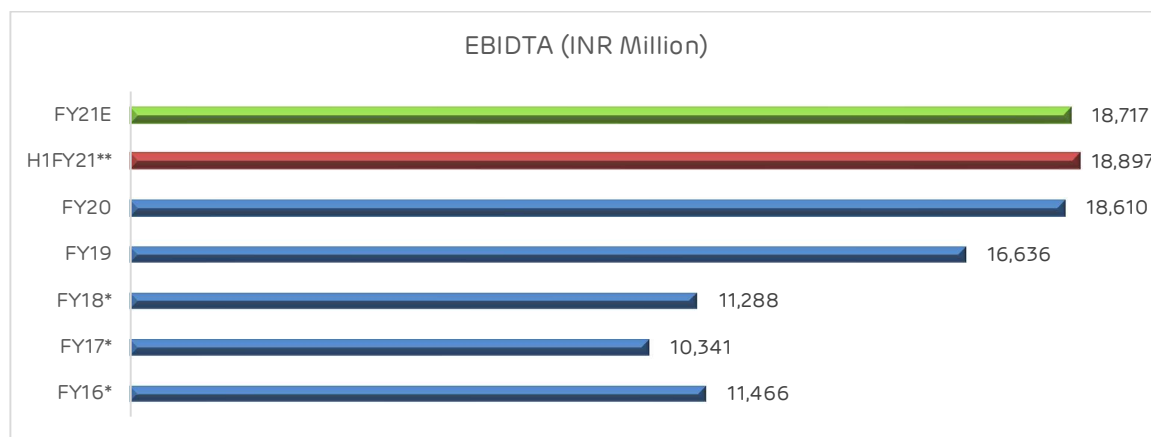


B4. Fund from Operations / Net Debt



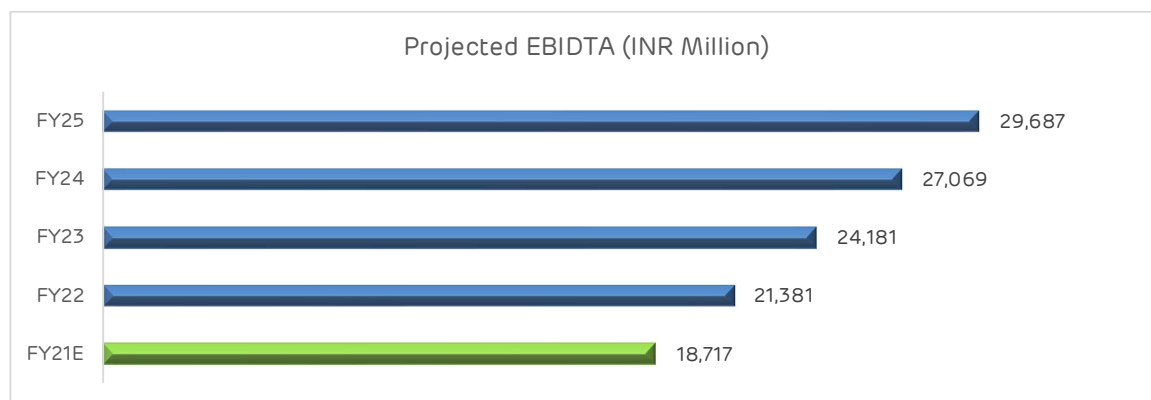
C. AEML EBITDA performance

AEML EBITDA for previous 5 years and estimate for FY21



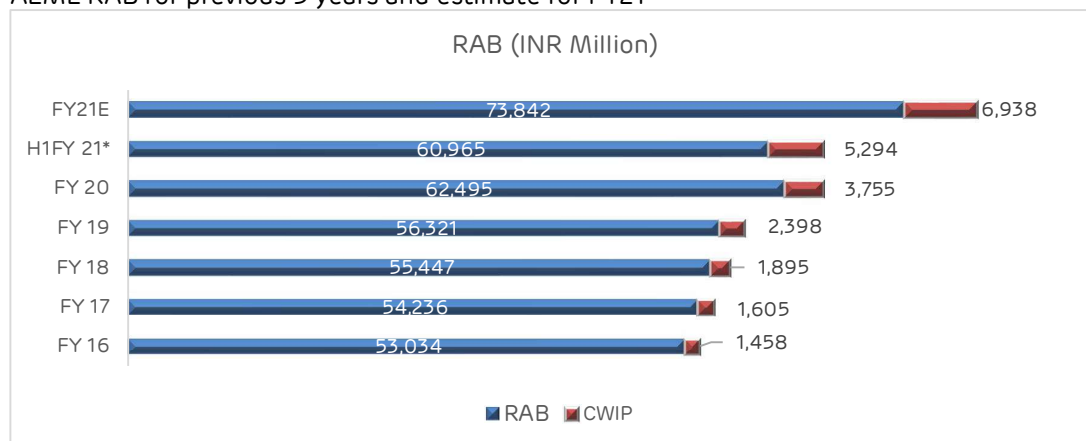
* For FY16 to FY18, is regulated EBITDA ** For Trailing 12 months - October to September 2020
FY21E for AEML

Over the next 5 years, the EBITDA of AEML will increase at ~12% CAGR from FY21 to FY25



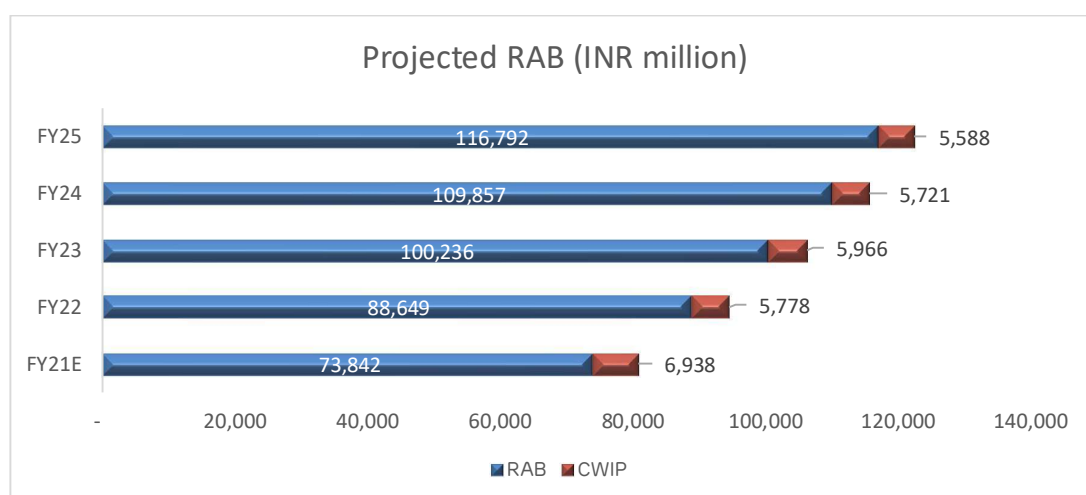
D. AEML Regulated Asset Base (RAB)

AEML RAB for previous 5 years and estimate for FY21



*H1FY21 RAB is as on September 30, 2020

Project AEML RAB for Over the next 5 years



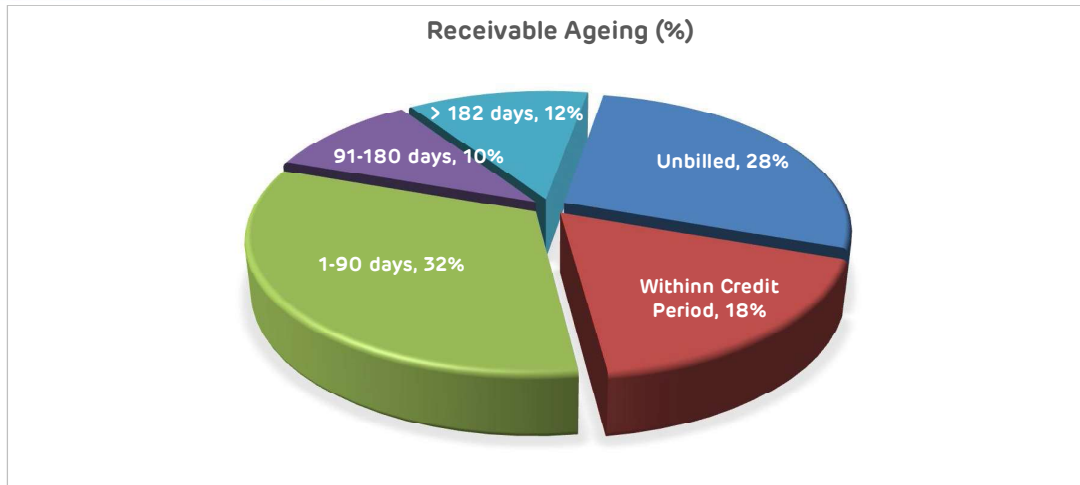
E. Receivable Position

Trade Receivable position as on September 30, 2020

INR million

Categories	Unbilled #	Within the Credit period	1-90 days	91-182 days	> 182 days	Total
Commercial	1,754	840	1,854	636	497	5,581
Industrial	657	121	115	36	37	966
Residential	1,647	1,348	2,344	774	1,252	7,365
Total	4,058	2,309	4,313	1,446	1,786	13,912
Generation	-	1	-	-	-	1
Transmission	-	263	451	67	-	781
Gross Debtors	4,058	2,573	4,764	1,513	1,786	14,694

Receivables includes normal unbilled revenue till September 31, 2020 which will be billed during the next month as per applicable billing cycle of consumers.



14. Information on Compliance Certificate and its 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

Copy to: Citicorp International Limited ("the Facility Agent")

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

Dated: December 16, 2020

Dear sirs

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

We refer to the Common Terms Deed. This is a Compliance Certificate given in respect of the Calculation Date occurring on September 30, 2020. Terms used in the Common Terms Deed shall have the same meaning in this Compliance Certificate.

The Certificate is based on the following documents:

1. Unaudited reviewed Accounts of Obligor Group for six months ended on September 30, 2020.
2. Aggregate Accounts of Obligor Group in respect of the Calculation Period.
3. The Cash Flow Waterfall Mechanism as detailed in the Project Accounts Deed.
4. Management Information System (MIS) (for reconciliation of Ind AS and Legal definition) is provided in Annexure 7 to the Certificate.

15. Computation of Operating Account Waterfall as per Project Account Deed for the Calculation Period ended on September 30, 2020 (trailing 12 months ended on September 30, 2020). (From October 1, 2019 to September 30, 2020)

Amount (INR Million)				
Sr. No.	Particulars	Amount	Annexure	Source
	Net Operating Income			
	Revenue from Operations	65,015.79		Profit & Loss Account
	Add: Other Income (Incl. Interest income on Investments)	2,960.78		
	Add: Net Movement in Regulatory Deferral Balance	2,550.74		
I	Net Operating Income	70,527.31		
	Operating Expenses			
	Cost of Power Purchased	21,562.26		Profit & Loss Account
	Cost of Fuel	9,092.93		
	Transmission Charges	4,358.40		
	Purchases of traded goods	239.10		
	Other Expenses	7,280.57		
	Employee Benefit Expense	9,096.75		Working Note 1
II	Total Operating Expenses	51,630.01		
III	Combined EBIDTA (I-II)	18,897.30		
IV	Less : Tax Paid	379.87		Statement of Cash Flow
V	Less : Interest on Working Capital (RCF)	628.58	Annexure 7	Working Note 8
VI	Opening Cash Balance	9,477.54	Annexure 7	Working Note 2
VII	Cash Balance on Debt upsizing	1,992.20	Annexure 7	Working Note 3
VIII	Cash Flow Available for Debt Service (III-IV-V+VI+VII)	29,358.59		
	Debt Service			
	Debt Service	713.39	Annexure 7	Working Note 4
	Interest Service (excl Interest on RCF)	6,667.93	Annexure 7	Working Note 8
IX	Total Debt Service	7,381.32		
	Reserve Funding & Transaction Cost			
	Investments in Debt Service Reserve Account	1,540.49	Annexure 7	Working Note 15
	Investments in Capital Expenditure Reserve Account	1,516.62		Working Note 11
	Incurred Transaction Expenses	1,211.60	Annexure 7	Working Note 7
	Investment in Contingency Reserve	202.90		MIS
X	Total Reserve Funding & Transaction Cost	4,471.61		
XI	Cash Available post Debt Service and Various Reserve funding of Senior Creditors and Transaction cost (VIII-IX-X)	17,505.66		

Sr. No.	Particulars	Amount	Annexure	Source
	Inflow			
	Working Capital Changes	(6,717.34)	Annexure 7	Working Note 9
	Working Capital Loan	5,828.79	Annexure 7	Working Note 13
	Release of Non Fund Base Margin	770.10	Annexure 7	Working Note 3
	Release of existing opening DSRA	2,835.56		MIS
	Promoters Contribution	4,202.50		MIS
XII	Total Inflow	6,919.61		
	Outflow			
	Investment in Sub Debt Service Reserve Account	656.67	Annexure 7	Working Note 15
	Upfront Premium Payment on Sub Debts Hedging	994.00	Annexure 7	Working Note 7
	Interest on Intercompany Deposit - Parent Company	579.00	Annexure 7	
	Transaction cost on Sub Debts & on existing Loans	461.61	Annexure 7	
	Other Finance Charges & Borrowing Cost	1,415.99	Annexure 7	
XIV	Total Outflow	4,107.27		
XV	Total Cash Balance (XI+XII-XIV)	20,318.00		
	Funds earmarked for			
XVI	Less : Funds earmarked for Contingency Reserve	113.70		MIS
XVII	Net Cash Available for Operating Expenses (XV-XVI)	20,204.34		
XVIII	Funds for Operating Expenses expected equivalent to 1-month period	4,302.50		
XIX	Net Cash Available for transfer to Distribution Account (XVII-XVIII)	15,901.80		

We confirm that:

- 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 3.84x:1x.
- Unaudited reviewed Accounts of Obligor Group for six months ended on September 30, 2020.
- Copies of the Issuers Aggregate Accounts of Obligor Group in respect of the Calculation Period is attached.
- as at the Calculation Date, the aggregate amount for transfer to our Distributions Account in accordance with the Operating Account Waterfall is Rs 15,901.80 million. We have not transferred any amount to AEML distribution account.
- acting prudently, the cash balance which can be distributed as permitted under the relevant Transaction Documents is Rs Nil million
- to the best of our knowledge having made due enquiry, no Default subsists.

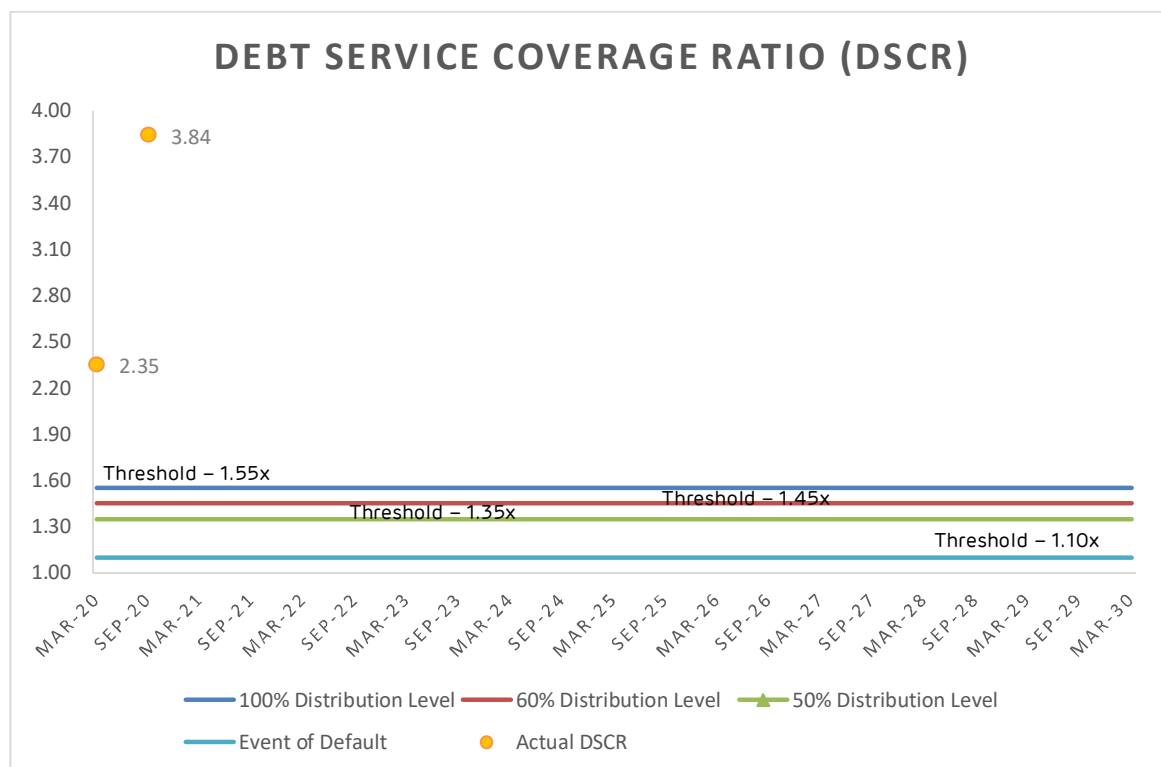
The Obligor Group on aggregate basis has achieved following ratios

