Covenant Compliance Certificate

September 30, 2024

Adani Transmission Step-One Limited

(Obligor Group)

adani

Energy Solutions

Contents

1. Executive Summary

1.1 Evolution of Adani Energy Solutions Limited ("AESL")

Adani Energy Solutions Limited (AESL) is India's largest private integrated energy service provider, pioneering transformative solutions across the nation's dynamic energy spectrum. From transmission to retail electricity distribution, smart metering, cooling solutions and energy-as-a-service, AESL's portfolio spans various facets of the energy domain. AESL is the country's largest private transmission company with 23,269 circuit kilometers ("ckm") of transmission lines across various states in India (As of September 30, 2024), of which 19,444 ckms of were fully operational and another 3,825 ckms of transmission lines are under construction. AESL has total 70,686 megavolt-ampere ("MVA") of power transformation capacity under its transmission business. AESL's Distribution business served over 3.20 million households (representing approximately 13 million distribution customers) of AEML and 100 industrial customers of MPSEZ Utilities Limited ("MUL"), as of September 30, 2024.

AESL is also ramping up its smart metering business and have entered into nine contracts totaling 22.8 million smart meters, as of September 30, 2024. The scope includes providing end-to-end smart metering services from development, operation and maintenance of smart meters, where all consumers points, distribution points and feeders will be smart metered to enable complete energy accounting with no manual intervention. The Company shall implement the Smart Metering Project on Design-Build-Finance-Own-Operate-Transfer (DBFOOT) basis.

The transmission networks are consistently operating at more than 99.6% availability (FY24 – 99.6%). Our power transmission business in India focuses on the execution of new transmission systems under licensing from central and state electricity bodies, and Operations and Maintenance (O&M) of existing assets through outsourced partners.

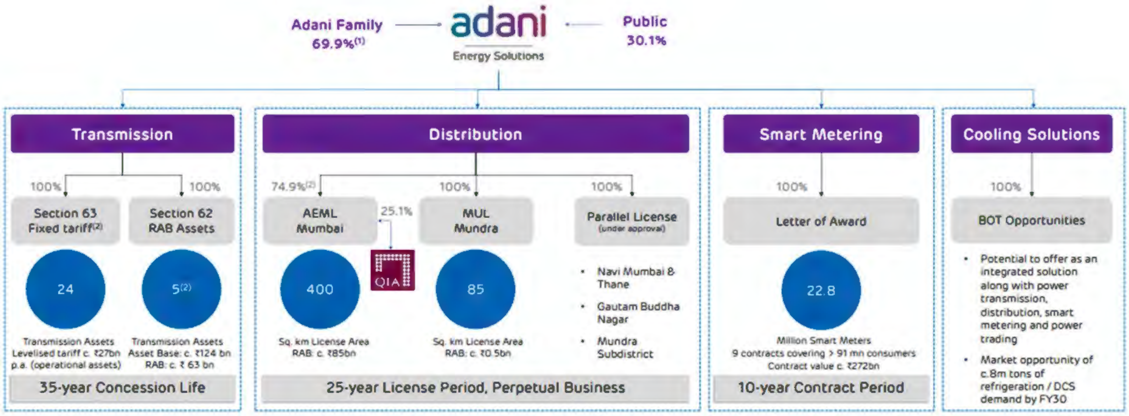
In FY19, AESL forayed into the retail electricity distribution space with the acquisition of Mumbai's Power Generation, Transmission and Distribution (GTD) business license. Today, Adani Electricity Mumbai Limited (AEML) caters to over 12 Million+ consumers in the Mumbai suburbs and Mira-Bhayander Municipal Corporation in the Thane district with a distribution network spanning over 400 Sq. km. The distribution business maintained supply reliability at 99.99% along with collection efficiency in Distribution business was more than 100%. Further added MPSEZ Utilities Limited (MUL) asset facilitating distribution of electricity in Mundra SEZ area (8,481 hectares) as a distribution licensee. MUL distributed about 460 Mus (in H1FY25) with moderate distribution losses of 2.38% coupled with a medium-term power purchase arrangement.

AESL recently entered the smart metering business and was awarded 9 contracts with total size of 22.8 million Smart Meters till Sept'2024.The smart metering projects were awarded to us under the Tariff based competitive bidding mechanism. The scope includes providing end-to-end smart metering services from development, operation and maintenance of smart meters, where all consumers points, distribution points and feeders will be smart metered to enable complete energy accounting with no manual intervention. The Company shall implement the Smart Metering Project on Design-Build-Finance-Own-Operate-Transfer (DBFOOT) basis.

AESL on 5th August 2024 successfully completed its **INR 8,373 crores (USD 1 billion)** Qualified Institutional Placement ("**QIP**"), the largest in India's power sector. This milestone underscores AESL's prominent position as a leader in India's energy transition solutions and highlights investors' confidence in the country's power sector outlook. This QIP marks **AESL's first equity raise in the capital market** since its demerger and listing from Adani Enterprises Limited ("**AEL**") in July 2015.

We are poised to tap the addresses the vast headroom in India's transmission sector, with the objective to possess 30,000 ckm transmission assets and achieve distribution meeting 4.5 MVA per customer by 2030. Aligned with our business focus, we have developed the expertise in our people to create modern transmission assets for the nation, backed by efficient O&M support. Overall ESG framework is embedded as core business objective and committed to sustainable value-creation for all stakeholders coupled with strong governance and disclosures framework.

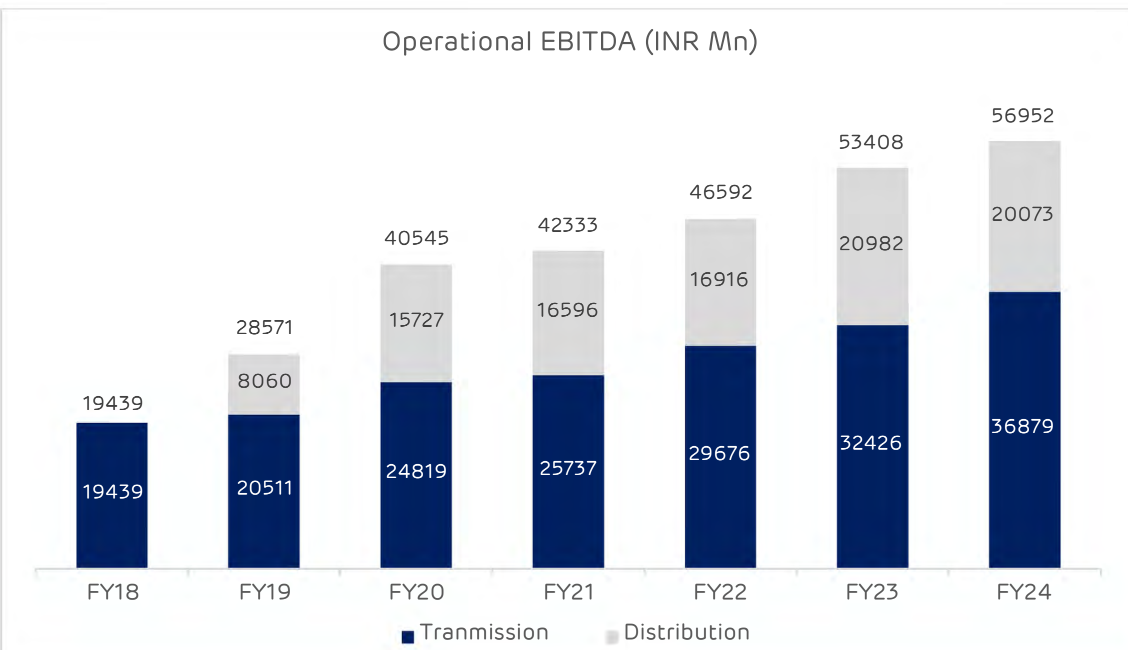
AESL business model as on 30th Sept'24:



Notes: 1) Shareholding as of September 30, 2024. 2) Primary Equity - QIA's Investment in AEML: US$ 452 mn (Rs 32 bn) total investment (US$ 170 mn of Equity and US$ 282 mn of shareholder sub-debt) for 25.1% stake in AEML;; 3) Tariff based competitive bidding (TBCB); 4) Smart Meter Project details: (i) Brihanmumbai Electric Supply & Transport Undertaking (BEST) – 10.8 lakh smart meters (Rs 13 bn) (ii) Assam Power Distribution Company Limited (APDCL) – 7.7 Lakh smart meters (Rs. 8.5 bn) (iii) 3 Andhra Discoms – 41.23 Lakh smart meters (Rs 52 bn) (iv) 2 MSEDCL projects – 133.2 Lakh smart meters (Rs 160 bn), (v) NBPDCL - Bihar – 28 lakh meters (Rs 31 bn) (vi) Uttarakhand Power Corporation Limited (UPCL) – 6.5 lakh smart meters (Rs 8 bn); RAB: Regulatory Asset Base; AEML: Adani Electricity Mumbai Limited; MUL: MPSEZ Utility Limited; AMI: Advanced Metering Infrastructure; HVDC : High voltage direct current,, LOA: Letter of Award, LOI: Letter of Intent; Ckm: Circuit Kilometer, SEZ: Special Economic Zone, Sq.Km: Square Kilometer; BOT: Build Own Transfer; BOOM: Build Own Operate Manage; RAB: Regulated Asset Base.

AESL's Growth Story:

In our continuous growth phase, the financial metrices has always been in the disciplined level. AESL, from its inception stage has been maintaining a high EBITDA performance with more than 90% margin in Transmission Business and more than 24% margin in Distribution business. AESL achieved 19.6% CAGR growth from FY18 to FY24 world class margin.



AESL's journey over the years

2006
- Developed the 220KV transmission line for Mundra Thermal Power Station

2009
- Commissioned the first 400 kV transmission line (Mundra-Dehgam transmission line)

2010
- Commissioned FSC (Fixed series capacitor) at Sami S/S to support the evacuation system

2011
- Commissioned the 400KV Mahendragarh-Bhiwani transmission line
- Commissioned the 400KV Mahendragarh-Dhanoda transmission line

2012
- Commissioned first HVDC transmission line (+ 500 KV Mundra-Mahendragarh transmission line)
- Commissioned 400 kV Tiroda-Warora transmission line
- Completed of 400KV Kawai-Chhabra transmission line as an EPC contract

2013
- Conversion of Mundra system into ISTS (Inter-state transmission system) as a license company

2014
- Commissioned the first 765 kV transmission line (Tiroda-Aurangabad transmission line)

2015
- De-merger of Adani Transmission Limited (AESL) from Adani Enterprises Limited (AEL)
- Listing of AESL on the BSE and NSE Stock Exchanges
- Received award of STL (Sipat Transmission Ltd.), RRWTL (Raipur-Rajnandgaon-Warora Transmission Ltd.) and CWRTL Chhattisgarh-WR Transmission Ltd. projects

2016
- Received award of the ATRL project
- Received award of NKTL (North Karanpura Transco Ltd.) project
- Acquisition of GMR assets (MTSCL (Maru Transmission Service Company Limited) and ATSCL (Aravali Transmission Service Company Ltd.))
- Completion of 400KV Mundra-Zerda transmission line as an EPC contract

AESL's journey over the years

2017

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

2018

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

2019

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

2020

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

2021

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

2022

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

2023

- Adani Transmission Won two transmission TBCB projects (Khavda II A and WRSR) and two smart metering projects (BEST and APDCL) during the year.
- AESL received the '**Emerging Company of the Year Award 2022**' at the ET Awards on Corporate Excellence in recognition of its growth, scale, and sustainable business practices

2024

- Received LOI for Sangod Transmission line & Khavda Phase-III Part-A & KPS - 1 (Khavda Pooling Station) augmentation line.
- Commissioned largest 765 kV Warora-Kurnool transmission line strengthening the national grid and facilitating the seamless flow of 4,500 MW of power between Western and Southern regions and bolstering the Southern region's grid for efficient integration of renewable energy sources.
- The 765 kV KBTL (Khavda Bhuj line), with 217 circuit kilometers, will help evacuate about 3 GW of renewable energy from Khavda, Gujarat. The project will help shape one of the country's largest solar and wind farms.
- Commissioned 400 kV Kharghar-Vikhroli double circuit transmission line, establishing the first-ever high voltage 400 kV connection in Mumbai. This will enable an additional 1,000 MW power to be brought into Mumbai, thus meeting the city's fast-growing electricity demand
- Completed the Karur Transmission Ltd (KTL) project by establishing the 400/230 kV, 1000 MVA Pooling Station and an associated transmission line in Tamil-Nadu
- AESL was awarded 10 projects with total size of 22.8 million Smart Meters till Mar'2024.

Financial Discipline:

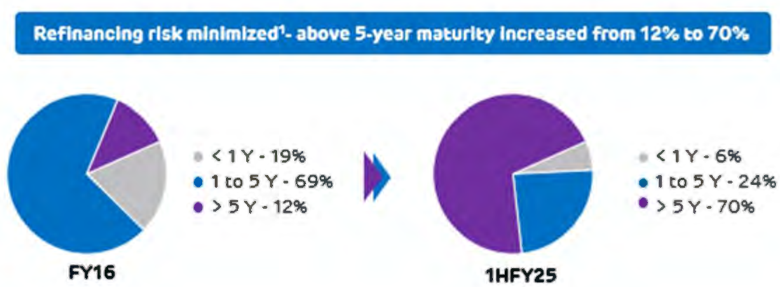
In-spite of the high growth over past few years, AESL has sustained Development and Capex risk with High Credit Discipline.

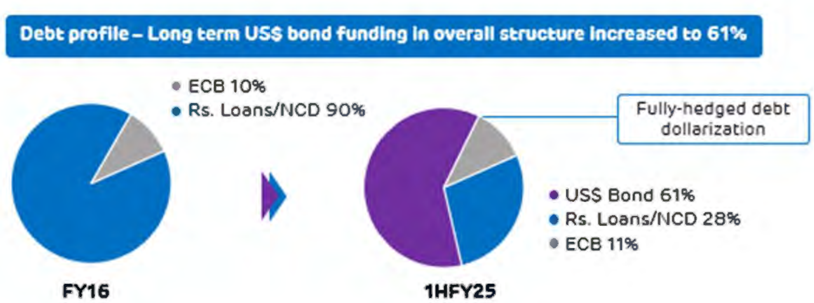
AESL has significantly lowered its risk profile and has achieved following in the past 8 years:

	As of 30 September 24	As of 31 March 16 (year of inception)
Consolidated net debt	Rs. 275 billion[2]	Rs. 85 billion
Cost of debt (weighted) %	9.5%	10.9%
Average debt maturity for LT debt	6.9 years	5.8 years
Net debt to EBITDA (x)	3.1x[3]	4.6x

Reduction in leverage, cost of debt and increase in avg debt maturity

- Robust growth pipeline through organic and in organic route.
- Consistently maintained investment grade rating since 2016 and commitment to maintain investment grade rating going forward.
- Long term US$ bond funding in overall structure increased to 61%;
- Refinancing risk minimized - above 5-year maturity increased from 12% to 70%.
- Fully tied up capex program for long term growth.