Summary of the Covenants

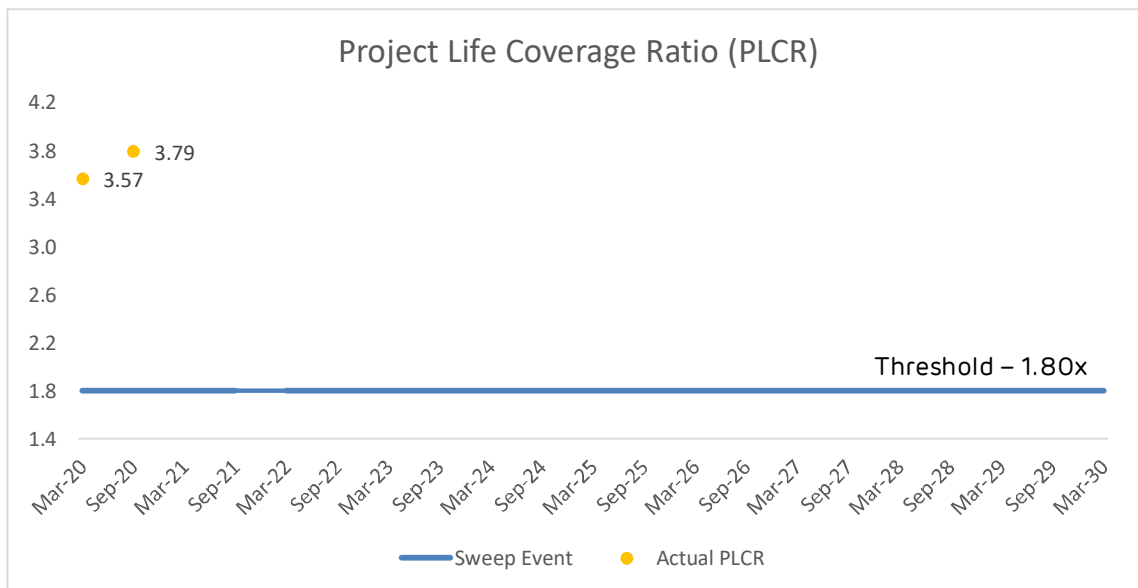
Sr. No.	Particulars	Annexure	Ratios (as per Covenants)	Ratios September 30, 2020	Ratios March 31, 2020
1	Debt Service Coverage Ratio (DSCR)	Annexure 1	> 1.1x	3.84x	2.35x
2	Project Life Coverage Ratio (PLCR)	Annexure 2	> 1.80x	3.79x	3.57x
3	Net Debt to Regulatory Asset Base (RAB)	Annexure 3	< 1.4x	0.85x	0.82x
4	Fund from Operations / Net Debt	Annexure 4	NA	18.43x	29.93%

Financial Matrix

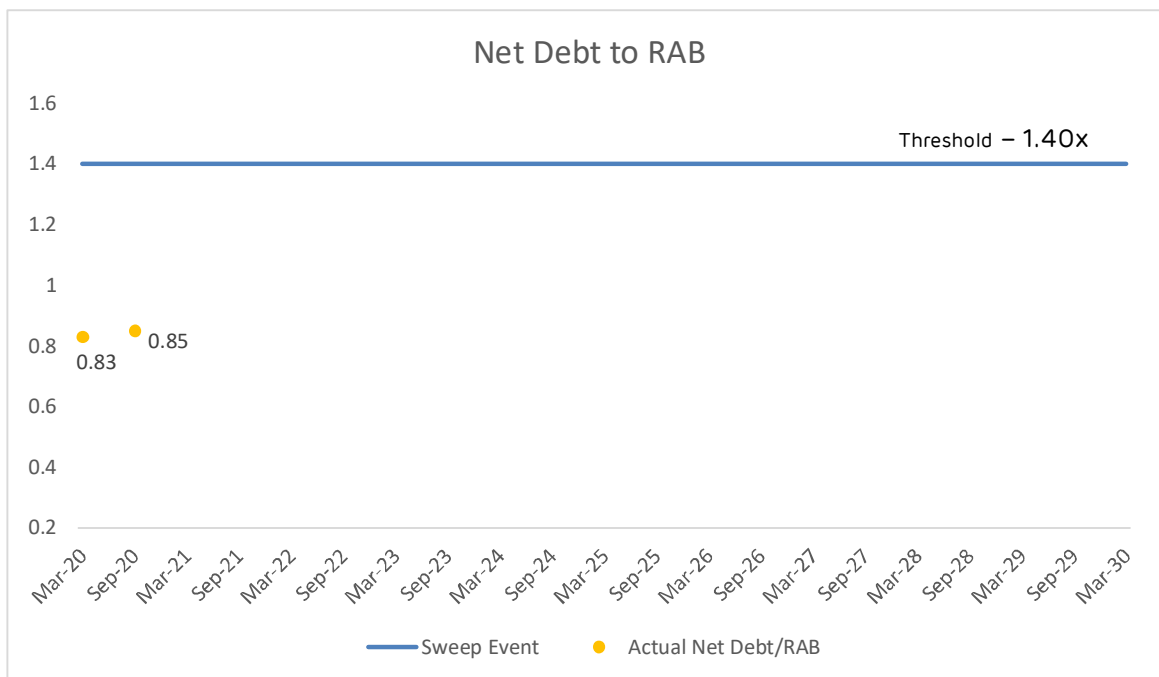
1. Debt Service Coverage Ratio (DSCR)





2. Project Life Coverage Ratio (PLCR)



3. Net Debt to RAB



Yours, faithfully

For Adani Electricity Mumbai Limited	For Power Distribution Services Limited
	
Name: Kandarp Patel	Name: Rakesh Tiwary
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. Unaudited reviewed Accounts of Obligor Group for six months ended on September 30, 2020. **Appendix 3**
10. Aggregate Accounts of Obligor Group in respect of the Calculation Period for trailing 12 months ended on September 30, 2020 **Appendix 4**

16. 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

Copy to: Citicorp International Limited

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

Dated: December 16, 2020

Dear Sirs

Adani Electricity Mumbai Limited and Power Distribution Services Limited ("PDSL") – Common Terms Deed dated February 12, 2020 (the "Common Terms Deed") and US\$ 400,000,000 Facility Agreement dated February 13, 2020

We refer to the Common Terms Deed and Facility Agreement. This is a Compliance Certificate given in respect of the Calculation Date occurring on September 30, 2020 (the "**Calculation Date**"). Unless otherwise defined herein, terms used in the Common Terms Deed and Facility Agreement shall have the same meanings in this Compliance Certificate.

We confirm that:

- (a) as at the Calculation Date, the aggregate amount for transfer to the AEML Distributions Account in accordance with the Project Accounts Deed is INR. 15 902.14 million; We have not transferred any amount to AEML distribution account.
- (b) in accordance with the workings set out in the attached Annexure 1, the Debt Service Cover Ratio for the Calculation Period ended on the Calculation Date was 3.84x:1.0x;
- (c) in accordance with the workings set out in the attached Annexure 2, the Project Life Cover Ratio for the Calculation Period ended on the relevant Calculation Date was 3.79x:1.0x;
- (d) in accordance with the workings set out in the attached Annexure 3, the ratio of Net Debt to RAB for the Calculation Period ended on the relevant Calculation Date was 0.85x:1.0x;
- (e) in accordance with the workings set out in the attached Annexure 4, the ratio of Funds From Operations to Net Debt for the Calculation Period ended on the relevant Calculation Date was 18.43%;
- (f) as at the Calculation Date, the cash balance in each of the Obligors' Project Accounts was as follows: (Refer Annexure 6)

Sr. No.	Account Name	Amount (INR million)
	Cash and Cash Equivalents	
	AEML PAD Accounts (various)	6,128.50
	AEML Non-PAD Account	19,913.06
	Income Accrued on Investment	839.65
	Cash on Hand	63.50
	Cheques / Drafts on Hand	164.90


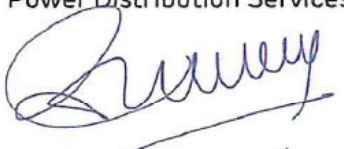
I	Total AEML Cash & Cash Equivalents	27,109.61
II	PDSL Cash Balance	0.06
III	Total Obligor Group Cash Balance (I+II)	27,109.67
	Restricted Cash & Cash Equivalents	
	Contingency Reserve Investment	2,124.81
	Debt Service Reserve Account	
	Senior Secured Notes	1,455.00
	Shareholders Affiliated Debts	670.70
	Term Loans from Banks	118.20
	Total Debt Service Reserve Account	2,243.90
	Add: Unutilised Term Loan Balance	906.34
	Add: Capital Expenditure Reserve Account	1,516.62
IV	Total Restricted Cash & Cash Equivalents	6,791.67
	Cash Balance (III-IV)	20,318.00

- (g) the amount of capital expenditure forecast to be undertaken by the Company in the six-month period commencing on the Calculation Date was INR 16,238 million
- (h) as at the Calculation Date, the Obligors' EBITDA (on an aggregate basis) for the Calculation Period ended on the Calculation Date was INR 18,897.30 million.
- (i) No refinancing plan during the six-month period commencing from September 30, 2020 Calculation Date.
- (j) each of the Obligors is acting prudently and has completed the required maintenance.
- (g) 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 51,634.01 million
- (h) to the best of our knowledge, having made due enquiry, no Default subsists¹.

[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, 2020, 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.

Yours, faithfully

<p>For Adani Electricity Mumbai Limited</p>  <p>Name: Kandarp Patel</p> <p>Designation: Managing Director & CEO</p>	<p>For Power Distribution Services Limited</p>  <p>Name: Rakesh Tiwary</p> <p>Designation: Authorised Signatory</p>
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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.

17. Annexure I - Debt Service Coverage Ratio (DSCR) as on September 30, 2020
Amount (INR million)

Sr. No.	Particulars	Amount	Annexure	Source
	"Debt Service Cover Ratio" means, in relation to a Calculation Period ending on the relevant Calculation Date, the ratio of			
A	"Cashflow Available for Debt Service" means, for the Obligor Group in relation to a Calculation Period, Combined EBITDA less amounts paid during such period in cash in respect of Tax less interest on RCF for the relevant period incurred by the Obligor Group (if any) plus any Opening Cash Balance.	29,358.59		
I	Combined EBITDA	18,897.30		
II	Less : Tax Paid	379.87		Statement of Cash Flow
III	Less : Interest on Working Capital (RCF)	628.58	Annexure 7	Working Note 8
IV	Opening Cash Balance	9,477.54	Annexure 7	Working Note 2
V	Cash Balance on Debt upsizing	1,992.20	Annexure 7	Working Note 3
VI	Cash Flow Available for Debt Service (I-II-III+IV+V)	29,358.59		
B	Total Debt Service B (VII+VIII)	7,643.67		
VII	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,	713.39		
a	Schedule Principal Repayment (to the extent not refinanced and without considering any RCF)	713.39	Annexure 7	Working Note 4
b	Less : opening cash carried forward from the previous Calculation Period in the relevant Senior Debt Redemption Account	Nil		
c	Less : opening cash carried forward from the previous Calculation Period in the relevant AEML Surplus Holdings Account	Nil		
	Schedule Principal Repayments (a-b-c)	713.39		
VIII	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.	6,930.28	Annexure 7	Working Note 6
C	Debt Service Coverage Ratio (A/B)	3.84		

18. Annexure II - Project Life Coverage Ratio (PLCR)

Amount (INR million)				
Sr. No.	Particulars	As on October 1, 2020	Annexure	Source
		Amount		
	"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	251,893.86		MIS
II	Residual value of the Regulated Business as at such end date	87,934.76		
III	Less: Net present value (discounted using the Discount Rate) of the equity component of all Regulatory Capital Expenditure forecast for the period from the calculation date until the end of the period covered by the MERC Licenses;	47,014.70		
A	Total A (I+II-III)	292,813.92		
IV	Senior Debt (excluding RCF),	78,864.45	Annexure 7	Working Note 12
V	Less: the amounts in the Senior Debt Service Reserve Account, Senior Debt Redemption Account and Senior Debt Restricted Amortisation Account outstanding as at such date.	1,573.22	Annexure 7	Working Note 11
B	Total B (IV-V)	77,291.23		
C	Project Life Cover Ratio (A / B)	3.79		

19. Annexure III – Net Debt to RAB as on September 30, 2020

Amount (INR million)

Sr. No.	Particulars	Amount	Annexure	Source
	“Net Debt” means the total indebtedness of the Obligor (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.			
I	Total Indebtedness (Senior Debt and RCF Facility)	93,441.44	Annexure 7	Working Note 10
II	Less : Working Capital Loans (RCF)	13,576.99		
III	Less : Long Term Rupee Term Loans (RCF)	1,000.00		
IV	Less : Senior Debt Service Reserve Account	1,573.22	Annexure 7	Working Note 11
V	Less : Senior Debt Restricted Reserve Account	-		
VI	Less : Senior Debt Redemption Account	-		
VII	Less : Cash Balances	20,318.00	Annexure 7	Working Note 11
VIII	Less : Unutilised ECB Loan Balance	906.34	Annexure 7	Working Note 14
A	Net Debt (I-II-III-IV-V-VI-VII)	56,066.89		
	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	60,965.35		MIS
II	all spent Regulatory Capital Expenditure pending capitalisation of the same.	5,321.07		Balance Sheet
B	Total Regulatory Asset Base (RAB) (I+II)	66,286.42		
	Net Debt to RAB (A/B)	0.85		

20. Annexure IV - Fund From Operation to Net Debt as on September 30, 2020
Amount (INR million)

Sr. No.	Particulars	Amount	Annexure	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.			
	Combined EBITDA	18,897.30		
II	Less : Tax Paid	379.87		Statement of Cash Flow
III	Add : adjustments in working capital	(888.55)	Annexure 7	Working Note 9 & 13
IV	Less : Cash Net Interest	7,296.51	Annexure 7	Working Note 8
A	Fund from Operations (I-II+III-IV)	10,332.37		
	"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.			
I	Total Indebtness (Senior Debt and RCF Facility)	93,441.44		
II	Less : Working Capital Loans (RCF)	13,576.99	Annexure 7	Working Note 10
III	Less : Long Term Rupee Term Loans (RCF)	1,000.00		
IV	Less : Senior Debt Service Reserve Account	1,573.22	Annexure 7	Working Note 11
V	Less : Senior Debt Restricted Reserve Account	-		
VI	Less : Senior Debt Redemption Account	-		
VII	Less : Cash Balances	20,318.00	Annexure 7	Working Note 11
VIII	Less : Unutilised ECB Loan Balance	906.34	Annexure 7	Working Note 14
B	Total Net Debt	56,067.89		
	Fund From Operation to Net Debt (A/B)	18.43%		

21. Annexure - V Refinancing Plan as on September 30, 2020

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

22. Annexure VI – Details of all investments as per PAD as on September 30, 2020

Amount (INR million)

Sr. No.	Name of Project Account	Balance Amount	Investment Amount	Total
	AEML Cash Balance			
	AEML PAD Accounts			
	AEML Cash Collections Account	1.60	Nil	1.60
	AEML Cheque Collections Account	92.36	Nil	92.36
	AEML Non Energy Payment Collections Account	-	Nil	-
	AEML Utilisation Account	0.17	2,976.19	2,976.36
	AEML Taxes Account	Nil	Nil	Nil
	AEML O&M Expenses Account	1.07	Nil	1.07
	AEML Senior Debt Restricted Amortisation Account	Nil	Nil	Nil
	AEML Senior Debt Service Reserve Account	Nil	1,540.49	1,540.49
	AEML Senior Debt Redemption Account	Nil	Nil	Nil
	AEML Capital Expenditure Reserve Account	Nil	1,516.62	1,516.62
	AEML Subordinated Debt Payment Account	Nil	Nil	Nil
	AEML Surplus Holdings Account	Nil	Nil	Nil
	AEML Distributions Account	Nil	Nil	Nil
	AEML Enforcement Proceeds Account	Nil	Nil	Nil
A	AEML PAD Accounts	95.20	6,033.30	6,128.50
B	AEML Non PAD Account	395.95	19,517.11	19,913.06
C	Total Fund Balance (A+B)	491.15	25,550.41	26,041.56
D	Add : Income Accrued on Investment	-	839.65	839.65
E	Add : Cash on Hand	63.50	-	63.50
F	Add : Cheques / Drafts on Hand	164.90	-	164.90
I	Total AEML Cash & Cash Equivalent Balance (C+D+E+F)	719.55	26,390.06	27,109.61
II	PDSL Cash Balance	0.06	Nil	0.06
	Total Obligor Group Cash Balance (I+II)	719.61	26,390.06	27,109.67

23. Appendix 2 - Form Certificate of Directors

December 16, 2020

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

Dear Ladies and Gentlemen

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

In accordance with the Common Trust Deed dated February 12, 2020 (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, 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 December 11, 2020, no Event of Default or Potential Event of Default had occurred since February 12, 2020.
- b. from and including February 12, 2020 to and including December 11, 2020, each Issuer has complied in all respects with its obligations under the Note Trust Deed and the Notes.

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

Yours faithfully

<p>For Adani Electricity Mumbai Limited</p>  <p>Name: Kandarp Patel Designation: Managing Director & CEO</p>	<p>For Power Distribution Services Limited</p> <p>Anil Gupta</p> <p>Digitally signed by Anil Gupta Date: 2020.12.22 07:39:45 +05'30'</p> <p>Name: Anil Kumar Gupta Designation: Director</p>
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December 16, 2020

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

Dear Ladies and Gentlemen

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

In accordance with the Common Trust Deed dated February 12, 2020 (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 immovable 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) shall be created and perfected by the relevant security providers (as applicable) within 90 (ninety days) from the first disbursement date ("**First Security Longstop Date**").
- (ii) Security detailed under (a) and (f) shall be created and perfected by the relevant security providers (as applicable) within 90 (ninety days) from the date by which the Borrower has procured relevant regulatory approvals and completed formalities for release of charge of existing lenders (who are being refinanced through the proceeds of the bonds) ("**Second Security Longstop Date**").



3. Ranking of Security

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

4. The security creation and perfection for the first long stop date was May 12, 2020 and we have completed within stipulated timeline. The security creation and perfection for the second-long stop date is under process and we are obtaining relevant approval from the Regulator.

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

Yours faithfully

<p>For Adani Electricity Mumbai Limited</p>  <p>Name: Kandarp Patel Designation: Managing Director & CEO</p>	<p>For Power Distribution Services Limited</p>  <p>Name: Rakesh Tiwary Designation: Authorised Signatory</p>
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24. Annexure VII - Working Notes

Amount (INR million)				
	Particulars	Amount	Amount	Source
	Working Note 1			
	Employee Benefit Expense			
	Employee Benefit Expense	8,644.97		Profit & Loss Account
	Add : Remeasurement of Defined Benefit Plans (under OCI)	451.81		
	Total Employee Benefit Expense	9,096.78		
	Working Note 2			
	Opening Cash Balance (as on October 1 2019)			
	Cash & Cash Equivalents (excluding FDs)	4,101.81		MIS
	Investments (including income accrued)			
	Bank Balance Other than Cash and Cash Equivalents - At Amortised Cost	2,627.20		MIS
	Fixed Deposit with Banks	211.70		
	Market Investment - classified under Loans	5,006.80		
	Investment in Mutual Funds units at FVTPL (Unquoted)	132.12		
	Total Opening Cash Balance	12,079.63		
	Restricted Cash & Cash Equivalents			
	Less : Debt Service Reserve on - Rupee Term Loans	2,602.09		MIS
	Total Opening Cash Balance	9,477.54		
	Working Note 3			
	Cash available on upsizing			
	Shareholders Affiliated Debts	20,095.34		MIS
	Senior Secured Note	71,245.79		
	Total Inflow	91,341.13		
	Less: Refinance of existing Rupee Term Loans	88,578.83		MIS
	Less: Margin for Non Fund Base Limits of Capex	770.10		
	Cash available on upsizing	1,992.20		
	Working Note 4			
	Schedule Principal Repayments during the period			
	Repayment of 0.75% of INR 85,000 million - Quarterly installment on existing Rupee Term Loans till date of refinance	637.50		MIS
	Repayment of a Quarterly installment on existing Rupee Term Loans of INR 4,500 million for capital expenditure till date of refinance. (Repayment Terms 56 quarterly Installment)	75.89		
		713.39		

	Particulars	Amount	Amount	Source
	Working Note 5			
	Finance Cost Breakup			
I	Interest on Rupee Term Loans			
	Interest on Rupee Term Loans	2,728.55		MIS
	Interest on Regulatory Loans	72.87		
	Fees Paid & Amortised	2,010.38		
	Total I	5,811.80		Note 25 - financial statements
	Interest on Foreign Currency Loans			
	Senior Secured Note			
	Interest	1,876.52		MIS
	Withholding Tax on Interest	108.37		
	Fees Amortised	41.10		
A	Total Senior Secured Note	2,025.99		Note 25 - financial statements
	Shareholders Affiliated Debts			
	Interest	849.64		MIS
	Fees Amortised	20.32		
B	Total Shareholders Affiliated Debts	869.96		Note 25 - financial statements
	External Commercial Borrowings (ECB)			
	Interest	372.92		MIS
	Withholding Tax on Interest	6.10		
	Fees Amortised	-		
C	Total External Commercial Borrowings	379.02		Note 25 - financial statements
II	Total Interest on Foreign Currency Loans (A+B+C)	3,007.22		
	Interest on Working Capital			
	Interest on Working Capital	637.99		MIS
	Fees Payments	13.17		
III	Total Interest on Working Capital	651.16		Note 25 - financial statements
	Hedge Cost on Foreign Currency Loans			
	Senior Secured Note	1,815.46		MIS
	Shareholders Affiliated Debts	125.41		
	External Commercial Borrowings	136.83		
IV	Total Hedge Cost on Foreign Currency Loans	2,077.70		Note 25 - financial statements

	Particulars	Amount	Amount	Source
V	Interest on Intercompany Deposit - Parent Company	155.78		Note 25 - financial statements
VI	Interest on Security Deposits From Consumers at amortised cost	317.96		
VII	Interest on lease obligation (Ind AS)	78.54		
VIII	Interest - Others	96.80		
IX	Foreign Exchange Fluctuation Loss	1,521.15		
X	Interest Cost Capitalised	(236.42)		
	Total (I to X)	12,749.44		Note 25 - financial statements
	Working Note 6			
	Finance Cost as per Definition in DSCR			
	Interest on			
	Rupee Term Loan	2,728.55		MIS
	Senior Secured Notes	1,876.52		
	ECB Loan	372.92		
	Hedge Cost on			
	Senior Secured Notes	1,815.46		
	ECB Loan	136.83		
	Interest to Senior Creditors	6,930.28		
	Working Note 7			
	Finance Cost Outflow Breakup	12,031.58		Cash flow Statement
	Less : Withholding on Interest	90.60		MIS
	Less : Upfront Premium on Hedging Principal of Shareholder Affiliated	994.00		
	Less : Interest on Inter Corporate Deposit - Parent Company	579.00		
	Less : Interest on Consumer Security Deposit	424.16		
	Less : Transaction Cost - Senior Secured Note & ECB	1,211.60		
	Less : Transaction Cost - Shareholders Affiliated Debt	387.91		
	Less : Transaction Cost - Working Capital Loans	73.70		
	Less : Interest on Regulatory Loan	72.87		
	Less : Other Finance Cost	901.23		
	Cash Net Interest	7,296.51		
	Working Note 8			
	Cash Interest Breakup			
	Interest on			
	Rupee Term Loan	3,606.80		MIS
	Senior Secured Notes	1,480.00		
	ECB Loan	88.40		
	Hedge Cost on			
	Senior Secured Notes	1,400.83		
	ECB Loan	91.90		
I	Senior Creditor Debt Service	6,667.93		
II	Working Capital	628.58		MIS
	Cash Interest	7,296.51		

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	Particulars	Amount	Amount	Source
	Working Note 11			
	Cash Balance			
I	Cash & Cash Equivalents			
a	Cash & Cash Equivalents (excl. FD)	719.61		Note 12 - financial statements
	Investments (including income accrued)			
	Bank Balance Other than Cash and Cash Equivalents - At Amortised Cost	10,414.70		Note 13 - financial statements
	Fixed Deposit with Banks	2,427.41		Note 7 & 12 - financial statements
	Market Investment - classified under Loans	11,028.71		Note 6- financial statements
	Other Investment	394.50		Note 5b- financial statements
b	Total Investments (including income accrued)	24,265.32		
I	Total Cash & Cash Equivalents (a+b)	24,984.93		
	Restricted Cash & Cash Equivalents			
	Debt Service Reserve Account			
	Senior Secured Notes	1,455.01		MIS
	ECB Loan	118.21		
	Shareholders Affiliated Debts	670.75		
a	Total Debt Service Reserve Account	2,243.97		
b	Unutilised Term Loan Balance	906.34		Working Note 13
c	Capital Expenditure Reserve Account	1,516.62		MIS
II	Total Restricted Cash Balance	4,666.93		
	Cash Balance (I-II)	20,318.00		
	Working Note 12			
	Senior Debt Outstanding (at Hedging Rate)			
	External Commercial Borrowings in Foreign Currency			
	Senior Secured Notes (USD 1 billion)	71,257.20		MIS - at Hedging Rate
	Term Loans from Foreign Banks			
	Facility A (USD 70 million)	5,036.50		
	Facility B (USD 35 million)	2,570.75		
	Total Debt Outstanding	78,864.45		

	Particulars	Amount	Amount	Source
	Working Note 13			
	Working Capital Loan			
a	Closing Working Capital Loan	13,576.99		Note 22 - financial statements
b	Opening Working Capital	7,748.20		MIS
c	Increase in Working Capital Loan (a-b)	5,828.79		
	Working Note 14			
	Unutilised Term Loan Balance			
	Opening Unutilised Term Loan Balance	698.15		MIS
	Inflow on drawal of ECB Facility B	2,569.61		
	Less : - Utilised towards capex during April to September 2020	2,361.42		
	Closing Unutilised Term Loan Balance	906.34		
	Working Noe 15			
	DSRA Calculation			
		Required DSRA	Actual DSRA	
A	Senior Secured Note - Six month of Interest - @ 3.949% pa on INR 71,257.20 million)	1,406.97	1,424.46	
	ECB Facility			
	Facility A- Six month of Interest - @ 2.85813% pa on INR 5,036.50 million)	71.97	101.03	
	Facility B- Six month of Interest - @ 2.81752% pa on INR 2,570.75 million)	37.04	15.00	
B	Total ECB DSRA	109.01	116.03	
I	Total Senior Debt DSRA	1,515.98	1,540.49	
II	Shareholder Affiliated Debt			
	Subordinate - Six month of Interest - @ 6.365% pa on INR 20,092.50 million)	639.44	656.67	
	Total DSRA (I+II)	2,155.42	2,197.16	

25. Annexure VIII – Detailed Information

1. Environmental, Social and Governance

1.1 Care for Planet Earth

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

a. Reducing Carbon Footprint

Renewable energy procurement by AEML to leapfrog by 10X by FY22, which indicates the Companies initiative for Green energy.

- More than 275 MUs of renewable energy procured (~ 3% of total energy procured).
- Since the FGD installation in 2007 (1st in India), DTPS has been generating power in the most sustainable way.
- AEML has already tied up 700 MW grid connected hybrid power (solar and wind) at Rs. 3.24 per unit, delivering 50% CUF, for which regulatory approval has been received.
- Roof top Solar Panels installation & commissioning completed at Aarey, Versova & Ghodbunder EHV Sub Station. Total capacity added 245 Kw.
- Promotion for Rooftop Solar.
- Target multi fold increase in renewable power as % of our overall procurement mix and in the next 3-4 years, we will slowly and steadily start backing down our coal-based power plant.
- By 2030, we target to completely procure power from renewable resources

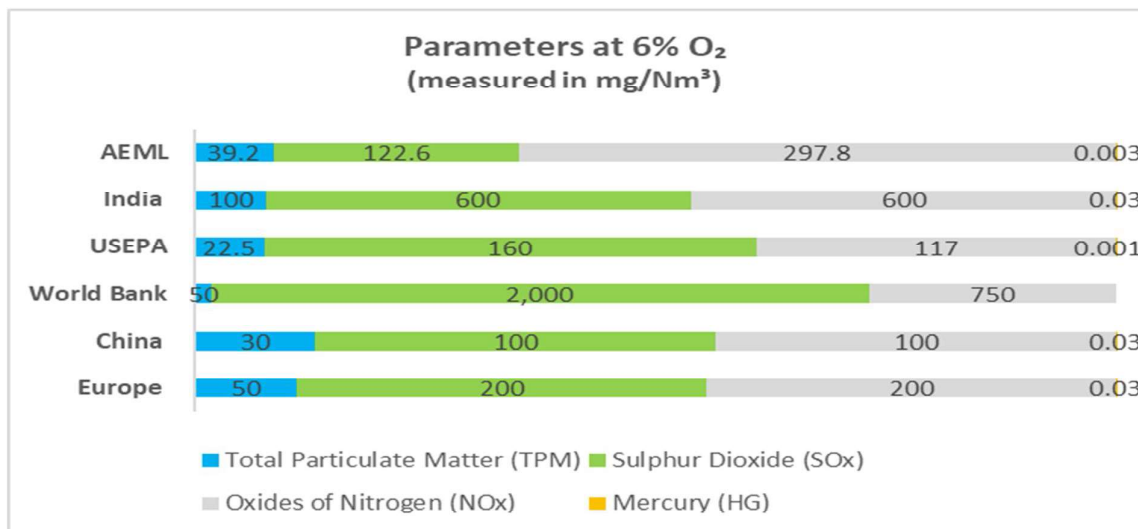
b. DTPS continues to outperform on environmental aspects – Not only beating own standard but beating world standard

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

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

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

New Environment (Protection) Amendment Rules, 2015



AEML- H1FY21

Effectiveness of water management through Rainwater harvesting

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

Water & Waste

Parameter	Design Value	H1FY21 Savings	Environment Benefit
Surface Water Utilization	5,480 cubic meter / per day	17%	This has resulted in water savings of 340,034 M ³ during the period against the design parameters which will fulfil water requirement of around 6,800 persons for a year.*
Grease consumption	24 barrels / per annum	2 barrels	Reducing grease consumption has reduced generation of hazardous waste.
Waste oil generation	240 barrels / per annum	50 barrels	Reducing waste oil generation has reduced generation of hazardous waste
Make up water consumption	3%	0,36%	

*In India per capita around 135 lit / day water is required, this saved water quantity will fulfill water requirement of around 6,800 persons for a year.

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

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

Continuously reducing carbon emission:

- AEML achieved Heat Rate of 2,263 Kcal/kWh for FY20 which is best achieved since inception
- 5 Star (Very Good) rating certificate awarded to ADTPS from Maharashtra Pollution Control Board (MPCB) for 2019

c. Single use plastic free premises & Zero waste to landfill will help to boost ESG metrics of AEML

1.2 Care for Society

Key highlights in Lightening the city of Mumbai – A consumer centric approach

- AEML is always focused on customer satisfaction and delight, and it is on account of this approach that the company is in the continuous process of setting up new benchmarks in the servicing of the consumers. Within few months of business acquisition, AEML responsively tackled Social Responsibility and electrified Gorai village after 70 years

The day will be regarded as an electrifying day for the families of the tribal village in Gorai who have been waiting to see the light at the end of the tunnel, and celebrated as they received power supply after a long wait of 70 years. Adani Electricity Mumbai Ltd. (AEML), the city's largest utility provider that started laying cables in the village of Jhamjad Pada, completed the electrification both in the village and the lives of the tribals.

- Added Aarey Colony tribal hamlet Navsachapada to AEML's network. The hamlet was without electricity for more than 7 decades. AEML was able to finally lay the network to lit 64 houses post receiving a NOC from the Bombay Veterinary College.
- AEML lightened up hutments by releasing new connections in Sidharth Nagar, Andheri (West) to 96 occupants, post receiving approval from the Maharashtra Coastal Zone, Management Authority (MCZMA), MHADA, and MCGM.
- Power supply released to Yagnik Nagar in Amboli after 25 years. The residents were living without power due to various land ownership issues and objections from the adjacent landowner
- Installed 111 streetlights across Chembur, Charkop, Jogeshwari, Bhayander and BKC for the safety of people.
- Around 62,000 Old HPSV lamps replaced by energy efficient LED luminaries

Always connected with customers & community for support:

- Adani Electricity rise to the challenge of COVID-19.
 - Supply released to 2,957 flats and 9 hospitals with 500 bed capacity identified for quarantine purpose
 - Supply released within 24 hours to a 30,000 sq. feet camp at Versova ground built by Maharashtra Home Guards with a capacity to accommodate 500 people

Adani Electricity has been providing uninterrupted electricity supply on priority, to all the affected locations in the western and eastern areas including hospitals that fall under their purviews such as a Maternity Care Centre in Shivaji Nagar, an MCGM hospital

in Andheri and a few more residential areas that are under quarantine. In cooperation with MCGM, District Collector, Civil Defence Directorate and SRA authorities, AEML has provided electricity connections in various quarantine centres across the city, which lacked electricity access.

- Integrated Tribal Development Project: AEML initiated specialized learning and development program for Tribal population to enrich them with special skills for their livelihood support. Such skill enhancement was done in various gamut of business activity which enables hundreds of Tribals to either take up specialised job or open their own venture to support their economic environment.
- Skill Development in local community: AEML has established various job-oriented training centre which has provided direct employment to more than 2,500 people and indirect employment to more than 10,000 people supporting close to 12,000 families
- AEML has taken initiative of empowering women by creating cadre of women entrepreneurs. They are provided training, support, and advices for them to become community leaders and subsequently these community leaders become advisors to their fellow citizens on various topics like welfare, financial inclusion, women empowerment. This ongoing programme of developing entrepreneurial among ladies has before nicknamed as "MAZI SANGINI" (My Partner)
- Working extensively for promoting girl's education and creating proper infrastructure and milieu for promoting the same. AEML has work extensively by providing proper sanitation facilities, potable water, medical checks by doctors for not only improving the quality of life but also to increase more footfall of the female gender in the school.
- A Knowledge Sharing Session was conducted on 14th Feb 2020 in coordination with Mumbai and Child Safety, Prevention of Crime Against Women at Workplace, Cyber Crime & Security Consciousness as Dutiful Citizens of Mumbai.
- To support gender equality in every aspect of facility and to provide perpetual employment opportunity AEML is exploring possibility to train women for the activity of meter reading with association of NGO.

Project Saksham (Skill Development)

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

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

Swachhagraha with safety

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

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

- Various training sessions on safety and cleanliness were conducted
- Swachhagraha Swachhata ka Satyagraha, a behavioural change education program

Safety from any kind of electricity accidents, transportation, drinking water and other emergencies.

Contributions in the Education and Health Care sectors

AEML firmly believes that quality education and healthcare on sustainable development at all levels is required for transformation of the society. This will help the people to move in the right direction and empowers them to think differently for a brighter future. Going by this aspect the Company has undertaken few initiatives in this arena.

Education

An Investment in knowledge pays the best interest and the Company AEML also goes by the same saying.

As part of its social initiative and in order to bridge the socio-economic gap, AEML by virtue of its commitment to the society has been providing E learning kits to various schools educational opportunities

- AEML provided E-Learning Kits in schools
- Distribution of educational materials among students
- Around 1,280 students will be benefited from Z. P. Schools.
- Educational support to poor and meritorious students
- Infrastructure developmental support to Schools - Prabodhini High School and Modern English High School
- Hamari Pathshala (My School) Project – Support to children in Aganwadi School at Aarey colony by providing books, uniform, cement bench etc.

Health Care

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

- Promotion of Sports - Sports activity is to make students physically active. Sports material provided in Modern School, Marol, Andheri (E)
- Developing infrastructure and sanitation facility for girl students at Modern School, Marol, Andheri (E)
- Yoga for family members of Aganwadi School at Aarey colony
- Improving Maternal Mortality Rate (MMR) - AEML medical team visits surrounding villages on 9th of every month under the Pradhan Mantri Surakshit Matritva Abhiyan. It envisages improvement in the quality and coverage of Antenatal Care (ANC) including diagnostics and counselling services as part of the Reproductive Maternal Neonatal Child and Adolescent Health Strategy
- Installation of water filter units in nearby schools and villages

1.3 Care for Stakeholders

Safety - AEML goes beyond mandated norms to ensure highest standards of safety for consumers and employees

Safety is an integral part of the Adani work culture. During the period, AEML successfully applied behavior-based safety initiatives. This included conducting regular safety audits, awareness campaigns, and assessment programmes. The outcome of these initiatives resulted in carrying out safe operations across Mumbai and at Dahanu with the least number of host time injuries and no fatalities.