Notes: 1) Debt maturity in 1-to-5-year bucket is high due to bullet repayment due for Obligor-1 in August 2026 which will be refinanced through amortizing bond; 2) For Net Debt considered long-term debt and short-term debt excluding unsecured sub-debt from shareholder Rs. 2,363 Crs. in 1HFY25; 3) For net debt to EBITDA calculation we have considered long term debt at hedge rate and excluded short-term debt and QIA sub-debt at hedge rate of Rs, 2,324 Cr in 1HFY25

Sustainability:

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

- DJSI-S&P Global Corporate Sustainability Assessment: Scored 72/100 vs 62/100 in 2023, one of the best in Indian Electric Utility sector and significantly better than average World Electric Utility score of 41/100
- ESG Risk Rating of 'Medium Risk' from Sustainalytics with a score of 25.3 in February 2024 (improved from High Risk - 32.8 in April 2023), better than global Electric Utility Industry average of 31.6; Part of Global Top 20 in Electric Utility Industry.
- ESG Rating of 'BB' by MSCI
- Adani Electricity Mumbai successfully increased its renewable energy share in the overall electricity mix to an all-time high of 39% at the end of September 2024
- FTSE reaffirms AESL as a constituent of FTSE4Good index series with an improvement in ESG score from 4.0 to 4.4 in 2024. Also, AESL's Governance score stands at 5/5, Social score of 4/5 & Environment score 4.3/5 well above global Electric Utilities sector average of 2.8

Recent Achievements and Awards:

- Adani Electricity launched new "Network Operations Center (NOC)" powered by India's first fully functional Advanced Distribution Management System (ADMS) and SCADA technology to ensure reliable power supply to over 12 million consumers.
- Received 11th Innovation with Impact Awards for DISCOMs in multiple categories by Indian Chamber of Commerce (ICC) on the sidelines of India Energy Summit: Green Energy (ranked 2nd); Efficient Operations (ranked 3rd); Performance Improvement (ranked 3rd).
- In our pursuit of achieving the highest standards of consumer centricity, AEML launched quarterly newsletter 'City Currents' to keep our large consumer base in Mumbai updated on innovations and the solutions we are bringing to impact people's lifestyles.
- Economic Times HR, and the prestigious Brandon Hall HCM (Human Capital Management) has awarded Adani Marvels, a leadership development program at AEML, the "Best Leadership Development Program" in the USA.
- The Mumbai utility received eight awards in various categories at 10th National Conclave on 5S organized by the Quality Circle Forum of India (QCFI), demonstrating its unparallel commitment to operational excellence.
- AEML has been awarded the Gold Award for Best Learning Culture in an Organization - Large Scale Enterprises by ET HRWORLD from The Economic Times.

Recent Development:

- AESL through its wholly owned subsidiary Adani Transmission Step-Two Limited (ATSTL) acquired a 100% stake in Essar Transco Limited, which houses operational Mahan-Sipat transmission assets for an Enterprise Value of INR 1,900 crores. This acquisition added 673 ckt kms, 400 kV inter-state transmission line.
- AESL on 5th August 2024 successfully completed its INR 8,373 crores (USD 1 billion) Qualified Institutional Placement ("QIP"), the largest in India's power sector. This milestone underscores AESL's prominent position as a leader in India's energy transition solutions and highlights investors' confidence in the country's power sector outlook. This QIP marks AESL's first equity raise in the capital market since its demerger and listing from Adani Enterprises Limited ("AEL") in July 2015.
- AESL concluded the divestment of 500 MW of Adani Dahanu Thermal Power Station in line with its ESG philosophy.
- 3 New Transmission Projects Won – 2,059 ckm (₹10,300 Crs): Jamnagar Gujarat (941 ckm); Navinal, Mundra (516 ckm) and Khavda Phase IVA (602 ckm).
- Renewable power share in Mumbai increased to ~ 39%.

1.2 Adani Transmission Step-One Limited("ATSOL") Obligor Group

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

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

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

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

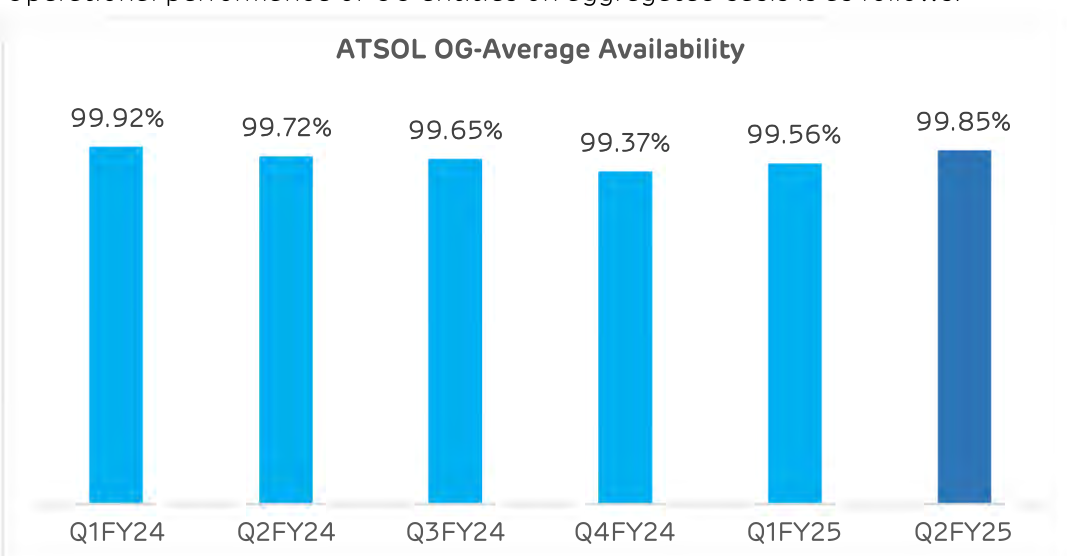
1. $ 500 Mn issued in Aug-2016 having bullet maturity of 10 years maturing in Aug-26
2. $ 500 Mn issued in Nov-2019 having amortizing structure of 16.5 years final maturity in May-2036 with weighted average maturity of 10.14 years.

1.2.1 Operation and Business Continuity:

We were successful in delivering strong and consistent operational performance for the period ended 30-Sep-2024.

Operating Performance:

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



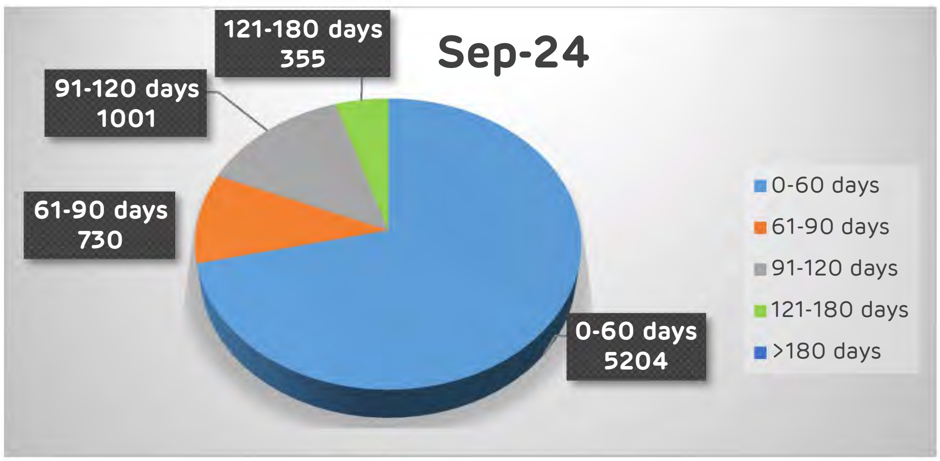
- Average Availability for all four lines is historically above 99%+.

1.2.2 Financial Performance:

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

The aggregated 12M trailing EBITDA for the year ended 30th September 2024 is at INR 16,322 Mn.

Receivable ageing profile:



(INR Mn)

ATSOL OG	0-60 days	61-90 days	91-120 days	121-180 days	>180 days	Total Receivables
Sep-24	5204	730	1001	355	-	7289
Mar-24	4948	504	488	601	-	6542
Sep-23	2589	504	488	1082	-	4664
Mar-23	3030	526	-	681	-	4237
Sep-22	3649	1397	822	15	-	5883
Mar-22	3806	-	-	-	-	3806
Sep-21	4337	380	-	-	-	4717

Including one month of unbilled receivables

Received a regulatory order from Maharashtra Electricity Regulatory Commission related to MEGPTCL and ATIL lines for the Maharashtra-based assets, enabling the realization of INR 15 Bn in past revenue gap across two years i.e. FY24 & FY25.

1.3 Summary of Key Covenants

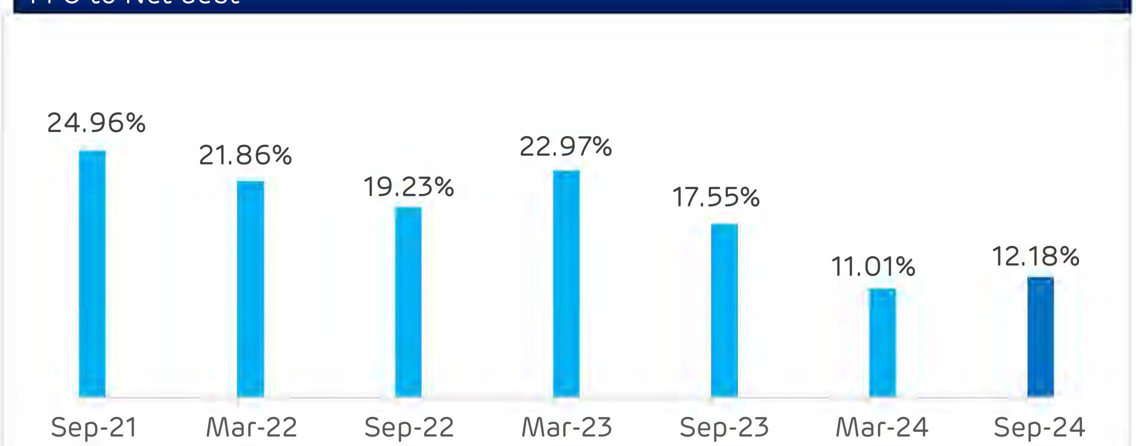
The Obligor Group (as "OG") on aggregate basis has constantly achieved financial performance.

1) Financial Mix

Summary of the covenant		
Particulars	Mar-24	Sep-24
Debt Service Coverage Ratio (DSCR) (Refer Annexure-1)	1.72	1.81
FFO / Net Debt (Refer Annexure- 2)	11.01%	12.18%
FFO Cash Interest (Refer Annexure- 3)	2.11	2.23

Debt Service Coverage Ratio (DSCR)

FFO to Net debt



Note: The covenants from March'24 are lower as compared to previous periods due to the carving out of Adani Energy Solutions Limited from the Obligor group. During that period, treasury income of AESL was being included in the FFO & EBITDA calculation as AESL was a part of Obligor group. Henceforth, the covenants will maintain consistency.

FFO Cash Coverage

2. Information on Compliance Certificate and Its Workings

To:

IDBI Trusteeship Services Limited (the "Security Trustee")

Madison Pacific Trust Limited (the "Note Trustee")

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

From:

Adani Transmission Step-One Limited

Adani Transmission (India) Limited (as Obligor) and

Maharashtra Eastern Grid Power Transmission Limited (as Obligor)

Dated: 9th December'2024

Dear Sirs

ADANI TRANSMISSION LIMITED – Common Terms Deed dated 29thJuly, 2016 (the "Common Terms Deed") and ADANI TRANSMISSION STEP-ONE LIMITED-AMENDED AND RESTATED COMMON TERMS DEED dated 4thJuly, 2022

We refer to the Common Terms Deed and Amended and Restated Common Terms Deed. This is a Compliance Certificate given in respect of the Calculation Date occurring on September 30, 2024. Terms used in the Common Terms Deed shall have the same meaning in this Compliance Certificate.

The Certificate is based on the following documents:

1. Financial Audited Accounts of Restricted Group for 12 months period ended on September 30, 2024
2. The Cash Flow Waterfall Mechanism as detailed in the Project Account Deed

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

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

Operating Account Waterfall for the Calculation Period		
Particulars	Amount (INR Mn)	Source
Net Revenue	18,663	Working Note 1
Less:		
O&M Expenses & Statutory Dues	(3,715)	Working Note 2
Change in Working Capital	4,173	Working Note 4
Cash Available for Debt Servicing (A)	**19,121**	
Debt Servicing:		
Interest Servicing	(6,694)	Cash Flow Statement
Principal Servicing	(2,263)	
Total(B)	**(8,957)**	
Addition in Debt Service Reserve Account(C)	**-**	Working Note 5
Cash Available for LRA and Distribution Account(A+B+C)	10,164	

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

Details of Cash Balance in Various Projects Accounts		
Project Account Name	Amount (INR Mn)	Source
Debt Service Reserve Account	800	Working Note 6
Liquidity Reserve Account	-	Not Required post Restructuring
Other Cash and Bank Balance	1,936	Working Note 6
Total	**2,736**	

We confirm that:

(a) in accordance with the workings set out in the attached Annexure 1, the Debt Service Cover Ratio for the Calculation Period ended on the relevant Calculation Date was 1.81:1.
(b) Copies of the Issuers audited Aggregated Accounts in respect of the Calculation Period is attached.
(c) as at the Calculation Date, the aggregate amount transferred to our Distributions Account in accordance with the Operating Account Waterfall is Nil.
(d) to the best of our knowledge having made due enquiry, no Default subsists.

2. Summary of the Covenant

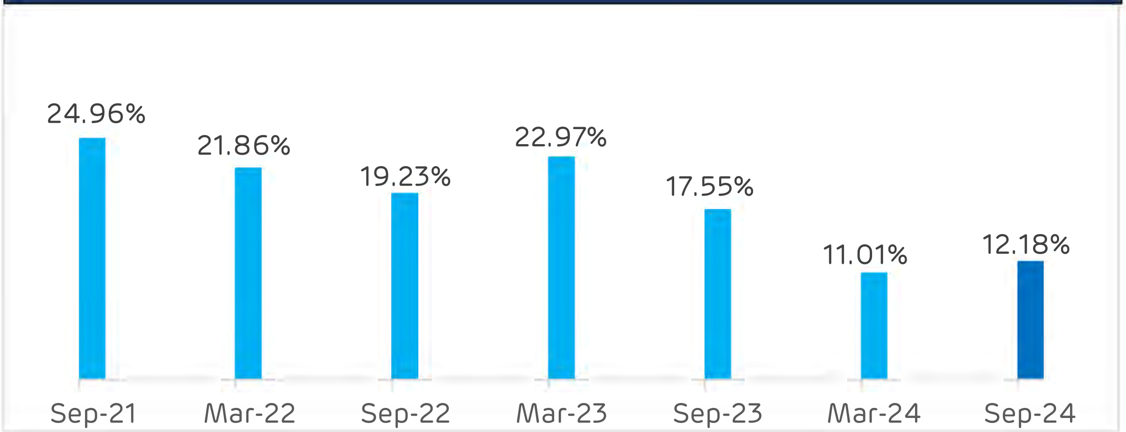
Summary of the covenant						
Particulars	Mar-22	Sep-22	Mar-23	Sep-23	Mar-24	**Sep-24**
Debt Service Coverage Ratio (DSCR) (Refer Annxure-1)	3.26	3.20	4.07	2.47	1.72	1.81
FFO / Net Debt (Refer Annexure - 2)	21.86%	19.23%	22.97%	17.55%	11.01%	12.18%
FFO Cash Interest (Refer Annexure - 3)	3.01	2.95	4.18	3.17	2.11	2.23

Note: The covenants from March'24 are lower as compared to previous periods due to the carving out of Adani Energy Solutions Limited from the Obligor group. During that period, treasury income of AESL was being included in the FFO & EBITDA calculation as AESL was a part of Obligor group. Henceforth, the covenants will maintain consistency.