To put safety of the consumers first AEML has conducted various programs besides the regular and general safety advisory. This includes:

- implemented Environment, Occupational Health and Safety (EHS) management systems to provide and maintain an accident-free and healthy workplace
- Conduct of Electrical Safety Awareness among Consumers - HT Consumers
- Electrical Safety Audit of Industrial Consumers
- Electrical Safety Week in association with Industrial Labor & Energy department, Maharashtra State
- Electrical safety Video prepared by AEML, shown across the Maharashtra

AEML is committed in providing best in class safety equipment and training to its employees and believes that following the safety guidelines and rules are the best tools, and safety is our priority. Our 3,210 (6,411 hours) employee has been trained with respect to safety guidelines in 1HFY21.

2. Regulatory Update

2.1 Consumer Right proposed under new Draft Electricity Act:

Power Ministry has published draft for Electricity Consumer Rights which is as under. Consumer Rights mentioned are already in place at AEML:

Sr. No.	Government Proposal	AEML
1	Prepaid / Smart Meters	
	Center pushing for 100 per cent prepaid meters in two years	We have already initiated the process of installation of smart meter which can enable prepaid plans for consumers. We also have Automated Meter Reading (AMR) for all HT consumers.
2	Online Payments	
	Any bill above Rs 1,000 will have to be paid online.	AEML Consumers already have 28 option to make payment- online & offline which are available in India. Online: Website, Mobileapp, E-wallets, eNACH, UPI. Offline: 39 bill payment centers, 50 bill payment kiosks accepting payments by cards.

3	Offer rebates for digital payments	Digital payment incentive is 0.25% of monthly bill excl taxes & duties with cap of Rs 500/- per bill
4	Reliable power supply	
	24x7 power is a right of the consumer.	AEML has already focus on delivering reliable and quality power supply to consumers. We are consistently achieved 99.99% reliability of supply of power.
5	Compensation to consumers	
	Automatic compensation if prescribed service parameters are not met by the discom.	We are exceeding service standard prescribed by the Regulator.
6	Solar Rooftop	
	Ease of process to allow customers setup distributed solar rooftop.	AEML under it's endeavor to reduce carbon foot print have installed 19MW solar rooftop

2.2 Ongoing reforms in Power Distribution Sector

- Power ministry announced plan to **privatize electricity distribution in all the 8 (Eight) union territories** and explore public-private partnerships for power distribution in some states.
- A **new Sub-licensee method** proposed in draft amendment to Electricity Act to attract private participation in distribution
- Push for renewables: Govt proposed to **introduce Hydro Purchase Obligation (HPO)** as it also looks to strengthen enforcement of RPO targets
- **Push for EV:** Govt is pushing to install EV charging kiosks at ~69,000 petrol pumps across the country.

2.3 New Reforms proposed

- Government proposed to initiate **Direct Benefit Transfer (DBT)** to make payment of subsidy into accounts of consumers maintained by the Discoms. This is to reduce the pressure of cross-subsidy and make tariffs competitive for industrial & commercial customers.
- **New "reform-linked distribution" scheme** with proposed overlay of over Rs.3L Crores: Umbrella scheme to include grants for schemes of IPDS, DDUGJY and UDAY; Targeting Zero ACS-ARR gap by 2024-25 / AT&C losses to reduce to 12-15%
- New draft policy for consumer rights
 - Centre pushing for 100 per cent prepaid meters in two years
 - Any bill above Rs 1,000 will have to be paid online.
 - 24x7 power is a right of the consumer.
 - Automatic compensation if prescribed service parameters are not met by the Discom.
 - Ease of process to allow customers setup distributed solar rooftop.

In order to be safe, the Company uses the following equipment's, tools and guidelines for its employees

- HT / LT Arc Flash suits - to protect against flashover hazards
- Cable Avoidance Tool
- Individual Permits granted to each on-field employee before carrying out any task
- Internal consumer training & awareness programs

Prudent Governance model

AEML, give lot of importance to Effective Corporate Governance framework catering to all stakeholders with focus on safety and sustainability.

Various aspects of governance structure have been inbuilt into AEML to take care of any eventuality. The following various steps undertaken by the Company to take the governance structure at higher orbit.

- Appointment of Professionals at various CXO level to take care of respective functions specifically and independently for AEML.
- Appointment of Independent Directors with relevant industrial to overview affairs of the Company.
- Formulating policy in relation to related party transactions, treasury investment processes, budgeting guidelines, risk management policy, anti-bribery, and whistle blower policy.

Definitions and Abbreviations

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

AEML	Adani Electricity Mumbai Limited
ADTPS	Adani Dahanu Thermal Power Station
IPDS	Integrated Power Development Scheme
DDUGJY	Deen Dayal Upadhyaya Gram Jyoti Yojana
UDAY	Ujjwal DISCOM Assurance Yojana
ACS	Average Cost of Supply per unit
ARR	Average Revenue Realised per unit
FAC	Fuel Adjustment Charges
MOEF	Ministry of Environment, Forest and climate change
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.

Appendix 3 – Unaudited reviewed Accounts of Obligor Group for Six months ended on September 30, 2020

INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF UNAUDITED SPECIAL PURPOSE COMBINED CONDENSED INTERIM FINANCIAL INFORMATION

TO THE BOARD OF DIRECTORS OF ADANI ELECTRICITY MUMBAI LIMITED

Introduction

1. We have reviewed the accompanying Unaudited Special Purpose Combined Condensed Interim Financial Information of Adani Electricity Mumbai Limited ("the Company") and Power Distribution Services Limited (collectively, the "Obligor Group"), which comprise the Unaudited Special Purpose Combined Condensed Interim Balance Sheet as at September 30, 2020 and the related Unaudited Special Purpose Combined Condensed Interim Statement of Profit and Loss (including other comprehensive income), the Unaudited Special Purpose Combined Condensed Interim Statement of Cash Flows for the six month period ended September 30, 2020 and selected explanatory notes thereon (together hereinafter referred to as the "Unaudited Special Purpose Combined Condensed Interim Financial Information"). The Unaudited Special Purpose Combined Condensed Interim Financial Information have been prepared by the Obligor Group on the basis stated in Note 2.2 "Basis of Preparation and presentation" of the Unaudited Special Purpose Combined Condensed Interim Financial Information.

Management's Responsibility for the Unaudited Special Purpose Combined Condensed Interim Financial Information

2. The Board of Directors of the Company is responsible with respect to preparation and presentation of the Unaudited Special Purpose Combined Condensed Interim Financial Information on the basis stated in Note 2.2 "Basis of Preparation and Presentation" of the Unaudited Special Purpose Combined Condensed Interim Financial Information for the purpose set out in paragraph 5 below. The Board of Directors of the companies included in Obligor Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013 (the "Act") for safeguarding the assets of the respective companies and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent and 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 Unaudited Special Purpose Combined Condensed Interim Financial Information.

Scope of Review

3. Our responsibility is to express a conclusion on the Unaudited Special Purpose Combined Condensed Interim Financial Information based on our review. We conducted our review of the Unaudited Special Purpose Combined Condensed Interim Financial Information in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of the Obligor Group's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an

Deloitte Haskins & Sells LLP

audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Act and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

4. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Unaudited Special Purpose Combined Condensed Interim Financial Information have not been prepared, in all material respects, in accordance with the basis set out in Note 2.2 to the Unaudited Special Purpose Combined Condensed Interim Financial Information.

Basis of Preparation and Restriction on Use

5. Without modifying our conclusion, we draw attention to Note 2.1 and 2.2 of the Unaudited Special Purpose Combined Condensed Interim Financial Information, which describes the purpose and basis of preparation. The Unaudited Special Purpose Combined Condensed Interim Financial Information have been prepared by the Company's Management for meeting the compliance requirements agreed, under the Common Terms Deed dated February 12, 2020 entered into between the Company, PDSL, Madison Pacific Trust Limited and SBICAP Trustee Company Limited and the US\$ 400 million Facility Agreement dated February 13, 2020 entered into between the Company, PDSL, Arrangers, Original Lenders, Citicorp International Limited and SBICAP Trustee Company Limited, and accordingly may not be suitable for any other purpose, and should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. The Unaudited Special Purpose Combined Condensed Interim Financial Information is not a complete set of financial statements of the Obligor Group in accordance with Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act, as applicable and is not intended to give a true and fair view of the combined financial position of the Obligor Group as at September 30, 2020, and of its combined financial performance (including other comprehensive income) and its combined cash flows for the six month period then ended in accordance with Ind AS prescribed under section 133 of the Act, as applicable. Accordingly, this report should not be used or referred to for any other purpose without our prior written consent. Our report is intended solely for the Company and should not be used by parties other than the Company and, we do not accept or assume any liability or duty of care to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

For Deloitte Haskins & Sells LLP

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)

Mohammed Bengali

(Partner)

(Membership No.105828)

(UDIN: 20105828AAAADZ8550)

Mumbai, December 16, 2020

ADANI ELECTRICITY MUMBAI LIMITED

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Obligor Group Special Purpose Combined Condensed Interim Balance Sheet


(₹ in Millions)

Particulars	Note	As at 30 September, 2020
ASSETS		
Non-current Assets		
Property, Plant and Equipment	3	1,22,221.62
Capital Work-In-Progress		5,294.49
Right-of-Use Assets	4a	1,402.50
Intangible Assets	4b	9,918.52
Intangible Assets Under Development		26.58
Financial Assets		
(i) Investments	5a	29.00
(ii) Loans	6	346.19
(iii) Other Financial Assets	7	5,652.27
Income Tax Assets (net)		14.10
Other Non-current Assets	9	2,832.00
Total Non-current Assets		1,47,737.27
Current Assets		
Inventories	10	1,870.80
Financial Assets		
(i) Investments	5b	2,490.79
(ii) Trade Receivables	11	9,389.30
(iii) Cash and Cash Equivalents	12	724.24
(iv) Bank Balances other than (iii) above	13	10,414.70
(v) Loans	6	11,108.58
(vi) Other Financial Assets	7	4,279.70
Other Current Assets	9	6,911.39
Total Current Assets		47,189.50
Total Assets before Regulatory Deferral Account		1,94,926.77
Regulatory Deferral Account - Assets		4,707.68
Total Assets		1,99,634.45
EQUITY AND LIABILITIES		
Equity		
Net Shareholder's Investment	14	44,239.84
Total Equity		44,239.84
Liabilities		
Non-current Liabilities		
Financial Liabilities		
(i) Borrowings	15	1,01,535.50
(ii) Trade Payables	16	
(A) total outstanding dues of micro enterprises and small enterprises; and		
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		349.76
(iii) Lease Liability obligation	17	592.40
(iv) Other Financial Liabilities	21	728.74
Provisions	18	3,220.17
Deferred Tax Liabilities (Net)	8	926.10
Other Non Current Liabilities	19	2,760.42
Total Non-current Liabilities		1,10,113.09
Current Liabilities		
Financial Liabilities		
(i) Borrowings	20	13,576.99
(ii) Trade Payables	16	
(A) total outstanding dues of micro enterprises and small enterprises; and		151.45
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		14,028.74
(iii) Lease Liability obligation	17	325.52
(iv) Other Financial Liabilities	21	8,688.98
Other Current Liabilities	19	2,881.54
Provisions	18	585.00
Total Current Liabilities		40,238.22
Total Liabilities before Regulatory Deferral Account		1,50,351.31
Regulatory Deferral Account - Liabilities		5,043.30
Total Equity and Liabilities		1,99,634.45


See accompanying notes forming part of the special purpose combined condensed interim financial information


As per our attached report of even date

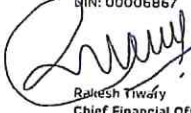
For Deloitte Haskins & Sells LLP
Chartered Accountants
ICAI Firm Registration Number : 117366W/W-100018



Mohammed Bengali
Partner
Membership No. 105828

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


Anil Sardana
Chairman
BIN: 00006867


Kanjarp Patel
Managing Director & CEO
DIN.: 02947643


Rajesh Tiwari
Chief Financial Officer


Jaladhi Shukla
Company Secretary

Place : Mumbai
Date : 16 December, 2020

Place : Ahmedabad
Date : 16 December, 2020



Obligor Group Special Purpose Combined Condensed Interim Statement of Profit and Loss (₹ in Millions)

Particulars	Note	For the Period ended 30 September, 2020
Income :		
Revenue from Operations	22	29,051.34
Other Income	23	1,880.01
Total Income		30,931.35
Expenses :		
Cost Of Power Purchased		9,607.52
Cost of Fuel		4,541.80
Transmission Charges		2,320.64
Purchases of traded goods		8.71
Employee Benefit Expense	24	4,405.46
Finance Costs	25	6,702.73
Depreciation and Amortisation Expenses	3,4a,4b & 31	3,553.95
Other Expenses	26	3,391.52
Total Expenses		34,532.33
Loss Before Movement in Regulatory Deferral Balance, Exceptional Items and Tax		(3,600.98)
Add/(Less): Net Movement in Regulatory Deferral Balance		3,263.67
Loss Before Exceptional Items and Tax		(337.31)
Exceptional items		-
Loss Before Tax		(337.31)
Tax Expense:		
Current Tax		68.61
Deferred Tax		421.90
		490.51
Loss after tax	Total A	(827.82)
Other Comprehensive Income / (Expense)		
(a) Items that will not be reclassified to profit or loss		
-Remeasurement of Defined Benefit Plans		(245.00)
-Income Tax Impact		42.81
(b) Items that will be reclassified to profit or loss		
-Effective portion of gains and losses on designated portion of hedging instruments in a cash flow hedge		26.47
Other Comprehensive Income / (Expense)	Total B	(175.72)
Total Comprehensive Income	Total (A+B)	(1,003.54)

See accompanying notes forming part of the special purpose combined condensed interim financial information

As per our attached report of even date

For Deloitte Haskins & Sells LLP

Chartered Accountants

ICAI Firm Registration Number : 117366W/W-100018

Mohammed Bengali
Partner
Membership No. 105828

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

Anil Sardana
Chairman
DIN: 00006867

Kandarp Patel
Managing Director & CEO
DIN: 02947643

Rakesh Tiwary
Chief Financial Officer

Jaladhi Shukla
Company Secretary

Place : Mumbai
Date : 16 December, 2020

Place : Ahmedabad
Date : 16 December, 2020



ADANI ELECTRICITY MUMBAI LIMITED



Special Purpose Combined Condensed Interim Statement of changes in Net Shareholder's Investment

As at 30
September,
2020

(₹ in Millions)

Opening Balance	45,243.38
Loss for the Period	(827.82)
Other comprehensive Income / (Expense) for the Period (net of tax)*	(175.72)
Closing Balance	44,239.84

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

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

See accompanying notes forming part of the special purpose combined condensed interim financial information

As per our attached report of even date

For Deloitte Haskins & Sells LLP

Chartered Accountants

ICAI Firm Registration Number : 117366W/W-100018

Mohammed Bengali

Partner

Membership No. 105828

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

Anil Sardana
Chairman
DIN: 00006867

Kandar Patel
Managing Director & CEO
DIN: 02947643

Rakesh Tiwary
Chief Financial Officer

Jaladhi Shukla
Company Secretary

Place : Mumbai

Date : 16 December, 2020

Place : Ahmedabad

Date : 16 December, 2020



ADANI ELECTRICITY MUMBAI LIMITED



Obligor Group Special Purpose Combined Condensed Interim Statement of Cash flows

(₹ in Millions)

For the Period ended
30 September, 2020

Particulars	
A. Cash flow from operating activities	
Loss before tax	(337.31)
Adjustments for:	
Interest Income	(1,318.86)
Unrealised Foreign Exchange Gain - Borrowings net of Hedging	2,041.73
Amortisation of Consumer Contribution	(45.39)
Gain On Sale / Fair Value Of Current Investments Measured at FVTPL	(296.39)
Gain On Sale / Fair Value Of Current Investments Measured at FVTPL - Contingency Reserve Fund	(13.34)
Finance Costs	4,661.00
Depreciation and Amortisation Expense	3,553.95
Loss on sale of Fixed Assets (Net)	0.34
Provision for Doubtful Debts / Advances / Deposits	140.18
Operating Profit before working capital changes	8,385.91
Changes in Working Capital:	
Adjustments for (Increase) / Decrease in Assets :	
Trade Receivables	(4,009.47)
Inventories	3,243.36
Financial Assets - Current / Non Current	1,184.15
Other Assets - Current / Non Current	(3,781.01)
Regulatory Deferral Account - Assets	(2,230.35)
Adjustment for Increase / (Decrease) in Liabilities :	
Trade Payables	(34.27)
Financial Liabilities - Current / Non Current	(26.39)
Provisions - Current / Non Current	492.78
Other Liabilities - Current / Non Current	34.25
Cash generated from operations	3,258.96
Tax paid (Net)	(267.90)
Net cash from operating activities (A)	2,991.06
B. Cash flow from investing activities	
Capital expenditure on PPE (Including Capital Advances)	(4,205.52)
Proceeds from Sale of PPE	(0.34)
(Purchase) / Sale of Mutual Funds / Other Investments-Net	(215.23)
Bank balances not considered as Cash & Cash Equivalents	(7,114.91)
Loans (given) / repaid	5,842.94
Interest Received	552.09
Net cash used in investing activities (B)	(5,140.97)
C. Cash flow from financing activities	
Increase in Service Line Contribution	25.23
Proceeds from Long-term borrowings	2,566.88
Proceeds from Short-term borrowings	4,564.15
Repayment of Short-term borrowings	(830.30)
Payment of Lease Liability Obligation	(122.26)
Interest on Lease Liability Obligation	(52.13)
Interest & Other Borrowing Cost	(4,504.41)
Net cash from financing activities (C)	1,647.16
Net decrease in cash and cash equivalents (A+B+C)	(502.75)
Cash and cash equivalents as at 01 April (Opening Balance)	1,226.99
Cash and cash equivalents as at 30 September (Closing Balance)	724.24



ADANI ELECTRICITY MUMBAI LIMITED**Obligor Group Special Purpose Combined Condensed Interim Statement of Cash flows****Cash and Cash Equivalents Includes****Balances with banks**

- In current accounts

- Fixed Deposits

Cash On Hand

Cheques / Drafts On Hand

Total Cash & Cash Equivalents**(₹ in Millions)**
As at 30 September, 2020

491.31

4.63

63.45

164.85

724.24See accompanying notes forming part of the special purpose combined condensed interim financial information

As per our attached report of even date

For Deloitte Haskins & Sells LLP**Chartered Accountants**

ICAI Firm Registration Number : 117366W/W-100018

Mohammed Bengali**Partner**

Membership No. 105828

For and on behalf of the Board of Directors

ADANI ELECTRICITY MUMBAI LIMITED**Anil Sardana****Chairman**

DIN: 00006867

Rakesh Tiwary**Chief Financial Officer****Kandeep Patel****Managing Director & CEO**

DIN.: 02947643

Jaladhi Shukla**Company Secretary**

Place : Mumbai

Date : 16 December, 2020

Place : Ahmedabad

Date : 16 December, 2020



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 House, Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad 380 009, Gujarat, India. It is subsidiary of Adani Transmission Limited (ATL) and ultimate holding entity is S. B. Adani Family Trust (SBAFT).