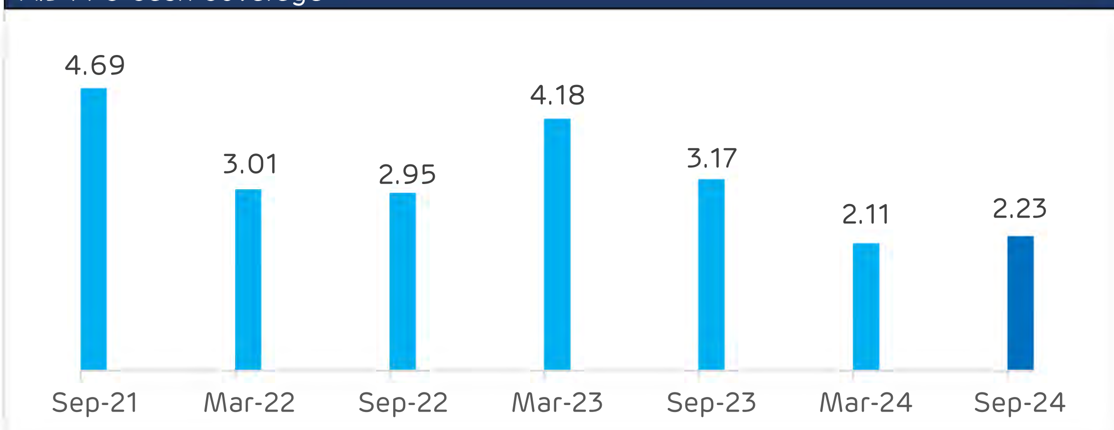
3. Financial Matrix

A.1 Debt Service Coverage Ratio (DSCR)

A.2 FFO to Net debt

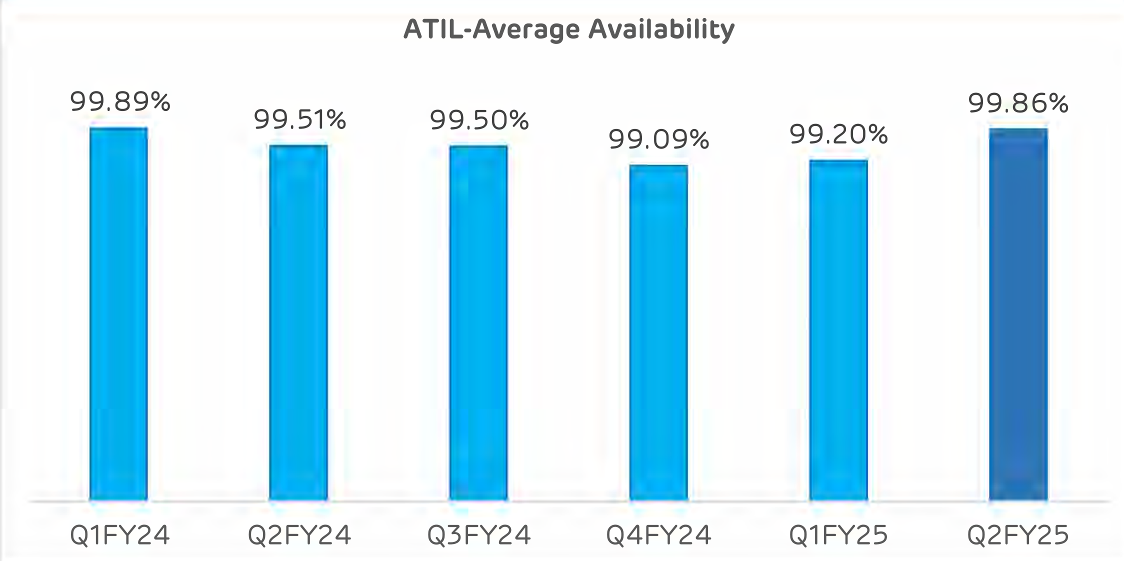


A.3 FFO Cash Coverage



4. Operational Performance (Availability)

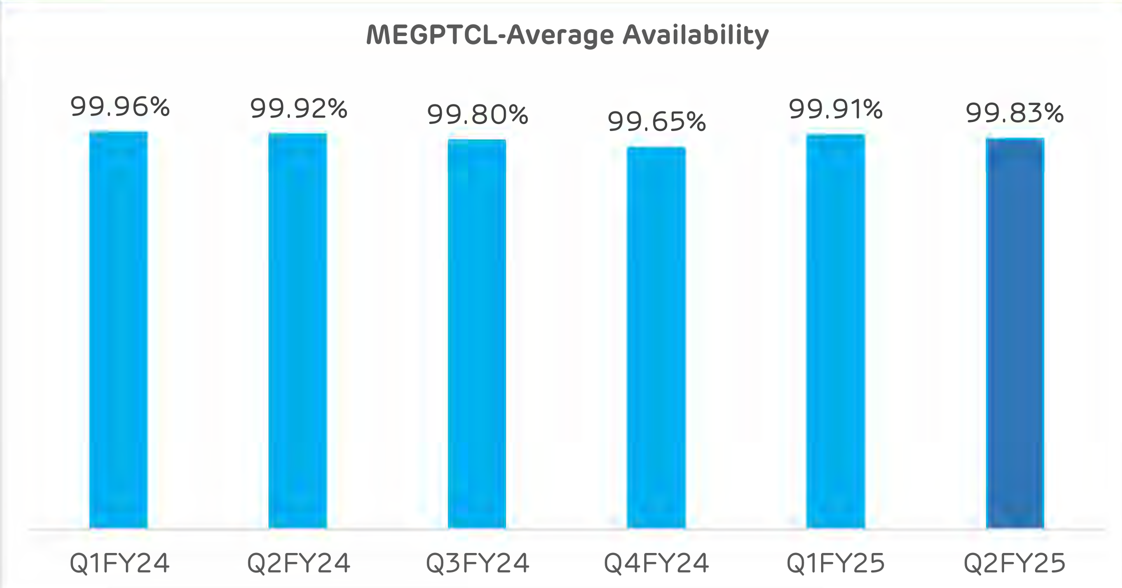
B.1 ATIL Average Availability



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

	HVDC (M-M)		HVAC (MSD)		AC (T-W)		Overall
Period	Average	Normative	Average	Normative	Average	Normative	Average
Q1FY24	99.68%	96.00%	99.98%	98.50%	100.00%	99.00%	99.89%
Q2FY24	98.53%	96.00%	100.00%	98.50%	100.00%	99.00%	99.51%
Q3FY24	98.65%	96.00%	99.86%	98.50%	100.00%	99.00%	99.50%
Q4FY24	98.77%	96.00%	99.17%	98.50%	99.34%	99.00%	99.09%
Q1FY25	98.01%	96.00%	99.98%	98.50%	99.60%	99.00%	99.20%
Q2FY25	99.58%	96.00%	99.99%	98.50%	100.00%	99.00%	99.86%

B.2 MEGPTCL Availability

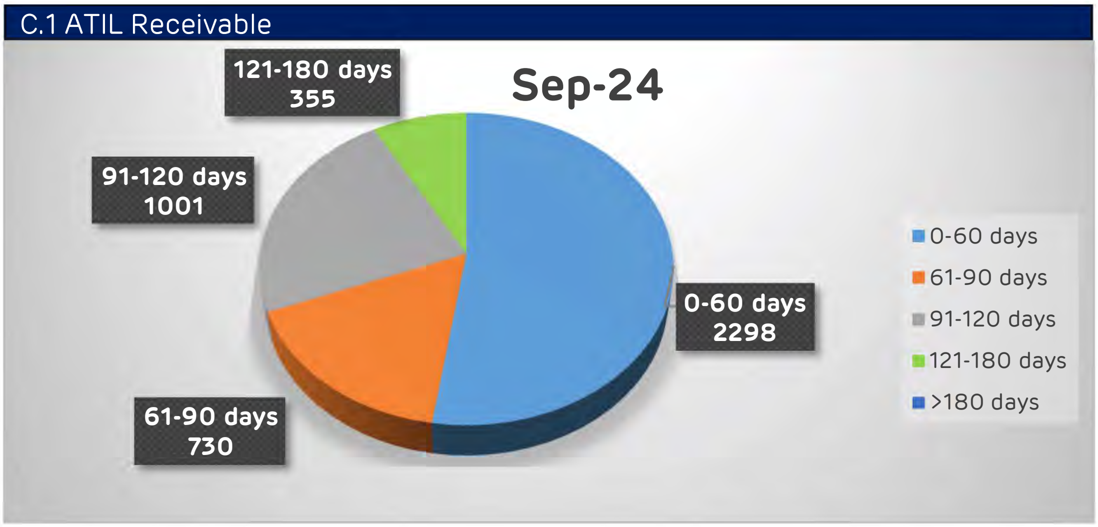


- Availability is historically above 99.5%.

MEGPTCL (T-A)		
Period	Average	Normative
Q1FY24	99.96%	99.00%
Q2FY24	99.92%	99.00%
Q3FY24	99.80%	99.00%
Q4FY24	99.65%	99.00%
Q1FY25	99.91%	99.00%
Q2FY25	99.83%	99.00%

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

5. Receivable Ageing



(INR Mn)

ATIL	0-60 days	61-90 days	91-120 days	121-180 days	>180 days	Total Receivables
Sep-24	2298	730	1001	355	-	4384
Mar-24	2788	504	488	601	-	4382
Sep-23	1199	504	488	1082	-	3274
Mar-23	1779	526	-	681	-	2986
Sep-22	2126	635	583	15	-	3358
Mar-22	1784	-	-	-	-	1784
Sep-21	2282	380	-	-	-	2662

Including one month of unbilled receivables

The Receivable Profile of the company is in line with management's estimations.

C.2 MEGPTCL Receivable

(INR Mn)

MEGPTCL	0-60 days	61-90 days	91-120 days	121-180 days	>180 days	Total Receivables
Sep-24	2905	-	-	-	-	2905
Mar-24	2160	-	-	-	-	2160
Sep-23	1390	-	-	-	-	1390
Mar-23	1251	-	-	-	-	1251
Sep-22	1524	762	240	-	-	2525
Mar-22	2022	-	-	-	-	2022
Sep-21	2055	-	-	-	-	2055

Including one month of unbilled receivables

Signed:
For Adani Transmission Step-One Limited

Authorized Signatory

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

6. Annexure:1

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

Debt Service Cover Ratio Calculation as on 30-Sep-2024		
Calculation Period: 1-Oct-2023 to 30-Sep-2024		
Particulars	**Amount (INR Mn)**	**Source**
Opening Cash Balance*	1,134	Working Note 12
Combined EBITDA	16,322	Working Note 7
Less: Tax Paid	(1,364)	Cash Flow Statement
Less: RCF Interest	(196)	P&L Schedule 37
Cash Flow Available for Debt Servicing (A)	15,896	
Debt Servicing:		
Interest Servicing	6,498	Cash Flow Statement excluding RCF Interest
Principal Servicing	2,263	
Total(B)	**8,761**	
DSCR (A/B)		1.81
* Unencumbered Opening cash balance as on 01-10-2023		

7. Annexure:2

Covenant Calculation

Fund from Operation to Net Debt Ratio (FFO/Net Debt) as on 30-Sep-2024		
Particulars	Amount (INR Mn)	Source
Combined EBITDA	16,322	Working Note 7
Less: Tax Paid	(1,364)	Cash Flow Statement
Less: Interest Servicing	(6,694)	Cash Flow Statement
FFO(A)	8,264	
Total Debt	70,603	Working Note 8
Less: Cash and Cash Equivalents	(2,736)	Working Note 9
Net Debt (B)	67,867	
FFO/Net Debt(A/B)		12.18%

8. Annexure:3

Covenant Calculation

Fund from Operation to Cash Interest Ratio as on 30-Sep-2024		
Particulars	Amount (INR Mn)	Source
Combined EBITDA	16,322	Working Note 7
Less: Tax Paid	(1,364)	Cash Flow Statement
Less: Interest Servicing	(6,694)	Cash Flow Statement
FFO(A)	8,264	
Interest Servicing (B)	6,694	Cash Flow Statement
FFO Cash Interest (A+B)/(B)		2.23

9. Annexure:4

Backstop Calculation

Backstop Calculation as on 30-September-2024	
Particulars	Amount (INR Mn)
Weighted Average Life (WALL)	
Σ (EBIDTA * Weighted Average Life) (A)	1,01,935
Σ EBIDTA (B)	8,157
Weighted Average Life (WALL) (A/B)	Sep-36
Sweep Covenant	
Backstop Date (1 year Prior to the WALL)	Sep-35
Backstop Period Start Date (10 year prior to the Backstop Date)	Sep-25
Sweep Covenant i.e Senior Debt Redemption Amount (Applicable or Not Applicable)	Not Applicable

10. Annexure:5

Working notes

Working Note 1-Revenue Net off Trading Revenue		
Particulars	Amount (INR Mn)	Source
Total Revenue(A)	27,965	P&L Statement
Trading Revenue(B)	9,302	P&L Statement
Net Revenue(A-B)	**18,663**	

Working Note 2-O&M Expenses & Statutory Dues		
Particulars	Amount (INR Mn)	Source
Employee Benefits Expense(A)	892	P&L Statement
Other Expenses(B)	1,458	P&L Statement
Taxes Paid (C)	1,364	Cash Flow Statement
Total (A+B+C)	**3,715**	

Working Note 3-Increase in Working Capital Loan		
Particulars	Amount (INR Mn)	Source
Working Capital Loan as on September,2023		
Secured Borrowings from Banks*	5,910	Balance Sheet Schedule 27
Unsecured Borrowings from Banks	-	Balance Sheet Schedule 27
Total	**5,910**	
Working Capital Loan as on September,2024		
Secured Borrowings from Banks	4,432	Balance Sheet Schedule 27
Unsecured Borrowings from Banks	-	Balance Sheet Schedule 27
Total	**4,432**	
Increase in Working Capital Loan*	**(1,478)**	
*Secured Borrowings include Working Capital Loans after considering the Restructuring and Novation of the Dollar Bond		

Working Note 4-Change in Working Capital		
Particulars	**Amount (INR Mn)**	**Source**
(Increase) / Decrease in Operating Assets:		
Trade Receivables	2,192	Cash Flow Statement
Other financial assets and other assets	4,462	Cash Flow Statement
Inventories	(138)	Cash Flow Statement
Increase / (Decrease) in Operating Liabilities:		
Trade Payables	(1,033)	Cash Flow Statement
Other financial liabilities, other liabilities and provision	167	Cash Flow Statement
Working Capital Loan	(1,478)	Working Note 3
Total Changes in Working Capital	**4,173**	

Working Note 5-Addition in Debt Service Reserve Account		
Particulars	**Amount (INR Mn)**	**Source**
Debt Service Reserve Account as on Septmeber,23	800	
Debt Service Reserve Account as on September,24	800	
Addition to Debt Service Reserve Account	-	

Working Note 6-Cash and Bank Balance		
Particulars	**Amount (INR Mn)**	**Source**
Investments	1,233	Balance Sheet Schedule 7 & 13
Cash and Cash Equivalents	577	Balance Sheet Schedule 15
Other Bank balances	0	Balance Sheet Schedule 16
Fixed Deposits	926	Balance Sheet Schedule 9
Total Cash and Cash Equivalent (A)	2,736	
Cash and Cash Equivalent Allocation for:		
Debt Service Reserve Account(B)	800	Working note 5
Balance Cash and Cash Equivalent(A-B)	**1,936**	

Working Note 7 -Combined EBITDA		
Particulars	**Amount (INR Mn)**	**Source**
Profit Before Tax	3,534	P&L Statement
Depreciation and Amortization Expense	5,691	P&L Statement
Finance Costs	7,097	P&L Statement
EBITDA	**16,322**	

Working Note 8-Total Debt		
Particulars	**Amount (INR Mn)**	**Source**
USD Bonds	66,171	Working Note 10
Other Short-term Debt	4,432	Balance Sheet Schedule 27
Total Debt	**70,603**	

Working Note 9-Cash and Cash Equivalents and Free Cash Flow from Subsidiaries		
Particulars	**Amount (INR Mn)**	**Source**
Cash and Cash Equivalents	2,736	Working Note 6
Free Cash Flow from subsidiaries	-	Working Note 11
Total	**2,736**	

Working Note 10-USD Bonds as per Hedge Rate			
Hedge Instrument	**Amount (USD Mn.)**	**Hedge Rate**	**Amount (INR Mn.)**
Principal only Swap/ Cross currency Swap	877.50	75.41	66,171
Total USD Debt			66,171

Working Note 11-Free Cash Flow from subsidiaries	
Subsidiary	**Amount (INR Mn.)**
Nil	
Total	0
Note: Post Restructuring, ATSOL Obligor Group has no investment or other direct relation.	

Working Note 12-Opening Cash Balance as on 1-October-2023		
Particulars	Amount (INR Mn)	Source
Investments	1,066	Balance Sheet Schedule 7 & 13
Cash and Cash Equivalents	9	Balance Sheet Schedule 15
Other Bank balances	859	Balance Sheet Schedule 9 & 16
Total(A)	**1,934**	
Encumbered Opening cash balance (Balances held as Margin Money) (B)	800	
Unencumbered Opening cash balance(A-B)	**1,134**	

INDEPENDENT AUDITOR'S REPORT ON SPECIAL PURPOSE COMBINED FINANCIAL STATEMENTS

The Board of Directors
Adani Energy Solutions Limited
Ahmedabad.