The integrated Mumbai Generation, Transmission and Distribution (GTD) Business caters to ~3.05 million customers, under a license provided to transmit and distribute electricity to consumers in Mumbai in an area of ~400 Sq km in and around suburbs of Mumbai inclusive of areas covered under the Mira Bhayender Municipal Corporation, making it the country's largest private sector integrated power utility, entailing ~1,964 MW of power distribution along with generation facilities (500 MW coal based) and over 567 ckt km of transmission network.

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

The Company is a subsidiary of Adani Transmission Limited ("the Holding Company")

Power Distribution Services Limited ("PDSL"), (formerly known as Adani Electricity Mumbai Services Limited) is incorporated on 6 December 2019 and domiciled in India. It is subsidiary of Adani Transmission Limited, the Holding Company and has been incorporated with the object to provide multiple services including human resource management, administrative support, information technology support, finance and accounts, audit and assurance support, treasury management, tax advisory, security support and training, other corporate support, business plan advisory, advisory on the implementation of best practices in line with global utility players, and advisory on process improvement. The above services are only indicative, and the nature and quantum of services may vary.

The Company and PDSL is together referred to as "the Obligor Group" in these Special Purpose Combined Financial Information.

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

The Obligor Group Comprise of the Company and the following entity

Entity	Country of Incorporation
Power Distribution Services Limited	India

These financial information of the Obligor Group as at and for the period ended 30 September, 2020 were authorised for issue by the board of directors on 16 December, 2020

2.1 Purpose of the special purpose combined condensed interim financial information

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

The special purpose combined condensed interim Financial Information presented herein reflect the Obligor Group's results of operations, assets and liabilities and cash flows as at and for the period ended 30 September, 2020.

2.2 Basis of preparation and presentation

The Special Purpose Combined Condensed Interim Financial Information of the Obligor Group have been prepared in accordance with recognition and measurement principles of Indian Accounting Standard 34 "Interim Financial Reporting" issued by Institute of Chartered Accountants of India and other accounting principles generally accepted in India and the Guidance Note on Combined and Carve-out Financial Statement issued by the Institute of Chartered Accountants of India (ICAI).

As these special purpose combined condensed interim financial information have been prepared on a combined basis, it is not meaningful to show share capital or provide an analysis of reserves. Net Shareholder's investment, therefore, represents the difference between the assets and liabilities pertaining to combined businesses. Share capital of Obligor Group is held by the Holding Company.



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 statement are prepared, intra-group transactions and profits or losses are eliminated. All the inter group transactions are undertaken on Arm's Length basis.

Net Shareholder's investment disclosed in the special purpose combined condensed interim Financial Information represents the aggregate amount of Share Capital, and other equity of each of the entities within the Obligor Group, and does not necessarily represent legal Share Capital for the purpose of the Obligor Group.

Accordingly, the following procedure is followed for the preparation of the special purpose combined condensed interim Financial Information :

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

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

These special purpose combined condensed interim financial information are Combined Financial Information 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 Information include the operation of entities in the Obligor Group, as if they had been managed together for the period presented.

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

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

The financial Information have been prepared in "Indian Rupees" which is also the Obligor Group's functional currency and all amounts, are rounded to the nearest Million with two decimals, (Transactions below ₹ 5000.00 denoted as ₹0.00), unless otherwise stated.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

2.3 Statement of Compliance

These Special Purpose Combined Condensed Interim Financial information have been prepared in accordance with recognition and measurement principles of INDAS 34 "Interim Financial Reporting" and other accounting principles generally accepted in Indian and should be read in conjunction with annual financial statement of the Obligor Group's as at and for the year ended 31 March, 2020.

The accounting policies followed in preparation of these Special Purpose Combined Condensed Interim Financial Information are consistent with those followed in preparation of Special Purpose Combined Financial Statement as at and for the year ended 31 March, 2020 of the Company. The result of the interim periods are not necessarily indicative of the results that may be expected for any interim period or for the full year.



ADANI ELECTRICITY MUMBAI LIMITED

Notes to Special Purpose Combined Condensed Interim Financial Information as at and for the period ended 30 September, 2020

Note 3 : Property, plant and equipment (PPE)

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(₹ in Millions)

Particulars	Freehold Land	Buildings - Residential	Buildings - Others	Plant and Equipment	Distribution Systems	Street Light	Railway Siding	Jetty	Furniture and Fixtures	Vehicles	Office Equipment	Computers & Network	Electrical Installations	Total
Gross carrying amount														
As at 1st April 2020	26,368.70	1,040.93	7,840.33	44,905.97	49,816.98	1,714.56	68.74	12.56	195.43	265.05	153.37	740.16	249.53	1,33,372.31
Additions	-	-	149.30	803.60	689.60	43.10	-	0.50	9.10	1.20	17.90	87.50	11.70	1,813.50
Disposals	-	-	-	15.30	-	-	-	-	-	11.60	-	-	-	26.90
Closing Gross carrying amount as on 30 September, 2020	26,368.70	1,040.93	7,989.63	45,694.27	50,506.58	1,757.66	68.74	13.06	204.53	254.65	171.27	827.66	261.23	1,35,158.91
Accumulated depreciation and impairment														
As at 1st April 2020	-	83.01	537.36	4,498.17	3,650.87	212.55	8.37	1.52	73.91	51.83	98.91	293.89	81.30	9,591.69
Depreciation charge for the year	-	21.40	139.60	1,995.00	1,043.70	50.60	2.10	0.40	12.80	16.00	9.90	55.20	12.30	3,359.00
Eliminated on disposal of assets	-	-	-	9.30	-	-	-	-	-	4.10	-	-	-	13.40
Closing accumulated depreciation as on 30 September, 2020	-	104.41	676.96	6,483.87	4,694.57	263.15	10.47	1.92	86.71	63.73	108.81	349.09	93.60	12,937.29
Net carrying amount - 30 September, 2020	26,368.70	936.52	7,312.67	39,210.40	45,812.01	1,494.51	58.27	11.14	117.82	190.92	62.46	478.57	167.63	1,22,221.62



Notes to Special Purpose Combined Condensed Interim Financial Information as at and for the period ended 30 September, 2020

Note 4a: Right of Use

(₹ in Millions)

Particulars	Right of Use			
	Leasehold Land	Building	Way Leave Rights	Total
Gross carrying amount				
As at 01 April, 2020	137.49	1,293.04	401.54	1,832.07
Additions	-	-	-	-
Disposal	-	-	-	-
Closing Gross carrying amount as on 30 September, 2020	137.49	1,293.04	401.54	1,832.07
Accumulated amortisation & Impairment				
As at 01 April, 2020	3.19	237.95	18.04	259.18
Amortisation charge of the year	1.54	159.82	9.03	170.39
Eliminated on disposal of assets	-	-	-	-
Closing accumulated amortisation as on 30 September, 2020	4.73	397.77	27.07	429.57
Net carrying amount - 30 September, 2020	132.76	895.27	374.47	1,402.50

Note 4b: Intangible Assets

(₹ in Millions)

Particulars	Computer Software	Transmission License	Total
Gross carrying amount			
As at 01 April, 2020	241.98	9,816.20	10,058.18
Additions	27.29	-	27.29
Disposal	-	-	-
Closing Gross carrying amount as on 30 September, 2020	269.27	9,816.20	10,085.47
Accumulated amortisation & Impairment			
As at 01 April, 2020	142.39	-	142.39
Amortisation charge for the year	24.56	-	24.56
Eliminated on disposal of assets	-	-	-
Closing accumulated amortisation as on 30 September, 2020	166.95	-	166.95
Net carrying amount - 30 September, 2020	102.32	9,816.20	9,918.52

Notes:

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

Depreciation / Amortisation

For the Period
ended
30 September,
2020
(₹ in Millions)

Depreciation on Tangible Assets	3,359.00
Amortisation of Intangible Assets	24.56
Amortisation of Right of Use	170.39
Total	3,553.95



5 Investments	As at 30 September, 2020	
	(₹ in Millions)	
5a Non-current investments		
Investment in Equity Shares of Subsidiary (Unquoted) (Cost) Adani Electricity Mumbai Infra Limited.	0.10	
Investment in Government Securities at amortised cost Contingency Reserve Investments (Quoted)	28.90	
Total	29.00	
5b Current investments	As at 30 September, 2020	
	(₹ in Millions)	
Investment in Trust Securities at amortised cost Contingency Reserve Investments Investment in Power Receivable Trust	2,096.29	
QUOTED INVESTMENT (measured at FVTPL) Equity Shares of Yes Bank Ltd	394.50	
	2,490.79	
6 Loans - At Amortised Cost	Non-Current As at 30 September, 2020 (₹ in Millions)	Current As at 30 September, 2020 (₹ in Millions)
Housing loans to employee against hypothecation of the property	276.35	48.20
Inter Corporate Deposit given	-	11028.29
Loans to employees	69.84	32.09
	346.19	11,108.58
7 Other Financial Assets - At Amortised Cost	Non-Current As at 30 September, 2020 (₹ in Millions)	Current As at 30 September, 2020 (₹ in Millions)
Security Deposits - Unsecured Considered Good Considered doubtful	262.16 10.47 272.63	- - -
Less : Provision For Doubtful Deposits	(10.47)	-
Total	262.16	-
Fixed Deposit with Banks	2,422.78	-
Derivative instruments designated in hedge accounting relationship	2,967.33	221.93
Unbilled Revenue	-	4,057.77
	5,652.27	4,279.70
8 Deferred Tax Assets / Liabilities (Net)	As at 30 September, 2020	
	(₹ in Millions)	
Net Deferred Tax Liabilities	926.10	
Net Deferred Tax Assets / Liabilities	926.10	
9 Other Assets	Non-Current As at 30 September, 2020 (₹ in Millions)	Current As at 30 September, 2020 (₹ in Millions)
Advance to Suppliers	-	6,556.36
Balances with Government authorities	-	38.54
Prepaid Expenses	34.20	227.84
Capital advances	2,797.80	-
Advance to Employees	-	88.65
	2,832.00	6,911.39



10 Inventories	(Stated at lower of Cost and Net Realisable Value)	As at 30 September, 2020 (₹ in Millions)	
Fuel		1,077.80	
Fuel - In Transit		282.44	
Stores & spares		510.56	
		1,870.80	
11 Trade Receivables		As at 30 September, 2020	
Unsecured, considered good		9,389.30	
Credit Impaired		809.74	
		10,199.04	
Less : Provision for doubtful Trade receivables		(809.74)	
		9,389.30	
Note :			
(i) 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			
(ii) 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.			
(iii) 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 Cash and Cash Equivalents - At Amortised Cost		As at 30 September, 2020 (₹ in Millions)	
Balances with banks		491.31	
- In current accounts		4.63	
- Fixed Deposits		63.45	
Cash On Hand		164.85	
Cheques / Drafts On Hand		724.24	
Total Cash & Cash Equivalents as per Statement of Cash Flows		1,354.48	
13 Bank Balance Other than Cash and Cash Equivalents - At Amortised Cost		As at 30 September, 2020 (₹ in Millions)	
Bank Deposits with Original Maturity of more than 3 months but less than 12 months (Towards Debt Service Reserve Account)		10,414.70	
		10,414.70	
14 Net Shareholder's Investment		As at 30 September, 2020 (₹ in Millions)	
Opening Balance		45,243.38	
Loss for the period		(827.82)	
Other comprehensive Income / (Expense) for the Period (net of tax)		(175.72)	
Closing Balance		44,239.84	
15 Borrowings (At Amortised Cost)		Non-current As at 30 September, 2020 (₹ in Millions)	
Secured		Current As at 30 September, 2020 (₹ in Millions)	
Rupee Term Loans from Banks - 8.50%		666.67	333.33
External Commercial Borrowings in Foreign Currency		73,008.73	-
Bond - 3.949%		20,438.12	-
Shareholders Affiliated Debts - 6.3650%		7,421.98	-
Term Loans from Banks - 2.8446%		1,01,535.50	333.33



16	Trade Payables	Non-Current As at 30 September, 2020 (₹ in Millions)	Current As at 30 September, 2020 (₹ in Millions)
	(A) total outstanding dues of micro enterprises and small enterprises; and	-	151.45
	(B) total outstanding dues of creditors other than micro enterprises and small enterprises.	349.76	14,028.74
		349.76	14,180.19
17	Lease Liability obligation	Non-Current As at 30 September, 2020 (₹ in Millions)	Current As at 30 September, 2020 (₹ in Millions)
	Lease Obligation	592.40	325.52
		592.40	325.52
18	Provisions	Non-Current As at 30 September, 2020 (₹ in Millions)	Current As at 30 September, 2020 (₹ in Millions)
	Provision for Gratuity	1,721.34	313.41
	Provision for Compensated absences	1,305.36	245.09
	Provision for Other Employment Benefits	193.47	26.50
		3,220.17	585.00
19	Other Current Liabilities	Non-Current As at 30 September, 2020 (₹ in Millions)	Current As at 30 September, 2020 (₹ in Millions)
	Deferred Revenue - Service Line Contributions from Consumers	2,249.24	95.40
	Statutory dues payable	-	2,104.92
	Advances From Customer	511.18	657.40
	Other Payables	-	23.82
		2,760.42	2,881.54
20	Borrowings (At Amortised Cost)		As at 30 September, 2020 (₹ in Millions)
	Secured loans from banks		
	Buyers credit		1,404.98
	Working capital short term loan		11,850.00
	Unsecured loans		
	Other Short term loan from banks		322.01
			13,576.99
21	Other Financial Liabilities (At Amortised Cost)	Non-Current As at 30 September, 2020 (₹ in Millions)	Current As at 30 September, 2020 (₹ in Millions)
	Current maturities of long-term borrowings	-	333.33
	Interest accrued but not due on borrowings	-	1,520.02
	Payable towards purchase of PPE	-	947.59
	Security Deposit from Consumers	-	4,700.05
	Regulatory Liabilities other than Distribution	-	270.33
	Security Deposit from Customers / Vendors	-	76.08
	Other Financial Liabilities	-	597.88
	Derivative Instruments designated in hedge accounting relationship	728.74	243.70
		728.74	8,688.98



Notes to Special Purpose Combined Condensed Interim Financial Information as at and for the period ended 30 September, 2020

22	Revenue from Operations	For the Period ended 30 September, 2020 (` in Millions)
a)	Income from Sale of Power and Transmission Charges	
	Income from Sale of Power and Transmission Charges (Net)	28,429.94
	(Less)/Add: Income to be adjusted in future tariff determination (Net)	14.69
	Sub Total (a)	28,444.63
b)	Other Operating Income	
	Insurance Claim Received	0.12
	Income in respect of Services rendered	8.82
	Sale of Coal Rejects / Fly Ash	17.31
	Street Light Maintenance Charges	508.79
	Amortisation of Service Line Contribution	45.39
	Miscellaneous Revenue	16.75
	Sub Total (b)	597.18
c)	Sale of Traded Goods	
	Sale of Traded Goods	9.53
		9.53
	Total	29,051.34

Details of Revenue from Contract with Customers

Particulars	For the Period ended 30 September, 2020 (` in Millions)
Total Revenue from Contract with Customers	28,470.76
Street Light Maintenance Charges	508.79
Sale of Traded Goods	9.53
Add: Cash Discount/Rebates etc	125.47
Total Revenue as per Contracted Price	29,114.55

Transaction Price - Remaining Performance Obligation

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognised as at the end of the reporting period and an explanation as to when the 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 30 September, 2020, other than those meeting the exclusion criteria mentioned above.

Revenue is disaggregated by type and nature of product or services.

Contract Balances

As at 30 September, 2020

	(` in Millions)
Contract Assets	
Recoverable from Consumers	
Non-current	-
Current	-
Total Contract Assets	-
Contract liabilities	
Liabilities towards Consumers	
Non-current	-
Current	270.33
Total Contract Liabilities	270.33
Receivables	
Trade Receivables (Gross)	10,199.04
Unbilled Revenue for passage of time	4,057.77
(Less): Allowance for Doubtful Debts	(809.74)
Net Receivables	13,447.07



Notes to Special Purpose Combined Condensed Interim Financial Information as at and for the period ended 30 September, 2020

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

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

		For the Period ended 30 September, 2020 (₹ in Millions)
Opening Balance		
Recoverable from consumers		-
Liabilities towards consumers		285.03
	A	285.03
Income to be adjusted in future tariff determination in respect of earlier year (Net)		(47.76)
Income to be adjusted in future tariff determination (Net)		33.06
Revenue recognised during the year		-
Refund to Customers (including Company's distribution business)		-
Deferred tax recoverable/(payable)		-
Others		-
	B	(14.70)
Closing Balance		
Recoverable from consumers		-
Liabilities towards consumers		270.33
	(A+B)	270.33
23 Other Income		
		For the Period ended 30 September, 2020 (₹ in Millions)
a) Interest Income		
On Financial Assets carried at Amortised Cost		
Bank Deposits		433.24
Overdue Trade Receivables		81.17
On non current investment - Contingency Reserve Fund		54.81
On Intercompany Deposits		598.31
Other Interest		200.73
Interest on Security Deposits - Lease		5.41
b) Gain/(Loss) on Investments		
Gain On Sale / Fair Value Of Current Investments Measured at FVTPL		296.39
Gain On Sale / Fair Value Of Current Investments Measured at FVTPL - Contingency Reserve Fund		13.34
c) Other Non-operating Income		
Sale of Scrap		21.53
Rental Income		0.91
Delayed Payment Charges		141.87
Foreign Exchange Gain (net)		32.30
Total		1,880.01
24 Employee Benefit Expenses		
		For the Period ended 30 September, 2020 (₹ in Millions)
Salaries, Wages & Bonus		3,677.94
Contribution To Gratuity		230.40
Contribution to Provident and Other Funds		253.74
Contribution to Superannuation Fund		40.49
Compensated absences		373.35
Staff Welfare Expenses		486.16
		5,062.08
Less : Staff Cost Capitalised		(656.62)
Total		4,405.46



Notes to Special Purpose Combined Condensed Interim Financial Information as at and for the period ended 30 September, 2020

25	Finance costs	For the Period ended 30 September, 2020 (₹ in Millions)
a)	Interest Expense	
	Borrowings - Amortised Cost	
	Rupee Term Loans	42.62
	Senior Secured Note	1,595.81
	Shareholders Affiliated Debts	677.55
	External Commercial Borrowings	159.65
	Working Capital Loans	451.09
	Foreign Exchange Fluctuation Gain(net)-Borrowings	2,041.73
	Interest - Hedging Cost	1,661.41
	Others	
	Security Deposits From Consumers at amortised cost	109.68
	Interest on lease obligation	52.13
	Interest - Others	13.29
		6,804.96
	Less : Interest Cost Capitalised	(117.37)
		6,687.59
b)	Other Borrowing Costs	
	Other Finance Cost	15.14
	Total	6,702.73
26	Other Expenses	For the Period ended 30 September, 2020 (₹ in Millions)
	Consumption Of Stores & Spares	143.80
	Repairs & Maintenance	
	- Plant & Machinery	1,382.92
	- Buildings	116.44
	- Others	62.36
@	Short Term Lease Rental of Land,Building,Plant & Machinery Etc	0.08
	Vehicle Hire Charges	117.53
	Rates and Taxes	70.42
	Legal & Professional Expenses	620.80
	Directors' Sitting Fees	0.22
	Bank Charges	51.83
	Payment to Auditors	8.18
	Communication Expenses	55.85
	Travelling & Conveyance Expenses	49.90
	Insurance Expenses	115.95
	License fees	8.07
	Security Charges	165.10
	Seminar & Training Expenses	28.96
	Software Expenses	63.96
	Provision for Doubtful Trade Receivables	140.18
	Bill Print/Collection/ Distribution	43.93
	Call Center Expenses	33.27
	(Profit) / Loss on Sale of Assets (net)	0.34
	Corporate Social Responsibility Expenses	5.38
	Electricity Expenses	0.72
	Printing & Stationery	3.80
	Other Miscellaneous Expenses	60.72
	Advertisement & Publicity	25.68
	Water charges	15.13
	Total	3,391.52
@	Lease Rentals in respect of low value assets is not material.	
27	Contingent liabilities and Commitments	As at 30 September, 2020 (₹ in Millions)
(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	3,535.50
(ii)	Claims raised by the Government authorities towards unearned income arising on alleged transfer of certain land parcels - Refer note 3	1,276.50
(iii)	Demand towards fixed charges payable in respect of power drawn from the state pool - Refer note 4	996.80
(iv)	Way Leave fees claims disputed by the Obligor Group relating to rates charged - Refer note 3	284.30
(v)	Property related disputes - Refer note 3	25.90
(vi)	Other claims against the Obligor Group not acknowledged as debts.	21.20
(vii)	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	13,812.80
(ix)	Liability in respect of disposal of bottom Ash	@@
	@@ not determinable	19,953.00



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, ATL 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 MERC vide its order dated 26 September, 2019 has upheld the demand raised by MSEDCL on the Company of Rs 1245.00 Millions, towards payment of fixed cost in respect of power procured from the State pool during the financial years ended 31 March, 2012 to 31 March 2018. Similar demands had also been raised by MSEDCL on other Mumbai Licensees.

MERC in its above order, has however differed with the methodology adopted by MSLDC in calculating the above demand, and has issued instructions to MSLDC to issue revised bills based on the agreed revised methodology within a period of 1 year, and further, considering the amount/period involved directed MSLDC to set up a task force comprising officials from all Maharashtra Utilities to complete the task. MERC has also instructed that any amount payable (including relevant carrying cost) can be claimed by the respective Mumbai Licensees during the true up/ARR exercise.

Further an amount of Rs 249.20 Millions which was paid as an Interim payment against the above demand based on MERC instructions in the previous year, had been charged to cost of power purchased in the previous year and recovered from consumers as part of FAC mechanism. MERC vide its order 8 July 2020 has directed MSLDC to complete the Fixed Cost reconciliation by September 2020 and raise the bills accordingly.

Subsequently the final invoice was received from MSLDC on 7 November 2020, for Rs 795.29 Million, including the carrying cost of Rs 141.43 Million. After adjusting the above interim payment of Rs 249.20 Million, Rs 546.09 Million has been charged to cost of power purchased for the period ended 30 September 2020, and will be adjusted from the amount refundable to consumers as a part of FAC mechanism.

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

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

(B) Commitments :

As at 30 September, 2020
(₹ in Millions)

(i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	4,425.76
	4,425.76

- (ii) In terms of the MERC RPO obligation regulations, the Obligor Group is required to procure on an annual basis a certain quantum of power generated from renewable sources, as at 30 September, 2020 the Obligor Group has an cumulative outstanding commitment to procure renewable power of 3649 MU's

The Obligor Group to meet its past and future RPO commitment, has entered into through a competitive bid, a long term power purchase agreement with a related party to procure 700 MW of Wind Solar Hybrid Renewable Power at Rs 3.24 per unit, supply of which would commence from financial year ended 31 March, 2022.

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

- 28 ATL has acquired the control of the Company wef 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 above MERC MYT order for the period prior to August 28, 2018 is to the account of RINFRA.

Considering the order was received on 30 March, 2020, the management of the Obligor Group is in process of doing a detailed evaluation of the order, so as to finalize the amount recoverable. Such recoverable amounts are mainly on account of various components such as annual surplus, capex disallowances, MAT credit etc. Pending final determination of the amount recoverable from RINFRA, the same has not been accounted for as at 30 September, 2020 and would be accounted for as and when such amount is finally determined.



29 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 (SBFT)
(B) Holding Company	Adani Transmission Limited
(C) Subsidiary Company	Adani Electricity Mumbai Infra Ltd (w.e.f. 03.01.2020)
(D) Key Management Personnel:	Mr. Kandarp Patel, Managing Director & CEO Mr. Rakesh Tiwary, Chief Financial Officer Mr. Jaldhi Shukla, Company Secretary-(w.e.f. 13.02.2020) Mr. Anil Sardana, Director Mr. Sagar Adani, Director Mr. K Jairaj, Independent Director Ms. Chitra Bhatnagar, Director (w.e.f. 29.09.2019) Mr. Quinton Choi, Director - (w.e.f. 01.07.2020)
(E) Entity having significant influence	Qatar Holding LLC (w.e.f. 10.02.2020)
(F) Enterprises over which (A) or (B) or (D) or (E) above have significant influence : (where transactions have taken place during the period / balance outstanding)	Adani Enterprises Limited Adani Properties Private Limited Adani Green Energy Limited Mundra Solar Pv Ltd Sunbourne Developers Private Limited Adani Township & Real Estate Company Limited AEML Infrastructure Limited Maharashtra Eastern Grid Power Transmission Co. Limited
(G) Employee Benefits Funds :	AEML Gratuity Fund AEML Superannuation Fund AEML Leave Encashment fund

(₹ in Millions)		
Nature of Transaction	Name of Related Party	For the Period ended 30 September, 2020
Reimbursement of Expenses	Adani Transmission Limited	2.79
Inter Corporate Deposit (ICD) Received Back	Adani Properties Private Limited	5,800.00
Interest Expenses on Sub debt	Qatar Holding LLC	657.24
Interest Income on ICD (Loans)	Adani Properties Private Limited	598.31
Earnest Money Deposit (EMD) received	Adani Enterprises Limited	68.44
Earnest Money Deposit (EMD) Return Back	Adani Enterprises Limited	66.35
Redemption from Employee Benefits Funds	AEML Gratuity Fund AEML Leave Encashment Fund	235.41 2,718.05
Contribution to Employee Benefits Funds	AEML Leave Encashment Fund AEML Superannuation Fund	2,658.50 40.49
Purchase of Services	Adani Township & Real Estate Company Limited	2.00
Reimbursement of staff cost allocation	Adani Electricity Mumbai Infra Ltd	128.69
Employee advance transferred	Maharashtra Eastern Grid Power Transmission Co. Limited	0.42
Advance - Paid	AEML Infrastructure Limited Adani Electricity Mumbai Infra Ltd	0.17 1.10
Advance - Received back	AEML Infrastructure Limited	33.65
Advance paid towards Purchase of Power	Adani Enterprises Limited	7,250.00
Advance received back towards Purchase of Power	Adani Enterprises Limited	2,500.00
Purchase of Power (net of Interest and discount)	Adani Enterprises Limited	668.02
Remuneration paid	Mr. Kandarp Patel Mr. Rakesh Tiwary	21.98 7.60
Sitting Fees	Mr. K Jairaj Ms. Chitra Bhatnagar	0.21 0.01



Notes to Special Purpose Combined Condensed Interim Financial Information as at and for the period ended 30 September, 2020

		(₹ in Millions)
Closing Balance	Name of Related Party	As at 30 September, 2020
Balance Payable	Adani Township & Real Estate Company Limited	2.47
	Adani Transmission Limited	29.16
Balance Receivable	Adani Enterprises Limited (excluding banking transactions)	5,697.34
	Adani Green Energy Limited	1.64
	Adani Properties Private Limited	10,400.00
	Sunbourne Developers Private Limited	2,710.00
	Mundra Solar Pv Ltd	0.40
	Adani Electricity Mumbai Infra Ltd	128.15
	AEML Infrastructure Limited	0.67
Contribution to Employee Benefits Payable	AEML Superannuation Fund	6.51
Interest accrued but not due on ICD Given	Adani Properties Private Limited	628.33
Subordinate debt payable	Qatar Holding LLC	20,803.14
Interest accrued but not due on Sub debt	Qatar Holding LLC	849.64

Note:

The above disclosure does not include transaction with / as public utility services viz, electricity, telecommunications etc. in the normal course of business

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



30 Financial Instruments.**1 Fair Values**

The carrying value of financial instruments by categories as follows :-

(₹ in Millions)

Particulars	30 September, 2020	
	Book Value	Fair Value
Financial Assets		
Investment in Mutual Funds - FVTPL	2,490.79	2,490.79
Trade Receivables	9,389.30	9,389.30
Loans Given	11,454.77	11,454.77
Cash and Cash Equivalents	724.24	724.24
Other Balances with Bank	10,414.70	10,414.70
Derivative Instruments designated in hedge accounting relationship	3,189.26	3,189.26
Other Financial Assets	6,742.71	6,742.71
Total Financial Assets	44,405.77	44,405.77
Financial Liabilities		
Borrowings (Including Interest accrued & Current Maturities) - Fixed Rate	97,423.81	96,062.34
Borrowings (Including Interest accrued & Current Maturities) - Floating Rate	19,542.04	19,542.04
Lease Liability obligation	917.92	917.92
Trade Payables	14,529.95	14,529.95
Derivative Instruments designated in hedge accounting relationship	972.44	972.44
Other Financial Liabilities	6,591.93	6,591.93
Total Financial Liabilities	1,39,978.08	1,38,616.62

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

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

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

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

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

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

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

Level 1 :

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

Level 2 :

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

Level 3 :

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

(₹ in Millions)

Particulars	Fair Value Hierarchy as at 30 September, 2020				
	Date of Valuation	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Asset measured at Fair Value					
FVTPL financial investments - Mutual Funds	30 September, 2020	-	2,490.79	-	2,490.79
Derivative Instruments designated in hedge accounting relationship					
Derivative financial assets	30 September, 2020	-	3,189.26	-	3,189.26
Total		-	5,680.05	-	5,680.05
Liabilities measured at fair values					
Derivative Instruments designated in hedge accounting relationship					
Derivative financial Liabilities	30 September, 2020	-	972.44	-	972.44
Liabilities for which fair values are disclosed					
Borrowings (Including Interest accrued & Current Maturities) - Fixed Rate	30 September, 2020	72,043.78	24,018.56	-	96,062.34
Borrowings (Including Interest accrued & Current Maturities) - Floating Rate	30 September, 2020	-	19,542.04	-	19,542.04
Total		72,043.78	43,560.59	-	1,15,604.38

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



Notes to Special Purpose Combined Condensed Interim Financial Information as at and for the period ended 30 September, 2020

- 31 Consequent to amendment in tariff regulations, the Company has changed the useful life in respect of batteries and meters and accordingly depreciation for the period ended is higher by Rs 55.81 Millions and by Rs 732.24 Millions respectively.

Further in line with the tariff regulations, the company has changed the useful life in respect to certain Plant & Machinery and IT Equipment, accordingly depreciation for the period ended is lower by Rs 67.02 Millions

- 32 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"

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

- 34 PDSL was incorporated on 6 December, 2019 and the Obligor group came in existence on 12 February, 2020 in terms of the Common Terms Deed entered into between the Company, PDSL, Madison Pacific Trust Limited and SBICAP Trustee Company Limited and accordingly, comparative numbers have not been given.

35 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.



Appendix 4 – Aggregate Accounts of Obligor Group in respect of the Calculation Period.

Obligor Group Special Purpose Combined Condensed Interim Balance Sheet

(₹ In Millions)

Particulars Note As at 30 September, 2020

ASSETS

Non-current Assets

Property, Plant and Equipment	3	1,22,221.62
Capital Work-In-Progress		5,294.49
Right-of-Use Assets	4a	1,402.50
Intangible Assets	4b	9,918.52
Intangible Assets Under Development		26.58
Financial Assets		
(i) Investments	5a	29.00
(ii) Loans	6	346.19
(iii) Other Financial Assets	7	5,652.27
Income Tax Assets (net)		14.10
Deferred Tax Assets (Net)		-
Other Non-current Assets	9	2,832.00

Total Non-current Assets 1,47,737.27

Current Assets

Inventories	10	1,870.80
Financial Assets		
(i) Investments	5b	2,490.79
(ii) Trade Receivables	11	9,389.30
(iii) Cash and Cash Equivalents	12	724.24
(iv) Bank Balances other than (iii) above	13	10,414.70
(v) Loans	6	11,108.58
(vi) Other Financial Assets	7	4,279.70
Other Current Assets	9	6,911.39

Total Current Assets 47,189.50

Total Assets before Regulatory Deferral Account 1,94,926.77

Regulatory Deferral Account - Assets 4,707.68

Total Assets 1,99,634.45

EQUITY AND LIABILITIES

Equity

Net Shareholder's Investment	14	44,239.84
Total Equity		44,239.84

Liabilities

Non-current Liabilities

Financial Liabilities		
(i) Borrowings	15	1,01,535.50
(ii) Trade Payables	16	
(A) total outstanding dues of micro enterprises and small enterprises; and		
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		349.76
(iii) Lease Liability obligation	17	592.40
(iv) Other Financial Liabilities	21	728.74
Provisions	18	3,220.17
Deferred Tax Liabilities (Net)	8	926.10
Other Non Current Liabilities	19	2,760.42

Total Non-current Liabilities 1,10,113.09

Current Liabilities

Financial Liabilities		
(i) Borrowings	20	13,576.99
(ii) Trade Payables	16	
(A) total outstanding dues of micro enterprises and small enterprises; and		151.45
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		14,028.74
(iii) Lease Liability obligation	17	325.52
(iv) Other Financial Liabilities	21	8,688.98
Other Current Liabilities	19	2,881.54
Provisions	18	585.00

Total Current Liabilities 40,238.22

Total Liabilities before Regulatory Deferral Account 1,50,351.31

Regulatory Deferral Account - Liabilities 5,043.30

Total Equity and Liabilities 1,99,634.45

See accompanying notes forming part of the special purpose combined condensed interim financial information

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

Anil Sardana
Chairman
DIN: 00006867

Kanda p Patel
Managing Director & CEO
DIN: 02947643

Rakesh Tiwary
Chief Financial Officer

Jaladhi Shukla
Company Secretary



Place : Ahmedabad
Date : 16 December, 2020

ADANI ELECTRICITY MUMBAI LIMITED

Obligor Group Special Purpose Combined Condensed Interim Statement of Profit and Loss

adani

(₹ in Millions)

Particulars	Note	For 12 months ended 30 September, 2020
Income :		
Revenue from Operations	22	65,015.79
Other Income	23	2,960.78
Total Income		67,976.57
Expenses :		
Cost Of Power Purchased		21,562.26
Cost of Fuel		9,092.93
Transmission Charges		4,358.40
Purchases of traded goods		239.10
Employee Benefit Expense	24	8,644.94
Finance Costs	25	12,749.43
Depreciation and Amortisation Expenses	3,4a,4b & 31	6,191.42
Other Expenses	26	7,280.57
Total Expenses		70,119.05
Loss Before Movement in Regulatory Deferral Balance, Exceptional Items and Tax		(2,142.48)
Add/(Less): Net Movement in Regulatory Deferral Balance		2,550.74
Loss Before Exceptional Items and Tax		408.26
Exceptional items		-
Loss Before Tax		408.26
Tax Expense:		
Current Tax		253.34
Deferred Tax		1,761.80
Loss after tax	Total A	(1,606.88)
Other Comprehensive Income / (Expense)		
(a) Items that will not be reclassified to profit or loss		
-Remeasurement of Defined Benefit Plans		(451.81)
-Income Tax Impact		78.94
(b) Items that will be reclassified to profit or loss		
-Effective portion of gains and losses on designated portion of hedging instruments in a cash flow hedge		(105.98)
Other Comprehensive Income / (Expense)	Total B	(478.85)
Total Comprehensive Income	Total (A+B)	(2,085.73)

See accompanying notes forming part of the special purpose combined condensed interim financial information