Report on the Audit of the Special Purpose Combined Financial Statements for the twelve months ended 30th September 2024.

Opinion

We have audited the accompanying special purpose combined financial statements of **Adani Transmission Step-One Limited , Adani Transmission (India) Limited** and **Maharashtra Eastern Grid Power Transmission Company Limited** (collectively, the "Obligor Group") as described in note [1] of the special purpose combined financial statements, which comprise the Combined Balance Sheets as at September 30, 2024, the Combined Statement of Profit and Loss [including other comprehensive Income/(Loss)], the Combined Statement of Changes in Equity and the Combined Statement of Cash Flows for the twelve months ended September 30, 2024 and notes to the special purpose combined financial statements, including a summary of significant accounting policies and other explanatory information (collectively, the "Special Purpose Combined Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Special Purpose Combined Financial Statements is prepared, in all material respects, in accordance with the basis set out in note [2.2] to the Special Purpose Combined Financial Statements.

Basis for Opinion

We conducted our audit of the Special Purpose Combined Financial Statements in accordance with the Standards on Auditing (SAs) and other pronouncements issued by the Institute of Chartered Accountants of India (ICAI). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Special Purpose Combined Financial Statements section of our report. We are independent of the Obligor Group in accordance with the Code of Ethics issued by the ICAI together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 (the "Act") and the Rules made thereunder, and we have fulfilled our other responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a reasonable basis for our opinion on the Special Purpose Combined Financial Statements.

Emphasis of Matter - Basis of Accounting and Restriction on Use

We draw attention to note [2.1 and 2.2] to the Special Purpose Combined Financial Statements, which describes the purpose and basis of preparation. The Special Purpose Combined Financial Statements have been prepared for the purpose of Lenders requirements in relation to already issued USD denominated Notes by the Obligor Group. As a result, the Special Purpose Combined Financial Statements may not be suitable for another purpose.

Our opinion is not modified in respect of this matter.

DHARMESH PARIKH & CO LLP
FRN
112054W/
W100725
Chartered Accountants

INDEPENDENT AUDITOR'S REPORT ON SPECIAL PURPOSE COMBINED FINANCIAL STATEMENTS (Continued)

Management's Responsibility for the Special Purpose Combined Financial Statements

The Board of Directors of the Obligor Group are responsible for the preparation and presentation of these Special Purpose Combined Financial Statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Obligor Group in accordance with the basis stated in Note [2.2] to the Special Purpose Combined Financial Statements for the purpose set out in "Emphasis of Matter- Basis of Accounting and Restriction on Distribution and Use" paragraph above.

The respective Board of Directors of the companies included in the Obligor Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Obligor Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Special Purpose Combined Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Special Purpose Combined Financial Statements by the Directors of the Obligor Group, as aforesaid.

In preparing the Special Purpose Combined Financial Statements, Directors of the Obligor Group are responsible for assessing the Obligor Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Obligor Group or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of the Obligor Group are also responsible for overseeing the Obligor Group's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the Special Purpose Combined Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs and other pronouncements issued by ICAI will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Special Purpose Combined Financial Statements.

DHARMESH PARIKH & CO LLP
FRN-112054W/W100725
Chartered Accountants

INDEPENDENT AUDITOR'S REPORT ON SPECIAL PURPOSE COMBINED FINANCIAL STATEMENTS (Continued)

As part of an audit in accordance with SAs and other pronouncements issued by ICAI, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

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

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for expressing an opinion on the effectiveness of the Obligor Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Obligor Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Special Purpose Combined Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Obligor Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Special Purpose Combined Financial Statements, including the disclosures, and whether the Special Purpose Combined Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

DHARMESH PARIKH & CO LLP
FRN 112054W/W100725
Chartered Accountants

INDEPENDENT AUDITOR'S REPORT ON SPECIAL PURPOSE COMBINED FINANCIAL STATEMENTS (Continued)

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings that we identify during our audit.

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

Place : Ahmedabad
Date : **13.11.2024**

For, **Dharmesh Parikh & Co LLP**
Chartered Accountants
FRN: 112054W/W100725

DHARMESH PARIKH & CO LLP
FRN 112054W/ W100725
Chartered Accountants

Chirag J Shah

(CA. CHIRAG SHAH)
Partner
Membership No. 122510.
UDIN - 24122510BKATHJ7241

Obligor Group
Special Purpose Combined Balance Sheet as at 30th September, 2024

adani
Energy Solutions

Particulars	Notes	As at 30th September, 2024 (₹ in Million)	As at 30th September, 2023 (₹ in Million)
ASSETS			
Non-current Assets			
Property, Plant and Equipment	6.1	51,333.9	56,792.9
Capital Work-In-Progress	6.2	148.1	410.0
Right of Use Assets (Net)		41.5	62.3
Goodwill		3,139.0	3,139.0
Other Intangible Assets	6.3	51.5	48.5
Financial Assets			
(i) Investments	7	901.9	791.9
(ii) Loans	8	34,406.3	15,713.3
(iii) Other Financial Assets	9	7,734.4	9,585.2
Income Tax Assets (Net)	10	47.4	64.1
Other Non-current Assets	11	9,500.5	9,441.4
Total Non-current Assets		**1,07,304.5**	**96,048.6**
Current Assets			
Inventories	12	548.9	411.3
Financial Assets			
(i) Investments	13	330.9	274.0
(ii) Trade Receivables	14	11,241.3	13,433.0
(iii) Cash and Cash Equivalents	15	577.0	9.1
(iv) Bank balances other than (iii) above	16	0.4	0.4
(v) Loans	17	3.1	4.8
(vi) Other Financial Assets	18	44.1	43.1
Other Current Assets	19	361.0	299.6
Total Current Assets		**13,106.7**	**14,475.4**
Total Assets		**1,20,411.2**	**1,10,524.0**
EQUITY AND LIABILITIES			
Equity			
Share Capital	20	0.1	0.1
Instrument Entirely Equity in Nature	21	33,400.0	25,000.0
Other Equity	22	(10,830.4)	(14,701.9)
Total Equity		**22,569.7**	**10,298.2**
Liabilities			
Non-current Liabilities			
Financial Liabilities			
- Borrowings	23	77,432.7	77,241.5
- Other Financial Liabilities	24	275.8	419.1
Provisions	25	279.6	364.8
Deferred Tax Liabilities (Net)	26	9,393.0	9,427.3
Total Non-current Liabilities		**87,381.1**	**87,452.7**
Current Liabilities			
Financial Liabilities			
(i) Borrowings	27	6,921.1	8,373.4
(ii) Trade Payables			
- Total outstanding dues of micro enterprises and small enterprises;	28	6.6	9.3
-Total outstanding dues of creditors other than micro enterprises and small enterprises		623.5	1,654.6
(iii) Other Financial Liabilities	29	2,425.9	2,253.7
Other Current Liabilities	30	397.6	374.1
Provisions	25	54.5	43.9
Current Tax liabilities (Net)	31	31.2	64.1
Total Current Liabilities		**10,460.4**	**12,773.1**
Total Equity and Liabilities		**1,20,411.2**	**1,10,524.0**
Summary of material accounting policies information	3		

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

As per our attached report of even date
For Dharmesh Parikh & Co. LLP
Chartered Accountants
Firm Registration Number : 112054W/W100725

Chirag J Shah

CHIRAG SHAH
Partner
Membership No. 122510

DHARMESH PARIKH & CO LLP * FRN 112054W/ W100725 * Chartered Accountants

Place : Ahmedabad
Date : 13th November, 2024

For and on behalf of the board of directors of
ADANI ENERGY SOLUTIONS LIMITED
(Formerly known as Adani Transmission Limited)

ANIL SARDANA
Managing Director
DIN 00006867

KUNJAL MEHTA
Chief Financial Officer

JALADHI SHUKLA
Company secretary

Adani Energy Solutions Limited *

Place : Ahmedabad
Date : 13th November, 2024

Obligor Group
Special Purpose Combined Statement of Profit and Loss For the twelve months ended 30th September, 2024

adani
Energy Solutions

Particulars	Notes	For the twelve months ended 30th September, 2024 (₹ in Million)	For the twelve months ended 30th September, 2023 (₹ in Million)
Income			
Revenue from Operations			
(i) From Transmission Business	32	16,538.7	21,840.4
(ii) From Trading Business	33	9,301.8	1,457.9
Other Income	34	2,124.8	951.0
Total Income		**27,965.3**	**24,249.3**
Expenses			
Purchase of Stock-in-Trade	35	9,292.4	1,456.9
Employee Benefits Expense	36	892.4	1,087.3
Finance Costs	37	7,097.5	7,301.0
Depreciation and Amortisation Expense	6.1 & 6.3	5,690.9	5,751.1
Other Expenses	38	1,458.3	1,196.3
Total Expenses		**24,431.5**	**16,792.6**
Profit Before Tax and before deferred assets recoverable /adjustable for the period		**3,533.8**	**7,456.7**
Tax Expense:	39		
Current Tax		1,340.2	2,058.8
Deferred Tax		(34.3)	20.7
Total Tax Expenses		**1,305.9**	**2,079.5**
Profit After Tax and before deferred assets recoverable /adjustable for the period		**2,227.9**	**5,377.2**
Deferred assets recoverable / adjustable		(34.3)	20.7
Profit After Tax for the period		**2,193.6**	**5,397.9**
Other Comprehensive Income/(Loss)			
(a) Items that will not be reclassified to Profit or Loss			
- Remeasurement of Defined Benefit Plans		48.8	(19.2)
(b) Tax relating to items that will not be reclassified to Profit or Loss		(7.4)	6.9
(c) Items that will be reclassified to profit or loss			
- Effective portion of gains and losses on designated portion of hedging instruments in a cash flow hedge		1,550.9	(585.4)
(d) Tax relating to items that will be reclassified to Profit or Loss		-	-
Total Other Comprehensive Income (Net of Tax) for the period		**1,592.3**	**(597.7)**
Total Comprehensive Income		**3,785.9**	**4,800.2**
Profit for the period attributable to			
Owners of the Company		2,193.6	5,397.9
Non-controlling interests		-	-
		2,193.6	**5,397.9**
Other Comprehensive Income for the period attributable to:			
Owners of the Company		1,592.3	(597.7)
Non-controlling interests		-	-
		1,592.3	**(597.7)**
Total Comprehensive Income for the period attributable to			
Owners of the Company		3,785.9	4,800.2
Non-controlling interests		-	-
		3,785.9	**4,800.2**

Summary of material accounting policies information 3
See accompanying notes forming part of the Obligor Group Special Purpose Combined Financial statements

As per our attached report of even date

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

Chirag J Shah

CHIRAG SHAH
Partner
Membership No. 122510

DHARMESH PARIKH & CO LLP
FRN 112054W/ W100725
Chartered Accountants

Place : Ahmedabad
Date : 13th November, 2024

For and on behalf of the board of directors of
ADANI ENERGY SOLUTIONS LIMITED
(Formerly known as Adani Transmission Limited)

ANIL SARDANA
Managing Director
DIN 00006867

KUNJAL MEHTA
Chief Financial Officer

JALADHI SHUKLA
Company secretary

Adani Energy Solutions Limited

Place : Ahmedabad
Date : 13th November, 2024

Obligor Group

Special Purpose Combined Statement of Cash Flows for the twelve months ended 30th September, 2024

	Particulars	For the twelve months ended 30th September, 2024 (₹ in Million)	For the twelve months ended 30th September, 2023 (₹ in Million)
A.	**Cash flows from operating activities**		
	Profit before tax	3,533.8	7,456.7
	Adjustments for:		
	Depreciation and Amortisation Expense	5,690.9	5,751.1
	Finance Costs	7,097.5	7,301.0
	Interest income	(2,073.7)	(919.8)
	Loss on sale of Fixed Asset	-	2.2
	Unrealised Foreign Exchange (Gain)/Loss - Borrowings net of hedging	-	0.0
	Unclaimed Liabilities / Excess provision written back	(0.6)	(9.7)
	Operating profit before working capital changes	**14,247.9**	**19,581.5**
	Movement in Working Capital:		
	(Increase) / Decrease in Operating Assets :		
	Trade Receivables	2,191.7	1,039.8
	Other financial assets and other assets	4,461.7	(1,274.0)
	Inventories	(137.6)	(45.1)
	Increase / (Decrease) in Operating Liabilities :		
	Trade Payables	(1,033.1)	662.6
	Other financial liabilities, other liabilities and provision	167.4	(189.8)
	Cash generated/ (used) from operations	**19,898.0**	**19,775.0**
	Less: Taxes paid (Net)	(1,364.3)	(1,904.8)
	Net cash flows (used in)/generated from operating activities (A)	**18,533.7**	**17,870.2**
B.	**Cash flow from investing activities**		
	Purchase of Property, Plant and Equipment (including Capital Work-in-progress, other intangible assets, capital advances and capital creditors)	104.7	(292.7)
	Investment in Compulsory Convertible Debentures of Subsidiary Company	8,400.0	-
	Sale/(Purchase) of current investment (net)	(163.9)	(168.2)
	Purchase of Non Current Investments (Contingency Reserve)	(67.2)	(31.6)
	Interest received	802.6	617.2
	Non-current loans given	(28,948.9)	(25,115.3)
	Non-current Loans received back	10,764.7	11,176.3
	Current Loans (given) / received back (Net)	1.8	(0.8)
	Net cash flows from/(used in) investing activities (B)	**(9,106.2)**	**(13,815.1)**
C.	**Cash flow from financing activities**		
	Payment for Lease Liability including interest	(59.2)	(59.9)
	Proceeds from of Long- term borrowings	21,838.2	16,097.4
	Repayment of Long-term borrowings	(22,467.5)	(13,249.6)
	Proceeds/(repayment) from Short- term borrowings	(1,477.6)	(998.7)
	Finance Costs Paid	(6,693.5)	(5,866.8)
	Net cash flows used in financing activities (C)	**(8,859.6)**	**(4,077.6)**
	Net increase / (decrease) in cash and cash equivalents (A+B+C)	**567.9**	**(22.5)**
	Cash and cash equivalents at the beginning of the period/year	9.1	31.6
	Cash and cash equivalents at the end of the period/year	**577.0**	**9.1**

Cash and Cash Equivalents Includes (Refer Note 9 & 15)	As at 30th September, 2024 (₹ in Million)	As at 30th September, 2023 (₹ in Million)
Balances with Banks		
- In Current Accounts	577.0	9.1
- Fixed Deposits (with original maturity for three months or less)	-	-
Total	**577.0**	**9.1**

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

As per our attached report of even date

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

Chirag J Shah

CHIRAG SHAH
Partner
Membership No. 122510

DHARMESH PARIKH & CO LLP
FRN 112054W/ W100725
Chartered Accountants

Place : Ahmedabad
Date : 13th November, 2024

For and on behalf of the board of directors of
ADANI ENERGY SOLUTIONS LIMITED
(Formerly known as Adani Transmission Limited)

ANIL SARDANA
Managing Director
DIN 00006867

KUNJAL MEHTA
Chief Financial Officer

JALADHI SHUKLA
Company secretary

Adani Energy Solutions Limited

Place : Ahmedabad
Date : 13th November, 2024

Special Purpose Combined Statement of Changes in Equity for the twelve months ended 30th September, 2024

A. Equity Share Capital

Particulars	No. Shares	(₹ in Million)
Balance as at 1st October, 2022	1,11,54,92,683	11154.9
Changes in equity share capital during the period:		
Less : On account of restructuring	(1,11,54,92,683)	(11154.9)
Add : On account of restructuring	10,000	0.1
Issued of shares during the period	-	-
Balance as at 30th September, 2023	10,000	0.1
Changes in equity share capital during the period:		
Add : Issued during the period	-	-
Balance as at 30th September, 2024	10000	0.1

B. Other Equity

(₹ in Million)

Particulars	Reserve and Surplus									Item of other Comprehensive Income	Total
	Capital Reserve	General Reserve	Retained Earning	Contingency Reserve	Capital Redemption Reserve	Self Insurance Reserve	Securities Premium	Restructuring reserve	Other equity	Effective portion of cashflow Hedge	
Balance as at 1st October, 2022	114.7	11,869.5	10,448.0	903.4	24,365.3	336.5	38,343.2	-	-	(2,844.2)	83,536.4
Profit for the period	-	-	5,397.9	-	-	-	-	-	-	-	5,397.9
Add/(Less): Other Comprehensive Income for the period (Net of tax)	-	-	(12.3)	-	-	-	-	-	-	(585.5)	(597.8)
Transfer from Retained Earning to Contingency Reserve	-	-	(153.5)	153.5	-	-	-	-	-	-	-
Add : Addition during the period	-	-	-	-	-	-	-	-	72.0	-	72.0
Add/Less : On account of restructuring	(114.7)	(12,206.0)	13,298.0				(38,343.2)	(65,744.4)			(1,03,110.4)
Transfer to Self Insurance Reserve	-	336.5	-	-	-	(336.5)	-	-	-	-	-
Balance as at 30th September, 2023	-	-	28,978.0	1,056.9	24,365.3	-	-	(65,744.4)	72.0	(3,429.7)	(14,701.9)
Profit for the period	-	-	2,193.6	-	-	-	-	-	-	-	2,193.6
Add/(Less): Other Comprehensive Income for the period (Net of tax)	-	-	41.3	-	-	-	-	-	-	1,550.9	1,592.2
Transfer from Retained Earning to Contingency Reserve	-	-	(162.6)	162.6	-	-	-	-	-	-	-
Add : Addition during the period	-	-	-	-	-	-	-		85.7	-	85.7
Balance as at 30th September, 2024	-	-	31,050.3	1,219.5	24,365.3	-	-	(65,744.4)	157.7	(1,878.8)	(10,830.4)

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

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

Chirag J Shah

CHIRAG SHAH
Partner
M.No. 122570.

DHARMESH PARIKH & CO LLP
FRN 112054W/ W100725
Chartered Accountants

Place : Ahmedabad
Date : 13th November, 2024

For and on behalf of the board of directors of
ADANI ENERGY SOLUTIONS LIMITED
(Formerly known as Adani Transmission Limited)

ANIL SARDANA
Managing Director
DIN 00006867

KUNJAL MEHTA
Chief Financial Officer

JALADHI SHUKLA
Company secretary

Place : Ahmedabad
Date : 13th November, 2024

Adani Energy Solutions Limited

1 General information

Adani Energy Solutions Limited ("The Company") ("AESL") is a public limited company incorporated and domiciled in India, It's ultimate holding entity is S. B. Adani Family Trust (SBAFT), having its registered office at 'Adani Corporate House', Shantigram, Near Vaishno Devi Circle, S.G.Highway, Khodiyar, Ahmedabad - 382421, Gujarat, India. The Company and its subsidiaries are engaged in the business of generation, transmission and distribution of power through India. The Group develops, owns and operates transmission lines across the States of Gujarat, Rajasthan, Bihar, Jharkhand, Uttar Pradesh, Maharashtra, Haryana, Chhattisgarh, Madhya Pradesh, West Bengal, Tamilnadu, Andhra Pradesh and Telangana. Apart from the above the group also deals in various Bullion. The Group has entered into new business opportunities, being laying optical fibers on transmission lines with the ambition of providing telecom solutions to Telcos, Internet service providers and long distance communication operators. The commercialization of the network is being done through leasing out spare capacities to potential players in the Telecom sector.

Adani Transmission (India) Limited ("The Company") ("ATIL") is a public limited company incorporated and domiciled in India and has its registered office at Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad 382 421, Gujarat, India. The principle activity of company is to establish, commission, operate and maintain Transmission Systems. The company is having a dedicated transmission line from Mundra to Dehgam, Mundra to Mohindergarh and Tiroda to Warora with total circuit length of approximately 3834 ckt km located in the states of Gujarat, Maharashtra and Haryana.

The Company has entered in to new business opportunities through OPGW fibres on transmission lines with the ambition of expanding its telecom solutions to Telcos, Internet service providers and long distance communication operators .The commercialization of the network shall be done through leasing out spare capacities to potential communication players.

Maharashtra Eastern Grid Power Transmission Company Limited ("The Company") ("MEGPTCL") is a public limited company incorporated and domiciled in India and has its registered office at Adani Corporate House, Shantigram, S.G. highway, near vaishno devi circle, Khodiyar Ahmedabad Gujrat 382421. The company establish, commission, operate and maintain Transmission Systems.

The Company operates the Tiroda-Aurangabad Transmission System, which is located in the state of Maharashtra, which is a 765 kV Transmission System of 1,213 ckms from Tiroda to Aurangabad.

The Company's main source of revenue is electricity transmission tariffs where the tariffs are set on "cost plus-basis" by the regulators i.e. Maharashtra Electricity Regulatory Commission (MERC). This "cost-plus basis" tariff is determined based on a number of components that are aggregated into an Annual Transmission Charges which is paid to us by Maharashtra State Electricity Transmission Company Limited (MSETCL).

Adani Transmission Step-One Limited ("The Company") ("ATSOL") is a public limited company incorporated and domiciled in India and has its registered office at Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad 382 421, Gujarat, India. The company is incorporated on 23rd September, 2020. The company is deals various Bullion commodities.

Pursuant to an agreement between AESL and its wholly owned subsidiaries, viz; Adani Transmission Step- One Limited ('ATSOL'), Adani Transmission (India) Limited ('ATIL'), and Maharashtra Eastern Grid Power Transmission company Limited ('MEGPTCL'), AESL has transferred/novated, as the case may be, its investments in equity shares of, and Inter Corporate Deposits placed with ATIL and MEGPTCL, USD denominated borrowings of Senior Secured Notes / Bonds along with corresponding hedge contracts, identified fixed assets, cash equivalent to restricted reserve and working capital loans to ATSOL after obtaining requisite approvals and consents.

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

The Obligor Group entities Comprise the Parent Company and the following wholly owned entities:-

Entities	Country of Incorporation
Adani Transmission Step-One Limited (Parent Company)	India
Adani Transmission (India) Limited (Wholly owned subsidiary of ATSOL)	India
Maharashtra Eastern Grid Power Transmission Company Limited (Wholly owned subsidiary of ATSOL)	India

Pursuant to Internal Restructring scheme carried out in previous year, 'AESL' is not part of the obligor group and hence figures of certains assets and liablities are not comparable.

2.1 Purpose of the Special Purpose Combined Financial Statements

The Special Purpose Combined Financial Information have been prepared for the purpose of lenders requirement in relation to already issued USD denominated notes by the Obligor Group. The Combined Financial Statements presented herein reflect the Obligor Group's results of operations, assets and liabilities and cash flows for the period presented. The basis of preparation and Significant accounting policies used in preparation of these Special Purpose Combined Financial Statements are set out in note 2.2 and 3 below. The basis of preparation and Material accounting policies used in preparation of these Special Purpose Combined Financial Information are set out in notes below.

2.2 Basis of Preparation

The Combined Financial Statements of the Obligor Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015 amended from time to time and other accounting principles generally accepted in India and the Guidance Note on Combined and Carve-out Financial Statements issued by the Institute of Chartered Accountants of india (ICAI)

Management has prepared these combined financial statements to depict the historical financial information of the Obligor Group. The Combined Financial Statements have been prepared on a going concern basis under the historical cost convention except for Investments in mutual funds and certain financial assets and liabilities that are measured at fair values whereas net defined benefit (asset)/ liability are valued at fair value of plan assets less defined benefit obligation at the end of each reporting period, as explained in the accounting policies below;

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Adani Energy Solutions Limited

As per the Guidance Note on Combined and Carve out Financial Statements, the procedure for preparing combined financial statements of the combining entities is similar to that of consolidated financial statements as per the applicable Indian Accounting Standards. Accordingly, when combined financial statements are prepared, intra-group transactions and profits or losses are eliminated. All the inter group transactions are undertaken on Arm's Length basis. The information presented in the combined financial statements of the Obligor Group may not be representative of the position which may prevail after the transaction. The resulting financial position may not be that which might have existed if the combining business had been a stand-alone business.

The following procedure is followed for the preparation of the Combined Financial Statements:
(a) Combined like items of assets, Liabilities, equity, income, expenses and cash flows of the entities of the Obligor Group.
(b) Eliminated in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Obligor Group.

These combined financial statements are Combined Financial Statements and may not be necessarily indicative of the financial performance, financial position and cash flows of the Obligor Group that would have occurred if it had operated as separate stand-alone entities during the year presented or the Obligor Group's future performance. The Combined Financial Statements include the operation of entities in the Obligor Group, as if they had been managed together for the period presented.
Earnings Per Share have not been presented in these Special Purpose Combined Financial Information, as The Group did not meet the applicability criteria as specified under Ind AS 33 – Earnings Per Share.

Transactions that have taken place with the other entities which are a part of the Group and not included in the Obligor Group of entities have been disclosed in accordance of Ind AS 24, Related Party Disclosures. The preparation of financial information in conformity with Ind AS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Obligor Group's accounting policies.
Income taxes are arrived at by aggregation of the tax expenses actually incurred by the combining businesses, after considering the tax effects of any adjustments which is in accordance with the Guidance Note on Combined and Carve-Out Financial Statements issued by the ICAI.

The Function currency of the Obligor Group is Indian Rupee(INR). The Special Purpose Combined financial statements are presented in INR and all values are rounded to the nearest Million (Transactions below ₹ 50000.00 denoted as ₹ 0.0), unless otherwise indicated.

3 Material accounting policy information

a. Property, plant and equipment

All items of property, plant and equipment, including freehold land, are initially recorded at cost. Subsequent to initial recognition, property, plant and equipment other than freehold land are measured at cost less accumulated depreciation and any accumulated impairment losses. Freehold land has an unlimited useful life and therefore is not depreciated.

Capital work-in-progress is stated at cost, net of accumulated impairment loss, if any. Other Indirect expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre-operative expenses and disclosed under Capital Work-in-Progress.

Depreciation

Depreciation commences when an asset is ready for its intended use. Depreciation is recognised based on the cost of assets (other than land) less their residual values over their useful lives.

(i) Regulated Assets

Depreciation on Property, plant and equipment in respect of electricity business of the Group covered under Part B of Schedule II of the Companies Act, 2013, has been provided on the straight line method at the rates specified in tariff regulations notified by the respective Electricity Regulatory Commission ('Regulator').

(ii) Non-Regulated Assets

Depreciation is recognised on the cost of assets (other than freehold land and properties under construction) less their residual values over their estimated useful lives, using the straight-line method.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. The Group, based on technical assessment made by technical expert and management estimate, depreciates certain items of building, plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.
Estimated useful life of Regulated and Non Regulated assets are as below :

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

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Special Purpose Combined Statement of Profit and Loss.

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b. Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and any accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives.

Useful life

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Special Purpose Combined Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset.

Intangible Assets with indefinite lives are not amortised but are tested for impairment on annual basis. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Estimated useful lives of the intangible assets are as follows:

Type of Assets	Useful lives
Computer Software	3-5 years

c. Current / Non-Current Classification

Based on the time involved between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has identified twelve months as its operating cycle for determining current and non-current classification of assets and liabilities in the balance sheet.

d. Financial Instruments

All financial assets and liabilities are recognized at fair value on initial recognition except Trade Receivables which are measured at Transaction Cost. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities measured at fair value through profit or loss are recognised immediately in the Special Purpose Combined Statement of Profit and Loss.

(A) <u>Financial assets</u>

Initial Recognition and measurement :

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement :

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

i) Classification and measurement of financial assets

a) Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost using the effective interest rate method if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if both of the following criteria are met

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

All financial assets that do not meet the criteria for amortised cost or FVTOCI are measured at FVTPL. Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in Consolidated profit or loss. The net gain or loss recognised in Consolidated profit or loss incorporates any dividend or interest earned on the financial asset.

ii) Impairment of financial assets

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

iii) Derecognition of financial assets

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

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

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

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

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

(B) Financial liabilities and equity instruments

i) Classification as debt or equity

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

ii) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost (loans and borrowings)

All financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in Special Purpose Combined Statement of Profit and Loss when the liabilities are derecognised as well as through the effective interest rate (EIR) amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Special Purpose Combined Statement of Profit and Loss.

Trade and other payables are recognised at the transaction cost, which is its fair value, and subsequently measured at amortised cost. Similarly, interest bearing loans (inter corporate deposits), trade credits and borrowings (including bonds) are subsequently measured at amortised cost using effective interest rate method. Trade credits include Buyer's credit, Foreign Letter of Credit and Inland Letter of Credit.

Financial liabilities measured at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Financial liabilities are classified as held for trading if these are incurred for the purpose of repurchasing in the near term. Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in the Special Purpose Combined Statement of Profit and Loss.

Derecognition of Financial Liability

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

e. Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement:

The Group uses derivative financial instruments, such as forward currency contracts, interest rate swaps and forward commodity contracts, to hedge its foreign currency risks, interest rate risks and commodity price risks, respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to the statement of profit and loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to the statement of profit and loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

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

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

Cash flow hedges

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

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

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

d. Business combinations and Goodwill

The obligor Group accounts for its business combinations under acquisition method of accounting. Acquisition related costs are recognised in Special Purpose Combined Statement of Profit and Loss as incurred. The acquiree' s identifiable assets, liabilities and contingent liabilities that meet the condition for recognition are recognised at their fair values at the acquisition date.

If the initial accounting for a business combination is incomplete as at the reporting date in which the combination occurs, the identifiable assets and liabilities acquired in a business combination are measured at their provisional fair values at the date of acquisition. Subsequently adjustments to the provisional values are made within the measurement period, if new information is obtained about facts and circumstances that existed as of the acquisition date and, if known, would have resulted in the recognition of those assets and liabilities as of that date; otherwise the adjustments are recorded in the period in which they occur.

Purchase consideration paid in excess of the fair value of net assets acquired is recognised as goodwill. Where the fair value of identifiable assets and liabilities exceed the cost of acquisition, after reassessing the fair values of the net assets and contingent liabilities, the excess is recognised as capital reserve.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in other comprehensive income (OCI) and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

e. Foreign currencies

The functional currency of the Group is Indian Rupee ₹.

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

Exchange differences on monetary items are recognised in the Statement of Profit and Loss in the period in which they arise except for:

(i) exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings; and

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

f. Fair value measurement

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

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

(i) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities;

(ii) Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;

(iii) Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per The Group's accounting policies. For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

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g. Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

• **Power Transmission Services**

a. Bulk Power Transmission Agreements

The Company as per the prevalent tariff regulations is required to recover its Annual Revenue Requirement ('ARR') comprising of expenditure on account of operations and maintenance expenses, financing costs, taxes and assured return on regulator approved equity with additional incentive for operational efficiencies. Any surplus/shortfall in the recovery is accounted as revenue based on the final tariff orders by the regulatory authority.

Accordingly, the revenue from power transmission services is recognised over time based on the transmission asset availabilities and the tariff charges approved under the respective TSA's / tariff orders and includes unbilled revenues accrued up to the end of the accounting period. The payment is generally due within 30-60 days upon receipt of monthly invoice by the customer.

b. Incentive Income

Income from transmission system incentive is accounted for based on certification of availability by respective regulatory nominated body. Where certification by the regulatory nominated body is not available, incentive is accounted for on provisional basis as per estimate of availability by the Group and differences, if any is accounted upon receipt of certification.

• **Interest on Overdue Receivables / Delayed Payment Charges:**

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

• **Other Income**

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

h. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Substantial time is defined as time required for commissioning of the assets considering industry benchmarks.

i. Employee benefits

i) Defined benefit plans:

The Group has an obligation towards gratuity, a defined benefit retirement plan which is a combination of funded plan / unfunded plan for various companies in the Group.

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

ii) Defined contribution plan:

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

iii) Compensated Absences:

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

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

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

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j. **Taxation**

Tax on Income comprises current tax and deferred tax. These are recognised in Statement of Profit and Loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

i) **Current tax**

Tax on income for the current period is determined on the basis on estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss (either in Other Comprehensive Income or in Equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations for which applicable tax regulations are subject to interpretation and revises the provisions where appropriate.

ii) **Deferred tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

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

Regulators tariff norms in respect of certain subsidiaries which operate under cost plus tariff regime, provide the recovery of Income Tax from the beneficiaries by way of grossing up the return on equity based on effective tax rate for the financial year shall be based on the actual tax paid during the year on the transmission income from certain subsidiaries . Accordingly, deferred tax liability provided during the year which is fully recoverable from beneficiaries and known as "deferred assets recoverable / adjustable". The same will be recovered when the related deferred tax liability forms a part of current tax.