For and on behalf of the Board of Directors
ADANI ELECTRICITY MUMBAI LIMITEDAnil Sardana
Chairman
DIN: 00006867Kandarp Patel
Managing Director & CEO
DIN.: 02947643Rakesh Tiwary
Chief Financial OfficerJaladhi Shukla
Company SecretaryPlace : Ahmedabad
Date : 16 December, 2020

Special Purpose Combined Condensed Interim Statement of changes in Net Shareholder's Investment

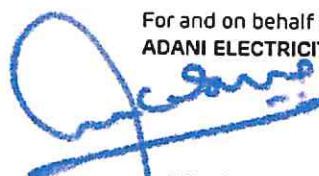
	As at 30 September, 2020 (₹ in Millions)
Opening Balance	41,722.94
Loss for the Period	(1,606.88)
Equity issued to the Holding Company	7,412.14
Conversion of Unsecured Perpetual Instrument into Equity	(2,809.51)
Other comprehensive Income / (Expense) for the Period (net of tax)*	(478.85)
Closing Balance	44,239.84

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

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

See accompanying notes forming part of the special purpose combined condensed interim financial information

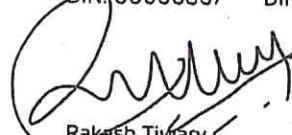
For and on behalf of the Board of Directors
ADANI ELECTRICITY MUMBAI LIMITED



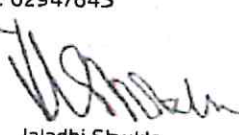
Anil Sardana
Chairman
DIN: 00006867



Kandar Patel
Managing Director & CEO
DIN: 02947643

Rakesh Tiwary
Chief Financial Officer



Jaladhi Shukla
Company Secretary

Place : Ahmedabad
Date : 16 December, 2020

ADANI ELECTRICITY MUMBAI LIMITED



Obligor Group Special Purpose Combined Condensed Interim Statement of Cash flows

(₹ in Millions)

For 12 months ended
30 September, 2020

Particulars	
A. Cash flow from operating activities	
Loss before tax	408.26
Adjustments for:	
Interest Income	(1,980.88)
Unrealised Foreign Exchange Gain - Borrowings net of Hedging	1,475.79
Amortisation of Consumer Contribution	(89.14)
Gain On Sale / Fair Value Of Current Investments Measured at FVTPL	(413.50)
Gain On Sale / Fair Value Of Current Investments Measured at FVTPL - Contingency Reserve Fund	(61.61)
Finance Costs	11,273.64
Depreciation and Amortisation Expense	6,191.42
Loss on sale of Fixed Assets (Net)	22.11
Provision for Doubtful Debts / Advances / Deposits	355.05
Operating Profit before working capital changes	17,181.14
Changes in Working Capital:	
Adjustments for (Increase) / Decrease in Assets :	
Trade Receivables	(4,040.61)
Inventories	105.33
Financial Assets - Current / Non Current	1,691.67
Other Assets - Current / Non Current	(5,377.83)
Regulatory Deferral Account - Assets	863.88
Adjustment for Increase / (Decrease) in Liabilities :	
Trade Payables	4,245.14
Financial Liabilities - Current / Non Current	(1,329.90)
Provisions - Current / Non Current	(1,377.79)
Other Liabilities - Current / Non Current	1,007.66
Regulatory Deferral Account - Liabilities	712.93
Cash generated from operations	13,681.62
Tax paid (Net)	(379.87)
Net cash from operating activities (A)	13,301.75
B. Cash flow from investing activities	
Capital expenditure on PPE (Including Capital Advances)	(11,997.75)
Proceeds from Sale of PPE	29.56
(Purchase) / Sale of Mutual Funds / Other Investments-Net	92.48
Bank balances not considered as Cash & Cash Equivalents	(9,982.41)
Loans (given) / repaid	(5,340.79)
Interest Received	1,208.68
Net cash used in investing activities (B)	(25,990.23)
C. Cash flow from financing activities	
Increase in Service Line Contribution	121.93
Proceeds from Long-term borrowings	1,04,006.78
Repayment of Long-term borrowings	(92,795.32)
Proceeds from Short-term borrowings	38,874.60
Repayment of Short-term borrowings	(28,443.30)
Payment of Lease Liability Obligation	(375.12)
Interest on Lease Liability Obligation	(78.54)
Interest & Other Borrowing Cost	(12,031.58)
Net cash from financing activities (C)	9,279.45
Net decrease in cash and cash equivalents (A+B+C)	(3,409.02)
Cash and cash equivalents as at 01 April (Opening Balance)	4,133.26
Cash and cash equivalents as at 30 September (Closing Balance)	724.24



ADANI ELECTRICITY MUMBAI LIMITED

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Obligor Group Special Purpose Combined Condensed Interim Statement of Cash flows

(₹ In Millions)

As at 30 September, 2020

Cash and Cash Equivalents Includes

Balances with banks

- In current accounts

- Fixed Deposits

Cash On Hand

Cheques / Drafts On Hand

Total Cash & Cash Equivalents

491.31

4.63

63.45

164.85


724.24


Note :

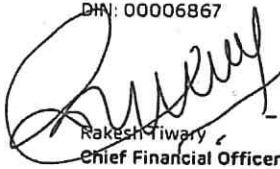
Conversion of Unsecured Perpetual Instrument Rs 2809.51 Millions, ICD from Holding Company (including interest accrued) Rs 4602.51 Millions in Shares of the Company have been treated as non cash transactions.


See accompanying notes forming part of the special purpose combined condensed interim financial information

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


Anil Sardana
Chairman
DIN: 00006867


Khandarp Patel
Managing Director & CEO
DIN: 02947643


Rakesh Tiwary
Chief Financial Officer


Jaladhi Shukla
Company Secretary



Place : Ahmedabad
Date : 16 December, 2020

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 House, Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad 380 009, Gujarat, India. It is subsidiary of Adani Transmission Limited (ATL) and ultimate holding entity is S. B. Adani Family Trust (SBAFT).

The integrated Mumbai Generation, Transmission and Distribution (GTD) Business caters to ~3.05 million customers, under a license provided to transmit and distribute electricity to consumers in Mumbai in an area of ~400 Sq km in and around suburbs of Mumbai inclusive of areas covered under the Mira Bhayender Municipal Corporation, making it the country's largest private sector integrated power utility, entailing ~1,964 MW of power distribution along with generation facilities (500 MW coal based) and over 567 ckt km of transmission network.

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

The Company is a subsidiary of Adani Transmission Limited ("the Holding Company")

Power Distribution Services Limited ("PDSL"), (formerly known as Adani Electricity Mumbai Services Limited) is incorporated on 6 December 2019 and domiciled in India. It is subsidiary of Adani Transmission Limited, the Holding Company and has been incorporated with the object to provide multiple services including human resource management, administrative support, information technology support, finance and accounts, audit and assurance support, treasury management, tax advisory, security support and training, other corporate support, business plan advisory, advisory on the implementation of best practices in line with global utility players, and advisory on process improvement. The above services are only indicative, and the nature and quantum of services may vary.

The Company and PDSL is together referred to as "the Obligor Group" in these Special Purpose Combined Financial Information.

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

The Obligor Group Comprise of the Company and the following entity

Entity	Country of Incorporation
Power Distribution Services Limited	India

2 Purpose of the special purpose combined condensed interim financial information

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

The special purpose combined condensed interim Financial Information presented herein reflect the Obligor Group's results of operations, assets and liabilities and cash flows as at and for the period ended 30 September, 2020.

2 Basis of preparation and presentation

The Special Purpose Combined Condensed Interim Financial Information of the Obligor Group have been prepared in accordance with recognition and measurement principles of Indian Accounting Standard 34 "Interim Financial Reporting" issued by Institute of Chartered Accountants of India and other accounting principles generally accepted in India and the Guidance Note on Combined and Carve-out Financial Statement issued by the Institute of Chartered Accountants of India (ICAI).

As these special purpose combined condensed interim financial information have been prepared on a combined basis, it is not meaningful to show share capital or provide an analysis of reserves. Net Shareholder's investment, therefore, represents the difference between the assets and liabilities pertaining to combined businesses. Share capital of Obligor Group is held by the Holding Company.



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 statement are prepared, intra-group transactions and profits or losses are eliminated. All the inter group transactions are undertaken on Arm's Length basis.

Net Shareholder's investment disclosed in the special purpose combined condensed interim Financial Information represents the aggregate amount of Share Capital, and other equity of each of the entities within the Obligor Group, and does not necessarily represent legal Share Capital for the purpose of the Obligor Group.

Accordingly, the following procedure is followed for the preparation of the special purpose combined condensed interim Financial Information :

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

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

These special purpose combined condensed interim financial information are Combined Financial Information 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 Information include the operation of entities in the Obligor Group, as if they had been managed together for the period presented.

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

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

The financial Information have been prepared in "Indian Rupees" which is also the Obligor Group's functional currency and all amounts, are rounded to the nearest Million with two decimals, (Transactions below ₹ 5000.00 denoted as ₹0.00), unless otherwise stated.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

2 Statement of Compliance

These Special Purpose Combined Condensed Interim Financial information have been prepared in accordance with recognition and measurement principles of INDAS 34 "Interim Financial Reporting" and other accounting principles generally accepted in Indian and should be read in conjunction with annual financial statement of the Obligor Group's as at and for the year ended 31 March, 2020.

The accounting policies followed in preparation of these Special Purpose Combined Condensed Interim Financial Information are consistent with those followed in preparation of Special Purpose Combined Financial Statement as at and for the year ended 31 March, 2020 of the Company. The result of the interim periods are not necessarily indicative of the results that may be expected for any interim period or for the full year.



Particulars	Freehold Land	Buildings - Residential	Buildings - Others	Plant and Equipment	Distribution Systems	Street Light	Railway Siding	Jetty	Furniture and Fixtures	Vehicles	Office Equipment	Computers & Network	Electrical Installations	Total
Gross carrying amount														
As at 1st October 2019	26,368.70	1,022.24	7,548.98	40,033.22	45,778.44	1,517.64	68.74	12.56	178.08	149.15	145.93	454.53	193.43	1,23,471.64
Additions	-	18.76	440.59	5,718.98	4,727.96	240.10	-	0.52	26.56	118.98	25.24	373.12	68.90	11,759.71
Disposals	-	-	-	57.83	-	-	-	-	-	13.45	-	-	1.20	72.48
Closing Gross carrying amount as on 30 September, 2020	26,368.70	1,041.00	7,989.57	45,694.37	50,506.40	1,757.74	68.74	13.08	204.64	254.68	171.17	827.65	261.13	1,35,158.87
Accumulated depreciation and impairment														
As at 1st October 2019	-	61.97	403.05	3,364.59	2,704.50	103.28	6.33	1.17	60.95	42.40	87.84	231.11	70.18	7,137.37
Depreciation charge for the year	-	42.44	273.90	3,134.53	1,990.21	159.74	4.10	0.76	25.69	25.96	20.87	118.04	24.45	5,820.69
Eliminated on disposal of assets	-	-	-	15.12	-	-	-	-	-	4.66	-	-	1.03	20.81
Closing accumulated depreciation as on 30 September, 2020	-	104.41	676.95	6,484.00	4,694.71	263.02	10.43	1.93	86.64	63.70	108.71	349.15	93.60	12,937.25
Net carrying amount - 30 September, 2020	26,368.70	936.59	7,312.62	39,210.37	45,811.69	1,494.72	58.31	11.15	118.00	190.98	62.46	478.50	167.53	1,22,221.62



Notes to Special Purpose Combined Condensed Interim Financial Information as at and for the period ended 30 September, 2020

Note 4a: Right of Use

(₹ in Millions)

Particulars	Right of Use			
	Leasehold Land	Building	Way Leave Rights	Total
Gross carrying amount				
As at 01 October, 2019	121.73	882.51	84.06	1,088.30
Additions	15.76	661.70	317.48	994.94
Disposal	-	251.17	-	251.17
Closing Gross carrying amount as on 30 September, 2020	137.49	1,293.04	401.54	1,832.07
Accumulated amortisation & Impairment				
As at 01 October, 2019	1.40	107.80	4.67	113.87
Amortisation charge of the year	3.33	289.97	22.40	315.70
Eliminated on disposal of assets	-	-	-	-
Closing accumulated amortisation as on 30 September, 2020	4.73	397.77	27.07	429.57
Net carrying amount - 30 September, 2020	132.76	895.27	374.47	1,402.50

Note 4b: Intangible Assets

(₹ in Millions)

Particulars	Computer Software	Transmission License	Total
Gross carrying amount			
As at 01 October, 2019	241.98	9,816.20	10,058.18
Additions	27.29	-	27.29
Disposal	-	-	-
Closing Gross carrying amount as on 30 September, 2020	269.27	9,816.20	10,085.47
Accumulated amortisation & Impairment			
As at 01 October, 2019	111.92	-	111.92
Amortisation charge for the year	55.03	-	55.03
Eliminated on disposal of assets	-	-	-
Closing accumulated amortisation as on 30 September, 2020	166.95	-	166.95
Net carrying amount - 30 September, 2020	102.32	9,816.20	9,918.52

Notes:

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

Depreciation / Amortisation

For 12 months
ended
30 September,
2020
(₹ in Millions)

Depreciation on Tangible Assets	5,820.69
Amortisation of Intangible Assets	55.03
Amortisation of Right of Use	315.70
Total	6,191.42



5	Investments	As at 30 September, 2020	
		(₹ in Millions)	
5a	Non-current investments		
	Investment in Equity Shares of Subsidiary (Unquoted) (Cost)		
	Adani Electricity Mumbai Infra Limited.		0.10
	Investment in Government Securities at amortised cost		
	Contingency Reserve Investments (Quoted)		28.90
	Total		29.00
5b	Current investments		As at 30 September, 2020
			(₹ in Millions)
	Investment in Trust Securites at amortised cost		
	Contingency Reserve Investments		
	Investment In Power Receivable Trust		2,096.29
	QUOTED INVESTMENT (measured at FVTPL)		
	Equity Shares of Yes Bank Ltd		394.50
			2,490.79
6	Loans - At Amortised Cost	Non-Current As at 30 September, 2020 (₹ in Millions)	Current As at 30 September, 2020 (₹ in Millions)
	Housing loans to employee against hypothecation of the property	276.35	48.20
	Inter Corporate Deposit given	-	11028.29
	Loans to employees	69.84	32.09
		346.19	11,108.58
7	Other Financial Assets - At Amortised Cost	Non-Current As at 30 September, 2020 (₹ in Millions)	Current As at 30 September, 2020 (₹ in Millions)
	Security Deposits - Unsecured		
	Considered Good	262.16	-
	Considered doubtful	10.47	-
		272.63	-
	Less : Provision For Doubtful Deposits	(10.47)	-
	Total	262.16	-
	Fixed Deposit with Banks	2,422.78	-
	Derivative instruments designated in hedge accounting relationship	2,967.33	221.93
	Unbilled Revenue	-	4,057.77
		5,652.27	4,279.70
8	Deferred Tax Assets / Liabilities (Net)		As at 30 September, 2020 (₹ in Millions)
	Net Deferred Tax Liabilities		926.10
	Net Deferred Tax Assets / Liabilities		926.10
9	Other Assets	Non-Current As at 30 September, 2020 (₹ in Millions)	Current As at 30 September, 2020 (₹ in Millions)
	Advance to Suppliers	-	6,556.36
	Balances with Government authorities	-	38.54
	Prepaid Expenses	34.20	227.84
	Capital advances	2,797.80	-
	Advance to Employees	-	88.65
		2,832.00	6,911.39



Notes to Special Purpose Combined Condensed Interim Financial Information as at and for the period ended 30 September, 2020

10 Inventories (Stated at lower of Cost and Net Realisable Value)	As at 30 September, 2020 (₹ in Millions)	
Fuel		1,077.80
Fuel - In Transit		282.44
Stores & spares		510.56
		1,870.80
11 Trade Receivables	As at 30 September, 2020	
Unsecured, considered good		9,389.30
Credit Impaired		809.74
		10,199.04
Less : Provision for doubtful Trade receivables		(809.74)
		9,389.30
12 Cash and Cash Equivalents - At Amortised Cost	As at 30 September, 2020 (₹ in Millions)	
Balances with banks		491.31
- In current accounts		4.63
- Fixed Deposits		63.45
Cash On Hand		164.85
Cheques / Drafts On Hand		724.24
Total Cash & Cash Equivalents as per Statement of Cash Flows		724.24
13 Bank Balance Other than Cash and Cash Equivalents - At Amortised Cost	As at 30 September, 2020 (₹ in Millions)	
Bank Deposits with Original Maturity of more than 3 months but less than 12 months (Towards Debt Service Reserve Account)		10,414.70
		10,414.70
14 Net Shareholder's Investment	As at 30 September, 2020 (₹ in Millions)	
Opening Balance		41,722.94
Loss for the period		(1,606.88)
Equity issued to the Holding Company		7,412.14
Unsecured Perpetual Instrument issued during the year		-
Conversion of Unsecured Perpetual Instrument into Equity		(2,809.51)
Capital Reserve arising on Business Combination		-
Contingency Reserve arising on Business Combination		-
Other comprehensive Income / (Expense) for the Period (net of tax)		(478.85)
Closing Balance		44,239.84
15 Borrowings (At Amortised Cost)	Non-current As at 30 September, 2020 (₹ in Millions)	
Secured		Current As at 30 September, 2020 (₹ in Millions)
Rupee Term Loans from Banks - 8.50%		333.33
External Commercial Borrowings in Foreign Currency		-
Bond - 3.949%		-
Shareholders Affiliated Debts - 6.3650%		-
Term Loans from Banks - 2.8446%		-
		-
		-
		-
		333.33
16 Trade Payables	Non-current As at 30 September, 2020 (₹ in Millions)	
(A) total outstanding dues of micro enterprises and small enterprises; and		151.45
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		-
		-
		-
		-
		-
		14,028.74
		14,180.19



17	Lease Liability obligation																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																				
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22	Revenue from Operations	For 12 months ended 30 September, 2020 (₹ in Millions)
a)	Income from Sale of Power and Transmission Charges	
	Income from Sale of Power and Transmission Charges (Net)	63,382.56
	(Less)/Add: Income to be adjusted in future tariff determination (Net)	(114.73)
	Sub Total (a)	63,267.83
b)	Other Operating Income	
	Insurance Claim Received	17.74
	Income in respect of Services rendered	80.54
	Sale of Coal Rejects / Fly Ash	203.79
	Street Light Maintenance Charges	1,036.74
	Amortisation of Service Line Contribution	89.14
	Miscellaneous Revenue	79.06
	Sub Total (b)	1,507.01
c)	Sale of Traded Goods	
	Sale of Traded Goods	240.95
		240.95
	Total	65,015.79

Details of Revenue from Contract with Customers

Particulars	For 12 months ended 30 September, 2020 (₹ in Millions)
Total Revenue from Contract with Customers	63,552.16
Street Light Maintenance Charges	1,036.74
Sale of Traded Goods	240.95
Add: Cash Discount/Rebates etc	308.37
Total Revenue as per Contracted Price	65,138.22

Transaction Price - Remaining Performance Obligation

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognised as at the end of the reporting period and an explanation as to when the 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 30 September, 2020, other than those meeting the exclusion criteria mentioned above.