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6.1 Property, Plant and Equipment

(₹ in Million)

Description of Assets	Tangible Assets							
	Land (Free hold)	Building	Plant & Equipment	Furniture and Fixtures	Office Equipments	Computer Equipment	Vehicles	Total
I. Gross Carrying Value								
Balance as at 1st April, 2023	**758.7**	**901.7**	**1,02,681.8**	**21.4**	**74.0**	**120.7**	**1.5**	**1,04,559.8**
Additions during the period	24.7	1.9	1.1	-	2.9	16.9	-	**47.5**
Disposals during the period	-	-	-	-	(0.7)	-	(0.1)	**(0.8)**
Balance as at 30th Sept, 2023	**783.4**	**903.6**	**1,02,682.9**	**21.4**	**76.1**	**137.6**	**1.4**	**1,04,606.5**
Additions during the period	-	9.0	159.5	0.5	6.7	11.3	-	187.0
Disposals during the period	-	-	-	-	-	-	-	-
Balance as at 31st March, 2024	**783.4**	**912.6**	**1,02,842.3**	**21.9**	**82.9**	**148.9**	**1.4**	**1,04,793.4**
Additions during the period	-	15.2	87.4	0.0	5.1	12.8	8.7	129.1
Disposals during the period	-	-	(53.7)	-	-	-	-	(53.7)
Balance as at 30th Sept, 2024	**783.4**	**927.8**	**1,02,876.0**	**21.9**	**88.0**	**161.7**	**10.1**	**1,04,868.9**
II. Accumulated depreciation								
Balance as at 1st April, 2023	-	**248.3**	**44,652.5**	**9.9**	**20.3**	**35.0**	**0.6**	**44,966.6**
Depreciation for the period	-	15.7	2,818.7	0.7	2.5	9.7	0.1	2,847.3
Disposals during the period	-	-	-	-	(0.3)	0.0	(0.0)	(0.3)
Balance as at 30th Sept, 2023	-	**264.0**	**47,471.2**	**10.6**	**22.5**	**44.7**	**0.7**	**47,813.6**
Depreciation for the period	-	15.8	2,821.4	0.7	2.6	10.2	0.0	2,850.8
Disposals during the period	-	-	-	-	-	-	-	-
Due to Internal Restructuring	-	-	-	-	-	-	-	-
Balance as at 31st March, 2024	-	**279.8**	**50,292.6**	**11.3**	**25.1**	**54.9**	**0.7**	**50,664.4**
Depreciation for the period	-	16.0	2,829.6	0.7	2.8	22.5	0.2	2,871.8
Disposals during the period	-	-	(1.2)	-	-	-	-	(1.2)
Balance as at 30th Sept, 2024	-	**295.8**	**53,121.0**	**12.1**	**27.9**	**77.4**	**0.9**	**53,535.0**

Description of Assets	Tangible Assets							
	Land (Free hold)	Building	Plant & Equipment	Furniture and Fixtures	Office Equipments	Computer Equipment	Vehicles	Total
Net Carrying Value :								
Balance as at 30th Sept, 2023	783.4	639.6	55,211.7	10.7	53.7	92.9	0.7	56,792.9
Balance as at 30th Sept, 2024	783.4	632.0	49,755.0	9.9	60.1	84.2	9.2	51,333.9

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Note:

i) Details of immovable properties for which title deeds are not in the name of Company are given below:

Relevant Line Item in Balancesheet	Description of Property	Gross carrying value (₹ in Mn)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
Property, Plant and Equipment	Land (Free hold)	254.1	Adani Power Limited	No	1st April , 2014	Adani Transmission (India) Limited (ATIL) being demerged from erstwhile company related to transmission business Post demerger, ATIL is in process of transferring the same in the name of the ATIL.
Right-of-Use Assets	Leasehold Land	87.8				

6.2 Capital Work-In-Progress

Description of Assets	As at 30th September, 2024 (₹ in Million)	As at 30th September, 2023 (₹ in Million)
Capital Inventory	148.1	410.0
Total	**148.1**	**410.0**

6.3 : Right of Use Assets

(₹ in Million)

Particulars	Right-of-Use Assets			Total
	Leasehold Land	Building	Computer Equipment	
Gross carrying value				
Balance as at 1st April, 2023	**529.0**	**4.9**	**15.3**	**549.2**
Additions during the period	-	1.7	-	1.7
Disposals during the year	-	-	-	-
Balance as at 30th Sept, 2023	**529.0**	**6.6**	**15.3**	**550.9**
Additions during the period	-	-	-	-
Disposals during the year	-	-	-	-
Balance as at 31st March, 2024	**529.0**	**6.6**	**15.3**	**550.9**
Additions during the period	-	-		-
Disposals during the year				-
Balance as at 30th Sept, 2024	**529.0**	**6.6**	**15.3**	**550.9**
Accumulated Depreciation				
Balance as at 1st April, 2023	**169.0**	**4.4**	**9.8**	**183.2**
Depreciation for the period	23.1	-	-	23.1
Eliminated on disposal of assets	-	-	-	
Balance as at 30th Sept, 2023	**192.1**	**4.4**	**9.8**	**206.3**
Depreciation for the period	23.1	-	-	23.1
Eliminated on disposal of assets	-	-	-	-
Balance as at 31st March, 2024	**215.2**	**4.4**	**9.8**	**229.4**
Depreciation for the period	23.1	-	-	23.1
Eliminated on disposal of assets	-	-	-	-
Balance as at 30th Sept, 2024	**238.4**	**4.4**	**9.8**	**252.6**
Net Carrying Value				
Balance as at 30th Sept, 2023	336.9	2.2	5.6	344.6
Balance as at 30th Sept, 2024	290.6	2.2	5.6	298.4

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Lease liability

(₹ in Million)

Particulars	Total
Balance as at 30th Sept, 2023	282.39
Balance as at 30th Sept, 2024	256.87

Right of use assets (net of lease liability)

(₹ in Million)

Particulars	Total
Balance as at 30th Sept, 2023	62.2
Balance as at 30th Sept, 2024	41.5

6.3 : Intangible Assets

(₹ in Million)

Particulars	Intangible Assets	
	Computer Software	Total
Gross carrying value		
Balance as at 1st April, 2023	**98.7**	98.7
Additions during the period	0.2	0.2
Balance as at 30th Sept, 2023	**98.9**	**98.9**
Additions during the period	18.1	18.1
Balance as at 31st March, 2024	**117.0**	**117.0**
Additions during the period	7.2	7.2
Balance as at 30th Sept, 2024	**124.2**	**124.2**
Accumulated Amortisation		
Balance as at 1st April, 2023	**40.8**	**40.8**
Amortisation Charge for the period	9.6	9.6
Balance as at 30th Sept, 2023	**50.4**	**50.4**
Amortisation Charge for the period	10.5	10.5
Balance as at 31th March, 2024	**60.9**	**60.9**
Amortisation Charge for the period	11.8	11.8
Balance as at 30th Sept, 2024	**72.7**	**72.7**
Balance as at 30th Sept, 2023	**48.5**	**48.5**
Balance as at 30th Sept, 2024	**51.5**	**51.5**

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		As at 30th September, 2024 (₹ in Million)	As at 30th September, 2023 (₹ in Million)
7	**Investments**		
	Investment in Govt & Trust Securities	901.9	791.9
		901.9	**791.9**

		As at 30th September, 2024 (₹ in Million)	As at 30th September, 2023 (₹ in Million)
8	**Loans at Amortised Cost**		
	(Unsecured, considered good)		
	Loans to Subsidiaries and Group Company	34,406.3	15,713.3
		34,406.3	**15,713.3**

		As at 30th September, 2024 (₹ in Million)	As at 30th September, 2023 (₹ in Million)
9	**Non-current Financial Assets- Others**		
	Unbilled Revenue	1,118.1	5,737.3
	Security deposits	-	0.6
	Interest accrued and due receivable Long term	956.4	196.4
	Derivative instruments designated in hedge accounting relationship	4,734.2	2,792.4
	Balance held as margin money for security against borrowings	925.7	858.5
	Total	**7,734.4**	**9,585.2**

		As at 30th September, 2024 (₹ in Million)	As at 30th September, 2023 (₹ in Million)
10	**Income Tax Assets (Net)**		
	Advance Income Tax (Net of Provision)	47.4	64.1
	Total	**47.4**	**64.1**

		As at 30th September, 2024 (₹ in Million)	As at 30th September, 2023 (₹ in Million)
11	**Other Non-current Assets**		
	Capital advances	9.5	14.5
	Other deferred asset on corporate commission	98.0	-
	Deferred assets recoverable / adjustable	9,393.0	9,426.9
	Total	**9,500.5**	**9,441.4**

		As at 30th September, 2024 (₹ in Million)	As at 30th September, 2023 (₹ in Million)
12	**Inventories**		
	(At lower of Cost and Net Realisable Value)		
	Stores & spares	548.9	411.3
	Total	**548.9**	**411.3**

		As at 30th September, 2024 (₹ in Million)	As at 30th September, 2023 (₹ in Million)
13	**Investments**		
	Un-Quoted Investments		
	Investment for Contingency Reserve		
	Investment in Treasury Bill	330.9	274.0
		330.9	**274.0**
	Aggregate book value of unquoted investments	330.9	274.0
	Aggregate market value of unquoted investments	330.9	274.0

		As at 30th September, 2024 (₹ in Million)	As at 30th September, 2023 (₹ in Million)
14	**Trade Receivables**		
	(Unsecured otherwise stated)		
	Unsecure, Considered Good (includes unbilled amuount of ₹ 8,794.9 (P.Y. ₹ 8,686.1)	11,241.3	13,433.0
		11,241.3	**13,433.0**
	(Less) : Expected Credit Loss	-	-
		11,241.3	**13,433.0**

Note:

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

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15 Cash and Cash equivalents

	As at 30th September, 2024 (₹ in Million)	As at 30th September, 2023 (₹ in Million)
Balances with banks		
In current accounts	577.0	9.1
Total	**577.0**	**9.1**

16 Bank balance other than Cash and Cash equivalents

	As at 30th September, 2024 (₹ in Million)	As at 30th September, 2023 (₹ in Million)
Fixed Deposits (with original maturity for more than three months)		
Balances held as Margin Money	0.4	0.4
Total	**0.4**	**0.4**

17 Current Financial Assets - Loans

(Unsecured, considered good)

	As at 30th September, 2024 (₹ in Million)	As at 30th September, 2023 (₹ in Million)
Loans to Employees	3.1	4.8
Total	**3.1**	**4.8**

18 Current Financial Assets- Others

	As at 30th September, 2024 (₹ in Million)	As at 30th September, 2023 (₹ in Million)
Interest Receivable	20.7	21.4
Security deposits	16.0	15.4
Derivative instruments designated in hedge accounting relationship	2.3	4.3
Other Receivable	5.1	2.1
Total	**44.1**	**43.1**

19 Other Current Assets

	As at 30th September, 2024 (₹ in Million)	As at 30th September, 2023 (₹ in Million)
Balances with Government authorities	168.3	77.1
Advance to Suppliers	52.3	70.0
Advance to Employees	3.2	2.3
Prepaid Expenses	137.2	150.2
Total	**361.0**	**299.6**

20 Share Capital

	As at 30th September, 2024 (₹ in Million)	As at 30th September, 2023 (₹ in Million)
Authorised Share Capital		
10,000 (As at 30th September, 2023 - 10,000) equity shares of ₹ 10 each	0.1	0.1
Total	**0.1**	**0.1**
Issued, Subscribed and Fully paid-up equity shares		
10,000 (As at 30th September, 2023 - 10,000) fully paid up equity shares of ₹ 10 each	0.1	0.1
Total	**0.1**	**0.1**

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

Equity Shares

	As at 30th September, 2024		As at 30th September, 2023	
	No. Shares	(₹ in Million)	No. Shares	(₹ in Million)
At the beginning of the period	10,000	0.1	1,11,54,92,683	11,154.9
Add :On account of restructuring#		-	10,000	0.1
Add : On account of restructuring#		0.0	(1,11,54,92,683)	-11,154.9
Outstanding at the end of the period	**10,000**	**0.1**	**10,000**	**0.1**

b. Terms/rights attached to equity shares

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

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

	As at 30th September, 2024		As at 30th September, 2023	
	No. Shares	% holding in the class	No. Shares	% holding in the class
Equity shares of ₹ 10 each fully paid				
Adani Transmission Step-One Ltd	10,000	100.00%	10,000	100.00%
Total	**10,000**	**100.00%**	**-**	**0.00%**

Due to Internal restrcturing carried out in previous year, equity share holding of previous parent company AESL is replaced with the current parent company of ATSOL.

21 Instrument entirely equity in nature

0% Compulsory Convertible Debentures classified as Equity	As at 30th September, 2024 (₹ in Million)	As at 30th September, 2023 (₹ in Million)
Opening Balance	25,000.0	25,000.0
Add: Issued during the year (Refer note (i) & (ii) below)	8,400.0	-
Less: Repaid during the year	-	-
Total	**33,400.0**	**25,000.0**

Terms / rights attached to instruments - (CCD)

(i) The Group has issued 0% Nil (P.Y. 25,00,00,000) no. of CCDs having value of ₹ 100 each for a period of 20 years from the date of issue which will be converted into equity shares (₹ 10 each) at a conversion ratio of 10:1 at the option of the Company. The holders of the CCDs (i.e. Adani Energy Solutions Limited) shall have no right to convert all or a portion of CCDs.

(ii) The Group has issued 8,40,00,000 (P.Y. Nil) no. of CCDs having value of ₹ 100 each for a period of 20 years from the date of issue which will be converted into equity shares (₹ 10 each) at a conversion ratio of 10:1 at the option of the holder . The holders of the CCDs (i.e. Adani Energy Solutions Limited) shall have right to convert all or a portion of CCDs.

22 Other Equity

		As at 30th September, 2024 (₹ in Million)	As at 30th September, 2023 (₹ in Million)
a. Retained Earnings (Refer note (i) below)			
Opening Balance		28,978.0	10,448.1
Add: Profit for the period		2,193.6	5,397.9
Add/(Less): Other comprehensive income (Loss) arising from remeasurement of Defined Benefit Plans		41.3	(12.3)
(Less): Transfer to Contingency Reserve		(162.6)	(153.5)
Less : On account of restructuring		-	13,297.8
Closing Balance	**Total (a)**	**31,050.3**	**28,978.0**
b. Effective portion of cash flow Hedge (refer note (ii) below)			
Opening balance		(3,429.7)	(2,844.3)
Add: Effective portion of cash flow hedge for the period		1,550.9	(585.4)
Closing Balance	**Total (b)**	**(1,878.8)**	**(3,429.7)**
c. Restructuring Reserve (refer note (iii) below)			
Opening Balance		(65,744.4)	(65,744.4)
	Total (c)	**(65,744.4)**	**(65,744.4)**
d. Capital Reserve (refer note (iv) below)			
Opening Balance		-	114.7
Less : On account of restructuring		-	**(114.7)**
	Total (d)	**-**	**-**
e. General Reserve (refer note (v) below)			
Opening Balance		-	11,869.5
Less : On account of restructuring		-	(11,869.5)
Closing Balance	**Total (e)**	**-**	**-**

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f. Capital Redemption Reserve (Refer note (vi) below)			
Opening Balance		24,365.3	24,365.3
Add: Transfer from Retained Earning on redemption of Optionally Convertible Redeemable Preference Shares (OCRP)		-	-
Closing Balance	**Total (f)**	**24,365.3**	**24,365.3**
g. Contingency Reserve (Refer note (vii) below)			
Opening Balance		**1,056.9**	**903.4**
Add: Transfer from Retained Earning		162.6	153.5
Closing Balance	**Total (g)**	**1,219.5**	**1,056.9**
h. Self Insurance Reserve (Refer note (viii) below)			
Opening Balance		-	**336.5**
Less : On account of restructuring		-	(336.5)
Closing Balnce	**Total (h)**	-	-
i. Securities Premium			
Opening Balance		-	38,343.2
Add : Addition during the period		-	(38,343.2)
Closing Balnce	**Total (i)**	-	-
j. Other equity (Refer note (ix) below)			
Opening Balance		72.0	-
Add : Addition during the year		85.7	72.0
Closing Balnce	**Total (j)**	**157.7**	**72.0**
	Total (a+b+c+d+e+f+g+h+i+j)	**(10,830.4)**	**(14,701.9)**

Notes:

i) ***Retained Earnings*** **:** Retained earnings represents the amount of profits or losses of the company earned till date net of appropriation.

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

iii) Restructuring reserve : Company has received investments in equity shares of fellow subsidiaries companies and Inter Corporate Deposits of ATIL and MEGPTCL, USD denominated borrowings of Senior Secured Notes / Bonds (aggregating USD 937.50 million) along with corresponding hedge contracts, identified fixed assets, cash equivalent to restricted reserve and working capital loans from the holding company on account of internal restructuring scheme. Company has discharged the consideration towards acquisition of the said assets and liabilities by way of issuance of Compulsorily Convertible Debentures to the company by the subsidiary. The transaction being a common control transaction, the difference between net liabilities transferred and the value of CCD recorded, being ` 65744.4 Million has been recognized in Other Equity of the Company.

iv) ***Capital Reserve*** : It has been created on acquisition of subsidiary companies. On account of Internal Restructuring Capital Reserve remains in books of AESL.

v) ***General Reserve*** : It has been created pursuant to the demerger of transmission undertaking of Adani Enterprises Limited into the company. On account of Internal Restructuring Capital Reserve remains in books of AESL.

vi) **Capital Redemption Reserve** : Capital Redemption Reserve of ₹ 24,365.3 Millions (30.09.2023 - ₹ 24,365.3 Million) is created due to transfer on redemption of optionally convertible redeemable preference shares from retained earnings.

vii) ***Contingency Reserve*** : As per the provisions of MERC MYT Regulations read with Tariff orders passed by MERC, the group being a Transmission Licensee, makes an appropriation to the Contingency Reserve fund to meet with certain exigencies. Investments in Government Securities have been made against such reserve. In preceeding year, Investments in Mutual Funds have been made against such reserve.

viii) ***Self Insurance Reserve*** : The Obligor Group has decided that insurance of the transmission lines of subsidiary companies would be through the self-insurance to mitigate the loss of assets hence a reserve has been created in current period. The insurance of sub stations of subsidiary companies are covered through insurance companies under all risk policy. On account of Internal Restructuring Self Insurance reserve remains in books of AESL.

ix) Other equity : Represents the service rendered by the holding company ("AESL"), by way of providing the Corporate guarantee to the lenders on behalf of the Company ("ATSOL").

23 Non current Financial Liabilities - Borrowings

	Non-current		Current	
	As at 30th September, 2024 (₹ in Million)	**As at 30th September, 2023 (₹ in Million)**	**As at 30th September, 2024 (₹ in Million)**	**As at 30th September, 2023 (₹ in Million)**
Secured				
Bonds				
4.00% USD Bonds	41,657.6	41,164.8	-	-
4.25% USD Bonds	28,901.7	31,103.7	2,489.0	2,463.8
	70,559.3	**72,268.5**	**2,489.0**	**2,463.8**
Current maturities of long-term borrowings	-	-	(2,489.0)	(2,463.8)
Net amount	**70,559.3**	**72,268.5**	-	-
Unsecured				
From Related Parties	6,873.4	4,973.0	-	-
Total	**77,432.7**	**77,241.5**	-	-

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Notes

Borrowings	Security	Terms of Repayment
Secured 4.00% USD Bonds	- The USD Bonds are secured by way of first ranking pari passu charge in favour of the Security trustee (for the benefit of the Bond/Debenture holders): a. Mortgage of land situated at Sanand. b. Hypothecation of all the assets (movable and immovable) including current assets of the Company. c. Pledge over 100% equity shares of Adani Transmission (India) Limited (ATIL) and Maharashtra Eastern Grid Power Transmission Company Limited (MEGPTCL), both are wholly owned subsidiaries of the company. d. All assets (moveable and immovable) of ATIL & MEGPTCL including its current assets. d. Assignement by wasy of security over loans given to ATIL & MEGPTCL. All its rights under the inter entity loan arrangment entered or to be entered into between the issuer, ATIL and MEGPTCL (the 'inter entity loans) e. Corporate gurantee given by the holding Company.	- 4.00% 500.0 Million (30th September, 2023 - 500.0 Million) USD Bonds aggregating to ₹ 41,898.7 Millions (30th September, 2023 - ₹ 41,522.5 Millions) are redeemable by bullet payment in FY 2026.
Secured 4.25% USD Bonds		- 4.25% 377.5 Million (30th September, 2023 - 407.5 Million) USD Bonds aggregating to ₹ 31,633.6 Millions (30th September, 2023 - ₹ 33,840.8 Millions) are redeemable by Half yearly payment starting from May 2020 to May 2036.
Unsecured Inter Corporate Loan	Unsecured	- 11% Inter Corporate Loan from related party of ₹ 6873.4 Millions (30th September, 2023 - ₹ 4973.0 Millions)

24 Other Financial Liabilities

	As at 30th September, 2024 (₹ in Million)	As at 30th September, 2023 (₹ in Million)
Derivative instruments designated in hedge accounting relationship	-	225.6
Interest accrued but not due on borrowings	275.8	193.5
Total	**275.8**	**419.1**

25 Provisions

	Non-Current		Current	
	As at 30th September, 2024 (₹ in Million)	As at 30th September, 2023 (₹ in Million)	As at 30th September, 2024 (₹ in Million)	As at 30th September, 2023 (₹ in Million)
Net employee defined benefit liabilities				
Provision for Employee Benefits	123.1	208.3	54.5	43.9
Provision for Stamp Duty	156.5	156.5	-	-
Total	**279.6**	**364.8**	**54.5**	**43.9**

26 Deferred tax liabilities (Net)

	As at 30th September, 2024 (₹ in Million)	As at 30th September, 2023 (₹ in Million)
Deferred Tax Liabilities		
Deferred tax liabilities (Net)	9,393.0	9,427.3
Total	**9,393.0**	**9,427.3**

27 Current Financial Liabilities - Borrowings

	As at 30th September, 2024 (₹ in Million)	As at 30th September, 2023 (₹ in Million)
Secured Borrowings		
Term Loan from bank	3,636.8	3,200.0
Bank Over Draft	795.3	756.8
Cash Credit / Working Capital Loan from Banks	-	1,952.8
Current maturities of long-term borrowings (Secured) (Refer Note 23)	2,489.0	2,463.8
Total	**6,921.1**	**8,373.4**

Notes:

Borrowings	Security	Terms of Repayment
Term Loan	Secured as per Lender's Agreement	The Secured Term Loan from bank amounting to Rs. 3636.8 Millions (30th September, 2023 - Rs. 3200 Millions) carries an interest rate of in range of 8.00% to 8.84% p.a.
Bank Over Draft	Secured against the Fixed Deposits.	The Bank Overdraft is carrying an interest rate of 8.00% p.a.
Cash Credit / Working Capital Loan	First charge on receivables and on immovable and movable assets created out of project on paripassu basis.	Nil balance

28 Trade Payables

	As at 30th September, 2024 (₹ in Million)	As at 30th September, 2023 (₹ in Million)
Trade Payables		
- Total outstanding dues of micro enterprises and small enterprises	6.6	9.3
- Total outstanding dues of creditors other than micro enterprises and small enterprises	584.2	1,615.7
Accrual For Employees	39.3	38.9
Total	**630.1**	**1,663.9**

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29 Current Financial Liabilities - Others

	As at 30th September, 2024 (₹ in Million)	As at 30th September, 2023 (₹ in Million)
Interest accrued but not due on borrowings	764.2	787.0
Retention money	21.4	24.9
Provision for reversal of Unbilled Revenue	1,271.7	1,102.0
Payable on purchase of Property, Plant and Equipment	368.6	333.7
Derivative instruments designated in hedge accounting relationship	-	6.1
Total	**2,425.9**	**2,253.7**

30 Other Current Liabilities

	As at 30th September, 2024 (₹ in Million)	As at 30th September, 2023 (₹ in Million)
Statutory liabilities	212.7	136.2
Advance from Customers	134.9	187.9
Other Payables	50.0	50.0
Total	**397.6**	**374.1**

31 Current tax liabilities

	As at 30th September, 2024 (₹ in Million)	As at 30th September, 2023 (₹ in Million)
Current Tax Liabilities (Net)	31.2	64.1
Total	**31.2**	**64.1**

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32 Revenue from Operations - From Transmission Business

	For the twelve months ended 30th September, 2024 (₹ in Million)	For the twelve months ended 30th September, 2023 (₹ in Million)
Income from transmission charges		
Income from transmission lines (Refer Note 45)	16,538.7	21,840.4
Total	**16,538.7**	**21,840.4**

33 Revenue from Operations - From Trading Business

	For the twelve months ended 30th September, 2024 (₹ in Million)	For the twelve months ended 30th September, 2023 (₹ in Million)
Sale of Traded Goods	9,301.8	1,457.9
Total	**9,301.8**	**1,457.9**

Details of Revenue from Contract with Customer :

<u>Contract balances:</u>

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

Particulars	As at 30th September, 2024 (₹ in Million)	As at 30th September, 2023 (₹ in Million)
Trade receivables (Refer note 14)	11,241.3	13,433.0
Contract Assets (Refer Note 9 & 18)	1,118.1	5,737.3
Contract Liabilities (Refer Note 29 & 30)	1,406.6	1,289.8

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

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

Particulars	For the twelve months ended 30th September, 2024 (₹ in Million)	For the twelve months ended 30th September, 2023 (₹ in Million)
Revenue as per contracted price	16,666.3	21,890.9
<u>**Adjustments**</u>		
Less: Rebate on prompt payment	127.4	50.5
Revenue from contract with customers	**16,538.7**	**21,840.4**

34 Other Income

	For the twelve months ended 30th September, 2024 (₹ in Million)	For the twelve months ended 30th September, 2023 (₹ in Million)
Interest Income		
- Bank	67.2	61.6
- Contingency Investment Reserve	70.9	60.9
- Other	1,935.6	797.3
Foreign Exchange Fluctuation Gain	0.1	0.0
Sale of Scrap	24.0	13.9
Profit or loss on sale of Fixed assets	25.5	-
Unclaimed liabilities / Excess Provision written back	0.6	9.7
Insurance Claim received	-	6.8
Miscellaneous Income	0.9	0.8
Total	**2,124.8**	**951.0**

35 Purchase of Stock- in- Trade

	For the twelve months ended 30th September, 2024 (₹ in Million)	For the twelve months ended 30th September, 2023 (₹ in Million)
Purchase of Stock-in-Trade	9,292.4	1,456.9
Total	**9,292.4**	**1,456.9**

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36 Employee Benefits Expenses

	For the twelve months ended 30th September, 2024 (₹ in Million)	For the twelve months ended 30th September, 2023 (₹ in Million)
Salaries, Wages and Bonus	804.2	976.8
Contribution to Provident and Other Funds	50.3	61.3
Employee Welfare Expenses	37.9	49.2
Total	**892.4**	**1,087.3**

37 Finance costs

	For the twelve months ended 30th September, 2024 (₹ in Million)	For the twelve months ended 30th September, 2023 (₹ in Million)
Interest Expenses	4,355.1	4,427.5
Bank Charges & Other Borrowing Costs	14.4	24.3
Interest on Lease Obligation	33.7	36.5
Interest - Hedging Cost	2,694.3	2,812.7
	7,097.5	**7,301.0**

38 Other Expenses

	For the twelve months ended 30th September, 2024 (₹ in Million)	For the twelve months ended 30th September, 2023 (₹ in Million)
Operating Cost	643.1	465.8
Electricity Expenses	60.1	54.3
Repairs and Maintenance - Others	1.1	1.5
Short Term Lease Rental	52.7	36.2
Rates and Taxes	3.3	3.8
Legal & Professional Expenses	280.0	339.6
Directors' Sitting Fees	0.1	0.1
Security Charges	2.1	4.4
Communication Expenses	11.3	12.5
Travelling & Conveyance Expenses	95.5	80.4
Insurance Expenses	48.1	38.7
Loss on sale of fixed Assets	-	2.2
Corporate Social Responsibility expenses	213.1	122.1
Miscellaneous Expenses	47.8	34.7
Total	**1,458.3**	**1,196.3**

39 Income Tax

	For the twelve months ended 30th September, 2024 (₹ in Million)	For the twelve months ended 30th September, 2023 (₹ in Million)
Current Tax	1,340.2	2,058.8
Deferred Tax	(34.3)	20.7
Total	**1,305.9**	**2,079.5**

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40 Contingent liabilities and commitments :

(₹ in Million)

	As at 30th September, 2024	As at 30th September, 2023
(i) Contingent liabilities :		
a) Related to Direct tax & Indirect tax	1.4	1.4
b) Claim raised during the year by the MSETCL towards additional capital cost for the assets constructed in earlier years	313.1	313.1
	314.5	**314.5**

Notes:

1. Amounts in respect of employee related claims/disputes, consumer related litigation, regulatory matters is not ascertainable.
2. Future cash flows in respect of above matters are determinable only on receipt of judgements/decisions pending at various forums / authorities.
3. The above amounts are recoverable from the customer as part of the truing up exercise.

(₹ in Million)

(ii) Commitments :	As at 30th September, 2024	As at 30th September, 2023
a) Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of capital advance):	202.2	210.5
	202.2	**210.5**

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41 Related party disclosures :