Revenue is disaggregated by type and nature of product or services.

Contract Balances

	As at 30 September, 2020 (₹ in Millions)
Contract Assets	
Recoverable from Consumers	
Non-current	-
Current	-
Total Contract Assets	-
Contract liabilities	
Liabilities towards Consumers	
Non-current	-
Current	270.33
Total Contract Liabilities	270.33
Receivables	
Trade Receivables (Gross)	10,199.04
Unbilled Revenue for passage of time	4,057.77
(Less): Allowance for Doubtful Debts	(809.74)
Net Receivables	13,447.07



Notes to Special Purpose Combined Condensed Interim Financial Information as at and for the period ended 30 September, 2020

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

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

		For 12 months ended 30 September, 2020 (₹ in Millions)
Opening Balance		
Recoverable from consumers		47.80
Liabilities towards consumers		285.03
	A	332.83
Income to be adjusted in future tariff determination in respect of earlier year (Net)		(47.76)
Income to be adjusted in future tariff determination (Net)		33.06
Revenue recognised during the year		-
Refund to Customers (including Company's distribution business)		-
Deferred tax recoverable/(payable)		-
Others		-
	B	(14.70)
Closing Balance		
Recoverable from consumers		-
Liabilities towards consumers		270.33
	(A+B)	270.33
23 Other Income		
		For 12 months ended 30 September, 2020 (₹ in Millions)
a) Interest Income		
On Financial Assets carried at Amortised Cost		
Bank Deposits		523.78
Overdue Trade Receivables		101.22
On non current investment - Contingency Reserve Fund		54.81
On Intercompany Deposits		828.08
Other interest		516.96
Interest on Security Deposits - Lease		10.84
b) Gain/(Loss) on Investments		
Gain On Sale / Fair Value Of Current Investments Measured at FVTPL		413.50
Gain On Sale / Fair Value Of Current Investments Measured at FVTPL - Contingency Reserve Fund		61.61
c) Other Non-operating Income		
Sale of Scrap		60.78
Rental Income		3.03
Delayed Payment Charges		265.65
Foreign Exchange Gain (net)		32.30
Total		2,960.78
24 Employee Benefit Expenses		
		For 12 months ended 30 September, 2020 (₹ in Millions)
Salaries, Wages & Bonus		7,239.06
Contribution To Gratuity		371.79
Contribution to Provident and Other Funds		514.20
Contribution to Superannuation Fund		81.68
Compensated absences		893.34
Staff Welfare Expenses		1,162.14
		10,262.21
Less : Staff Cost Capitalised		(1,617.27)
Total		8,644.94



Notes to Special Purpose Combined Condensed Interim Financial Information as at and for the period ended 30 September, 2020

25	Finance costs	For 12 months ended 30 September, 2020 (₹ in Millions)
a)	Interest Expense	
	Borrowings - Amortised Cost	
	Rupee Term Loans	4,811.80
	Senior Secured Note	2,025.99
	Shareholders Affiliated Debts	869.96
	External Commercial Borrowings	379.02
	Working Capital Loans	651.15
	Foreign Exchange Fluctuation Gain(net)-Borrowings	1,521.15
	Interest - Hedging Cost	2,077.70
	Others	
	Security Deposits From Consumers at amortised cost	317.96
	Interest on lease obligation	78.54
	Interest - Others	34.23
		12,923.28
	Less : Interest Cost Capitalised	(236.43)
		12,686.85
b)	Other Borrowing Costs	
	Other Finance Cost	62.58
		12,749.43
Total		
26	Other Expenses	For 12 months ended 30 September, 2020 (₹ in Millions)
	Consumption Of Stores & Spares	397.34
	Repairs & Maintenance	
	- Plant & Machinery	2,829.48
	- Buildings	184.92
	- Others	111.72
	@ Short Term Lease Rental of Land,Building,Plant & Machinery Etc	133.55
	Vehicle Hire Charges	232.23
	Rates and Taxes	124.14
	Legal & Professional Expenses	1,340.01
	Directors' Sitting Fees	0.40
	Bank Charges	103.86
	Payment to Auditors	16.19
	Communication Expenses	99.10
	Travelling & Conveyance Expenses	80.03
	Insurance Expenses	187.16
	License fees	17.29
	Security Charges	333.63
	Seminar & Training Expenses	55.28
	Software Expenses	110.44
	Provision for Doubtful Trade Receivables	355.05
	Bill Print/Collection/ Distribution	76.41
	Call Center Expenses	60.01
	(Profit) / Loss on Sale of Assets (net)	22.11
	Corporate Social Responsibility Expenses	5.21
	Electricity Expenses	3.31
	Printing & Stationery	21.06
	Other Miscellaneous Expenses	169.79
	Advertisement & Publicity	62.15
	Water charges	31.01
		7,280.57
Total		
@ Lease Rentals in respect of low value assets is not material.		
27	Contingent liabilities and Commitments	As at 30 September, 2020 (₹ in Millions)
(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	3,535.50
	(ii) Claims raised by the Government authorities towards unearned income arising on alleged transfer of certain land parcels - Refer note 3	1,276.50
	(iii) Demand towards fixed charges payable in respect of power drawn from the state pool - Refer note 4	996.80
	(iv) Way Leave fees claims disputed by the Obligor Group relating to rates charged - Refer note 3	284.30
	(v) Property related disputes - Refer note 3	25.90
	(vi) Other claims against the Obligor Group not acknowledged as debts.	21.20
	(vii) 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	13,812.80
	(ix) Liability in respect of disposal of bottom Ash	
	@ not determinable	
		19,953.00



Notes to Special Purpose Combined Condensed Interim Financial Information as at and for the period ended 30 September, 2020

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, ATL 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 MERC vide its order dated 26 September, 2019 has upheld the demand raised by MSEDCL on the Company of Rs 1246.00 Millions, towards payment of fixed cost in respect of power procured from the State pool during the financial years ended 31 March, 2012 to 31 March 2018. Similar demands had also been raised by MSEDCL on other Mumbai Licensees.

MERC in its above order, has however differed with the methodology adopted by MSLDC in calculating the above demand, and has issued instructions to MSLDC to issue revised bills based on the agreed revised methodology within a period of 1 year, and further, considering the amount/period involved directed MSLDC to set up a task force comprising officials from all Maharashtra Utilities to complete the task. MERC has also instructed that any amount payable (including relevant carrying cost) can be claimed by the respective Mumbai Licensees during the truing up/ARR exercise.

Further an amount of Rs 249.20 Millions which was paid as an interim payment against the above demand based on MERC instructions in the previous year, had been charged to cost of power purchased in the previous year and recovered from consumers as part of FAC mechanism. MERC vide its order 8 July 2020 has directed MSLDC to complete the Fixed Cost reconciliation by September 2020 and raise the bills accordingly.

Subsequently the final invoice was received from MSLDC on 7 November 2020, for Rs 795.29 Million, including the carrying cost of Rs 141.43 Million. After adjusting the above interim payment of Rs 249.20 Million, Rs 546.09 Million has been charged to cost of power purchased for the period ended 30 September 2020, and will be adjusted from the amount refundable to consumers as a part of FAC mechanism.

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

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

(B) Commitments :

As at 30 September, 2020

(₹ in Millions)

(i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	4,425.76
	<u>4,425.76</u>

- (ii) In terms of the MERC RPO obligation regulations, the Obligor Group is required to procure on an annual basis a certain quantum of power generated from renewable sources, as at 30 September, 2020 the Obligor Group has an cumulative outstanding commitment to procure renewable power of 3649 MU's

The Obligor Group to meet its past and future RPO commitment, has entered into through a competitive bid, a long term power purchase agreement with a related party to procure 700 MW of Wind Solar Hybrid Renewable Power at Rs 3.24 per unit, supply of which would commence from financial year ended 31 March, 2022.

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

- 28 ATL has acquired the control of the Company wef 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 above MERC MYT order for the period prior to August 28, 2018 is to the account of R-infra.

Considering the order was received on 30 March, 2020, the management of the Obligor Group is in process of doing a detailed evaluation of the order, so as to finalize the amount recoverable. Such recoverable amounts are mainly on account of various components such as annual surplus, capex disallowances, MAT credit etc. Pending final determination of the amount recoverable from RINFRA, the same has not been accounted for as at 30 September, 2020 and would be accounted for as and when such amount is finally determined.



29 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 (SBFT)
(B) Holding Company	Adani Transmission Limited
(C) Subsidiary Company	Adani Electricity Mumbai Infra Ltd (w.e.f. 03.01.2020)
(D) Key Management Personnel:	Mr. Kandarp Patel, Managing Director & CEO Mr. Rakesh Tiwary, Chief Financial Officer Mr. Jaldhi Shukla, Company Secretary-(w.e.f 13.02.2020) Mr. Anil Sardana, Director Mr. Sagar Adani, Director Mr. K Jairaj, Independent Director Ms. Chitra Bhatnagar, Director (w.e.f 29.09.2019) Mr. Quinton Choi, Director - (w.e.f 01.07.2020)
(E) Entity having significant influence	Qatar Holding LLC (w.e.f. 10.02.2020)
(F) Enterprises over which (A) or (B) or (D) or (E) above have significant influence : (where transactions have taken place during the period / balance outstanding)	Adani Power Limited Adani Enterprises Limited Adani Properties Private Limited Adani Green Energy Limited Mundra Solar Pv Ltd Sunbourne Developers Private Limited Adani Township & Real Estate Company Limited AEML Infrastructure Limited Rosepetal Solar Energy Private Limited Maharashtra Eastern Grid Power Transmission Co. Limited
(G) Employee Benefits Funds :	AEML Gratuity Fund AEML Superannuation Fund AEML Leave Encashment fund

(₹ in Millions)		
Nature of Transaction	Name of Related Party	For the 12 Months ended 30 September, 2020
Distribution on Unsecured Perpetual Instrument	Adani Transmission Limited	95.35
Reimbursement of Expenses	Adani Transmission Limited	12.71
Conversion of Unsecured Perpetual Instrument into Equity Shares	Adani Transmission Limited	2,809.51
Conversion of ICD (including interest accrued) into Equity Shares	Adani Transmission Limited	4,602.50
Issue of Equity Shares on Conversion of ICD (including interest accrued) and Unsecured Perpetual Instrument	Adani Transmission Limited	7,412.04
Inter Corporate Deposit (ICD) Given	Adani Capital Private Limited Adani Housing Finance Private Limited Adani Properties Private Limited	900.00 100.00 16,200.00
Inter Corporate Deposit (ICD) Received Back	Adani Capital Private Limited Adani Housing Finance Private Limited	900.00 100.00
Inter Corporate Deposit (ICD) Received Back	Adani Properties Private Limited	5,800.00
Interest Paid on ICD	Adani Transmission Limited	155.78
Commitment Charges Paid	Qatar Holding LLC	75.20
Interest Expenses on Sub debt	Qatar Holding LLC	849.64
Interest Income on ICD (Loans)	Adani Capital Private Limited Adani Housing Finance Private Limited Adani Properties Private Limited	20.68 2.55 628.33
Equity Investment	Adani Electricity Mumbai Infra Ltd	0.10
Tender Fees Received	Rosepetal Solar Energy Private Ltd	0.40
Earnest Money Deposit (EMD) received	Adani Enterprises Limited	78.37
Earnest Money Deposit (EMD) Return Back	Adani Enterprises Limited	66.35



Notes to Special Purpose Combined Condensed Interim Financial Information as at and for the period ended 30 September, 2020

Nature of Transaction	Name of Related Party	For the 12 Months ended 30 September, 2020
Redemption from Employee Benefits Funds	AEML Gratuity Fund AEML Leave Encashment Fund	235.41 2,718.05
Contribution to Employee Benefits Funds	AEML Gratuity Fund AEML Leave Encashment Fund AEML Superannuation Fund	10.10 5,238.60 81.68
Purchase of Services	Karnavati Aviation Private Limited Adani Township & Real Estate Company Limited Adani Enterprises Limited	83.26 2.47 564.56
Reimbursement of staff cost allocation	Adani Electricity Mumbai Infra Ltd	128.69
Purchase of PPE	Mundra Solar Pv Limited	4.77
Employee advance transferred	Adani Power Limited	15.08
Employee advance transferred	Maharashtra Eastern Grid Power Transmission Co. Limited	0.42
Subordinate debt received	Qatar Holding LLC	20,096.40
Advance - Paid	AEML Infrastructure Limited Adani Electricity Mumbai Infra Ltd Power Distribution Services Limited	34.27 1.10 0.00
Advance - Received back	AEML Infrastructure Limited	33.65
Advance paid towards Purchase of Power	Adani Enterprises Limited	9,250.00
Advance received back towards Purchase of Power	Adani Enterprises Limited	2,500.00
Purchase of Power (net of Interest and discount)	Adani Enterprises Limited	5,383.32
Remuneration paid	Mr. Kandarp Patel Mr. Rakesh Tiwary Mr. Abhijit Banerjee	21.98 15.40 1.53
Sitting Fees	Mr. K Jairaj Ms. Chitra Bhatnagar	0.33 0.01

(₹ in Millions)		
Closing Balance	Name of Related Party	As at 30 September, 2020
Balance Payable	Adani Township & Real Estate Company Limited Adani Transmission Limited	2.47 29.16
Balance Receivable	Adani Enterprises Limited (excluding banking transactions) Adani Green Energy Limited Adani Properties Private Limited Sunbourne Developers Private Limited Mundra Solar Pv Ltd Adani Electricity Mumbai Infra Ltd AEML Infrastructure Limited	5,697.34 1.64 10,400.00 2,710.00 0.40 128.15 0.67
Contribution to Employee Benefits Payable	AEML Superannuation Fund	6.51
Interest accrued but not due on ICD Given	Adani Properties Private Limited	628.33
Subordinate debt payable	Qatar Holding LLC	20,803.14
Interest accrued but not due on Sub debt	Qatar Holding LLC	849.64

Note:

The above disclosure does not include transaction with / as public utility services viz, electricity, telecommunications etc. in the normal course of business

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



Notes to Special Purpose Combined Condensed Interim Financial Information as at and for the period ended 30 September, 2020

30 Financial Instruments.

1 Fair Values

The carrying value of financial instruments by categories as follows :-

Particulars	30 September, 2020	
	Book Value	Fair Value
Financial Assets		
Investment in Mutual Funds - FVTPL	2,490.79	2,490.79
Trade Receivables	9,389.30	9,389.30
Loans Given	11,454.77	11,454.77
Cash and Cash Equivalents	724.24	724.24
Other Balances with Bank	10,414.70	10,414.70
Derivative instruments designated in hedge accounting relationship	3,189.26	3,189.26
Other Financial Assets	6,742.71	6,742.71
Total Financial Assets	44,405.77	44,405.77
Financial Liabilities		
Borrowings (Including Interest accrued & Current Maturities) - Fixed Rate	97,423.81	96,062.34
Borrowings (Including Interest accrued & Current Maturities) - Floating Rate	19,542.04	19,542.04
Lease Liability obligation	917.92	917.92
Trade Payables	14,529.95	14,529.95
Derivative instruments designated in hedge accounting relationship	972.44	972.44
Other Financial Liabilities	6,591.93	6,591.93
Total Financial Liabilities	1,39,978.08	1,38,616.62

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

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

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

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

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

The Obligor Group enters into derivative financial instruments with various counterparties, principally banks and financial institutions with investment grade credit ratings. Foreign exchange forward contracts are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves and forward rate curves of the underlying currency. All derivative contracts are fully collateralized, thereby, eliminating both counterparty and the Obligor Group'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 30 September, 2020				
	Date of Valuation	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Asset measured at Fair Value					
FVTPL financial investments - Mutual Funds	30 September, 2020	-	2,490.79	-	2,490.79
Derivative instruments designated in hedge accounting relationship					
Derivative financial assets	30 September, 2020	-	3,189.26	-	3,189.26
Total		-	5,680.05	-	5,680.05
Liabilities measured at fair values					
Derivative instruments designated in hedge accounting relationship					
Derivative financial Liabilities	30 September, 2020	-	972.44	-	972.44
Liabilities for which fair values are disclosed					
Borrowings (Including Interest accrued & Current Maturities) - Fixed Rate	30 September, 2020	72,043.78	24,018.56	-	96,062.34
Borrowings (Including Interest accrued & Current Maturities) - Floating Rate	30 September, 2020	-	19,542.04	-	19,542.04
Total		72,043.78	43,560.59	-	1,15,604.38

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



31 Consequent to amendment in tariff regulations, the Company has changed the useful life in respect of batteries and meters and accordingly depreciation for the 12 months ended is higher by Rs 55.81 Millions and by Rs 732.24 Millions respectively.

Further in line with the tariff regulations, the company has changed the useful life in respect to certain Plant & Machinery and IT Equipment, accordingly depreciation for the 12 months ended is lower by Rs 67.02 Millions

32 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"

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

34 PDSL was incorporated on 6 December, 2019 and the Obligor group came in existence on 12 February, 2020 in terms of the Common Terms Deed entered into between the Company, PDSL, Madison Pacific Trust Limited and SBICAP Trustee Company Limited and accordingly, comparative numbers have not been given.

35 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.