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

> Ultimate Controlling Entity	S. B. Adani Family Trust (SBAFT)
> Holding Entity	Adani Energy Solutions Limited (formerly known as Adani Transmission Limited)
> Intermediate Holding Entity	Adani Transmission Step-One Limited
> Subsidiary Companies	Sipat Transmission Limited
	Raipur – Rajnandgaon – Warora Transmission Limited
	Chhattisgarh – WR Transmission Limited
	Adani Transmission (Rajasthan) Limited
	North Karanpura Transco Limited
	Maru Transmission Service Company Limited
	Aravali Transmission Service Company Limited
	Hadoti Power Transmission Service Limited.
	Barmer Power Transmission Service Limited.
	Thar Power Transmission Service Limited.
	Western Transco Power Limited.
	Western Transmission (Gujarat) Limited.
	Fatehgarh-Bhadla Transmission Limited.
	Ghatampur Transmission Limited
	Adani Electricity Mumbai Limited
	AEML Infrastructure Limited
	OBRA-C Badaun Transmission Limited
	Adani Transmission Bikaner Sikar Private Limited (Formerly known as 'KEC Bikaner Sikar Transmission Private Limited')
	Bikaner Khetri Transco Limited
	WRSS XXI(A) Transco Limited
	Arasan Infra Private Limited
	Sunrays Infra Space Private Limited
	Lakadia Banaskantha Transco Limited
	Jam Khambaliya Transco Limited
	Power Distribution Service Limited (Formerly known as 'Adani Electricity Mumbai Services Limited')
	Adani Electricity Mumbai Infra Limited
	Kharghar Vikhroli Transmission Private Limited
	Alipurduar Transmission Limited
	AEML Seepz Limited
	Warora - Kurnool Transmission Limited
	ATL HVDC Limited
	MP Power Transmission Package-II LTD (w.e.f 1st Novemeber, 2021)
	MPSEZ Utility Limited ((w.e.f. 15th December, 2021)
	Karur Transmission Limited (w.e.f. 18th January, 2022)
	Khavda-Bhuj Transmission Limited (w.e.f. 18th January, 2022)
	Adani Transmission Step-Two Limited (w.e.f. 2nd August, 2022)
	Adani Electricity Jewar Limited (w.e.f. 12th September, 2022)
	Adani Cooling Solutions Limited (w.e.f. 13th December, 2022)
	Best Smart Metering Limited (w.e.f. 27th December, 2022)
	Adani Transmission Step-Three Limited (w.e.f. 12th January, 2023)
	Adani Transmission Step-Four Limited (w.e.f. 12th January, 2023)
	Adani Transmission Step-Five Limited (w.e.f. 11th January, 2023)
	Adani Transmission Step- Six Limited (w.e.f. 13th January, 2023)
	Adani Transmission Step-Seven Limited (w.e.f. 12th January, 2023)
	Adani Transmission Step-Eight Limited (w.e.f. 12th January, 2023)
	NE Smart Metering Limited (w.e.f. 16th January, 2023)
	WRSR Power Transmission Ltd
	Khavda II-A Transmission Limited
	Adani Electricity Aurangabad Limited (w.e.f. 15th March, 2023)
	Adani Electricity Nashik Limited (w.e.f. 16th January, 2023)
	KPS1 Transmission Limited (w.e.f 16th September, 2023)
	Sangod Transmission Service Limited (w.e.f 5th October, 2023)
	Halvad Transmission Limited (w.e.f 27th December, 2023)
	Sunrays Infra Space Two Limited (w.e.f 19th January, 2024)
	Arasan Infra Two Limited (w.e.f 20th January, 2024)
	Adani Energy Solutions Step-Twelve Limited (w.e.f 25th January, 2024)
	Adani Energy Solutions Step-Thirteen Limited (w.e.f 13th February, 2024)
	Pointleap Projects Private Limited (w.e.f 3rd May, 2024)
	Gopalaya Build Estate Private Limited (w.e.f 11th June, 2024)
	Khavda IVA Power Transmission Limited (w.e.f 30th August, 2024)
> Key Managerial Personnel (KMP)	Mr. Gautam S. Adani, Chairman
	Mr. Rajesh S. Adani, Director
	Mr. Anil Sardana, Managing Director
	Mr. K. Jairaj - Non Executive Director
	Dr. Ravindra H. Dholakia - Non Executive Director
	Ms. Meera Shankar - Non Executive Director
	Ms. Lisa Caroline Maccallum - Non Executive Director
	Mr. Kandrap Patel, Chief Executive Officer
	Mr. Kunjal Mehta, Chief Financial Officer
	Mr. Jaladhi Shukla, Company Secretary
> Entities over which ultimate controlling entity or KMP above have control or significant influence (with whom transactions are done)	Adani Infra (India) Limited
	Belvedere Golf and Country Club Private Limited
	Adani Total Gas Limited
	Adani Foundation
	Adani Enterprises Limited
	Adani Infrastructure Management Services Limited
	Mundra Solar PV Limited
	Adani Power (Mundra) Limited
	Adani Power Limited
	Adani Ports and Special Economic Zone Limited
	Adani Green Energy Limited
	Adani Wind Energy Kutchh One Limited (Formerly known as Adani Green Energy (MP) Limited)
	Adani Power (Jharkhand) Limited
	Adani Renewable Energy Park Rajasthan Limited
	Adani Krishnapatnam Port Ltd
	Adani Airport Holdings Limited
	Adani Ahmedabad International Airport Limited
	Adani Renewable Energy (RJ) Limited

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

(A) Transaction with Related parties

Name of transactions	Name of Related party	For the period ended 30th September, 2024	For the period ended 30th September, 2023
CCD Issued	Adani Energy Solutions Limited (Formerly known as Adani Transmission Limited)	8,400.0	-
CSR Expense	Adani Foundation	164.4	46.9
Interest expense	Adani Energy Solutions Limited (Formerly known as Adani Transmission Limited)	499.2	160.6
	Adani Transmission Step-One Limited	2,533.0	-
Interest income	Adani Energy Solutions Limited (Formerly known as Adani Transmission Limited)	1,785.7	483.7
	Adani Transmission (India) Limited	549.9	-
	Maharashtra Eastern Grid Power Transmission Company Limited	1,983.1	-
Loan Given	Adani Energy Solutions Limited (Formerly known as Adani Transmission Limited)	28,948.9	25,115.2
Loan Given received back	Adani Energy Solutions Limited (Formerly known as Adani Transmission Limited)	10,764.7	11,176.3
Loan Taken	Adani Energy Solutions Limited (Formerly known as Adani Transmission Limited)	21,838.2	16,096.7
Loan Taken paid back	Adani Energy Solutions Limited (Formerly known as Adani Transmission Limited)	19,466.2	10,309.7
	Adani Transmission Step-One Limited	48.4	-
Optionally Convertible Redeemable Preference Shares	Adani Transmission Step-One Limited	12,000.0	-
Professional and Consultancy Fees	Adani Enterprises Limited	23.9	176.6
Electricity Expense	Adani Ports and Special Economic Zone Limited	-	0.0
Rent Expense	Adani Ports and Special Economic Zone Limited	17.8	56.7
Receiving of Services	Adani Power Limited	0.8	3.4
	Adani Enterprises Limited	73.4	-
	Adani Total Gas Limited	0.0	-
	Belvedere Golf and Country Club Private Limited	0.5	3.1
	Maru Transmission Service Company Limited	-	0.1
	Adani University	0.1	-
	Raipur-Rajnandgaon-Warora Transmission Limited	0.1	0.1
	Adani Energy Solutions Limited (Formerly known as Adani Transmission Limited)	10.4	8.5
O&M Charges	Adani Infrastructure Management Services Limited	168.4	381.1
Purchase of Inventory	Adani Energy Solutions Limited (Formerly known as Adani Transmission Limited)	5,721.0	290.5
	Adani Green Energy (UP) Limited	0.7	0.5
	Adani Transmission Step-Three Limited	605.4	-
Sale of Inventory	Lakadia Banaskantha Transco Limited	0.0	-
	Raipur-Rajnandgaon-Warora Transmission Limited	0.0	-
	Sipat Transmission Limited	0.0	-
	ATL HVDC Limited	1,441.5	-
	Adani Energy Solutions Limited	254.5	415.3
	Adani Transmission Step-Two Limited	573.2	-
	Adani Transmission Step-Three Limited	432.8	-
Director Sitting Fees	Director Sitting Fees	0.1	1.2

* Subsidiaries other than included in obligor group
- All above transactions are in normal course of business and are made on terms equivalent to those that prevail arm's length transactions.

Notes:
1. Interest on Loan given to Subsidiary Companies and Entity under Common Control.
2. Financial support to Subsidiary Companies primarily for Green field Growth Project.

(B) Balances with Related parties (₹ in Million)

Name of transactions	Name of Related party	For the period ended 30th September, 2024	For the period ended 30th September, 2023
Interest Accrued due receivable	Adani Energy Solutions Limited	956.0	196.4
Interest Accrued but not due	Adani Energy Solutions Limited	275.8	193.5
Loan Given	Adani Energy Solutions Limited	34,406.2	15,713.3
Loan taken	Adani Energy Solutions Limited	6,873.4	4,973.0
Accounts Payable	Adani Enterprises Limited	40.6	406.4
	MPSEZ Utilities Limited	0.2	0.7
	Adani Infrastructure Management Services Limited	283.6	772.3
	OBRA-C Badaun Transmission Limited	0.5	0.9
	Lakadia Banaskantha Transco Limited	1.0	1.1
	Jam Khambaliya Transco Limited	0.2	0.6
	Warora Kurnool Transmission Limited	1.9	3.2
	Adani Green Energy Limited	2.5	1.1
	Adani Green Energy (UP) Limited	-	0.6
	Adani Airport Holdings Limited	-	0.5
	Adani Energy Solutions Limited	44.3	517.6
	Adani Krishnapatnam Port Limited	-	0.1
	Sipat Transmission Limited	0.0	-
	Raipur-Rajnandgaon-Warora Transmission Limited	1.1	1.3
	Chhattisgarh-WR Transmission Limited	0.0	0.0
	North Karanpura Transco Limited	0.5	0.5
	Maru Transmission Service Company Limited	0.0	0.3
	Aravali Transmission Service Company Limited	1.2	1.1
	Ghatampur Transmission Limited	0.2	0.2
	Barmer Power Transmission Service Limited	1.2	1.3
	Thar Power Transmission Service Limited	0.1	0.1
	Western Transco Power Limited	7.9	7.9
	Western Transmission (Gujarat) Limited	0.4	0.4
	Adani Infra (India) Limited	0.0	-
	Adani Power Limited	1.3	1.5
	Mundra Solar PV Limited	8.5	8.5
	Mumbai International Airport Limited	0.4	0.4
	Wrsr Power Transmission Limited	0.1	-
	WRSS XXI (A) Transco Limited	-	0.0
	MP Power Transmission Package-II Limited	-	0.9
	Alipurduar Transmission Limited	-	0.0
	Bikaner-Khetri Transmission Limited	-	0.1
	Adani Ports and Special Economic Zone Limited	12.2	69.3
	Adani Electricity Mumbai Infra Limited	23.5	-

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Compulsory Convertible Debenture	Adani Energy Solutions Limited	33,400.0	25,000.0
Accounts Receivable	Adani Enterprises Limited	3.1	-
	WRSS XXI (A) Transco Limited	0.0	-
	MP Power Transmission Package-II Limited	0.4	0.6
	Raipur-Rajnandgaon-Warora Transmission Limited	-	0.1
	Adani Power Limited	-	2.9
	ATL HVDC LIMITED	14.6	0.9
	Alipurduar Transmission Limited	0.1	-
	Bikaner-Khetri Transmission Limited	0.2	0.4
	Lakadia Banaskantha Transco Limited	0.1	0.1
	Jam Khambaliya Transco Limited	0.9	0.9
	Adani Energy Solutions Limited	117.4	9.6
	MPSEZ Utilities Limited	-	0.5
	Adani Vizhinjam Port Private Limited	-	0.3
	Sipat Transmission Limited	0.0	0.1
	Chhattisgarh-WR Transmission Limited	0.1	0.1
	Adani New Industries Limited	-	0.3
	North Karanpura Transco Limited	0.4	0.5
	Maru Transmission Service Company Limited	0.9	1.1
	Fatehgarh-Bhadla Transmission Limited	0.4	0.4
	Barmer Power Transmission Service Limited	-	0.2
	Hadoti Power Transmission Service Limited	0.1	0.1
	Western Transco Power Limited	0.0	0.0
	Adani Infra (India) Limited	0.0	-
	Adani Transmission Step-Two Limited	1.1	-
	Adani Transmission Step-Three Limited	2.1	-
	Adani Ports and Special Economic Zone Limited	1.5	-
	Adani Wind Energy Kutchh One Limited	0.0	-
	Adani Green Energy Limited	-	0.4
	Ahmedabad International Airport Limited	0.5	0.5
	Warora Kurnool Transmission Limited	-	0.0
	Mundra Petrochem Limited	-	0.0
Corporate Guarantee	Adani Energy Solutions Limited	62,936.4	71,780.2

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42 Fair Value measurement:

The carrying value of financial instruments by categories as on 30th September, 2024 is as follows:

(₹ in Million)

Particulars	Fair Value through other Comprehensive Income	Fair Value through profit or loss	Amortised cost	Total Carrying Value in Books	Fair Value
Financial Assets					
Investments in Government Securities	-	-	901.9	901.9	901.9
Investments in Treasury Bill	-	-	330.9	330.9	330.9
Trade Receivables	-	-	11,241.3	11,241.3	11,241.3
Cash and Cash Equivalents	-	-	577.0	577.0	577.0
Other Bank balances	-	-	0.4	0.4	0.4
Loans	-	-	34,409.3	34,409.3	34,409.3
Derivatives instruments	(1,878.8)	6,615.4	-	4,736.6	4,736.5
Other Financial Assets	-	-	3,042.0	3,042.0	3,042.0
Total	**(1,878.8)**	**6,615.4**	**50,502.8**	**55,239.3**	**55,239.2**
Financial Liabilities					
Borrowings	-	-	84,353.8	84,353.8	72,856.0
Trade Payables	-	-	630.1	630.1	630.1
Other Financial Liabilities	-	-	2,701.7	2,701.7	2,701.7
Total	**-**	**-**	**87,685.6**	**87,685.6**	**76,187.8**

The carrying value of financial instruments by categories as on 30th September, 2023 is as follows:

(₹ in Million)

Particulars	Fair Value through other Comprehensive Income	Fair Value through profit or loss	Amortised cost	Total Carrying Value in Books	Fair Value
Financial Assets					
Investments in Government Securities	-	-	791.9	791.9	791.9
Investments in Treasury Bill	-	-	274.0	274.0	274.0
Trade Receivables	-	-	4,764.9	4,764.9	4,764.9
Cash and Cash Equivalents	-	-	9.1	9.1	9.1
Other Bank balances	-	-	0.4	0.4	0.4
Loans	-	-	15,718.1	15,718.1	15,718.1
Derivatives instruments	(4,015.1)	6,811.8	-	2,796.7	2,796.7
Other Financial Assets	-	-	15,499.8	15,499.8	15,499.8
Total	**(4,015.1)**	**6,811.8**	**37,058.0**	**39,854.7**	**39,854.7**
Financial Liabilities					
Borrowings	-	-	85,614.9	85,614.9	68,917.6
Trade Payables	-	-	1,663.9	1,663.9	1,663.9
Derivatives instruments	6.1	225.6	-	231.7	231.7
Other Financial Liabilities	-	-	2,441.1	2,441.1	2,441.1
Total	**6.1**	**225.6**	**89,719.9**	**89,951.7**	**73,254.2**

Notes:

- Above excludes carrying value of equity nature Investments in subsidiaries accounted at cost in accordance with Ind AS 27.
- The management assessed that the fair value of cash and cash equivalents, other balance with banks, trade receivables, loans, trade payables, other financial assets and liability approximate their carrying amount largely due to the short term maturities of these instruments.
- The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties. The following methods and assumptions were used to estimate the fair values.
- The fair value of loans from banks and other financial liabilities, as well as other non-current financial liabilities is estimated by discounting future cash flow using rates currently available for debt on similar terms, credit risk and remaining maturities.
- Fair value of mutual funds and Government Securities are based on the price quotations near the reporting date.
- 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.

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Adani Energy Solutions Limited

43 Fair Value hierarchy

(₹ in Million)

Particulars	As at 30th September, 2024		As at 30th September, 2023	
	Level 1	Level 2	Level 1	Level 2
Assets measured at fair value				
Investments in unquoted Mutual Funds measured at FVTPL	-	330.9	-	274.0
Investment in Government Securities	901.9	-	791.9	-
Assets measured at amortised cost				
Loans	-	34,409.3	-	15,718.1
Derivative Instruments designated in hedge accounting relationship				
Derivative Instruments	-	4,736.6	-	2,796.7
Total	**901.9**	**39,476.7**	**791.9**	**18,788.8**
Liabilities for which fair values are disclosed				
Borrowings (Including Interest Accrued)	67,659.7	5,196.2	61,948.1	6,969.5
Derivative Instruments designated in hedge accounting relationship				
Derivative Instruments	-	-	-	231.7
Total	**67659.7**	**5,196.2**	**61,948.1**	**7,201.1**

- The fair value of Investments in Subsidiaries has been determined using Discounted Cash Flow Method.
- The fair value of Loans given is equivalent to amortised cost.
- The fair value of Derivative instruments is derived using valuation techniques which include forward pricing and swap models using present value calculations.

- The Borrowing includes USD bonds which are listed in Singapore Stock Exchange. The fair value of Bonds have been determined based on the prevailing market rate as on the reporting date. The fair value of rest of the borrowings is equivalent to carrying value.
- Fair value of mutual funds are based on the price quotations near the reporting date.
- Fair value of Investment in Government securities are based on the price quotations of the reporting date.

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Chartered Accountants

Adani Energy Solutions Limited

44 Financial Instruments and Risk Overview

a) Capital Management

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

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

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

(₹ in Million)

Particulars	Refer Note	As at 30th September, 2024	As at 30th September, 2023
Total Borrowings	23 & 26	84,353.8	85,614.9
Less: Cash and bank balances	15 & 16	577.4	9.5
Less : Current Investments	13	330.9	274.0
Net Debt (A)		**83,445.5**	**85,331.4**
Equity Share Capital & Other Equity	20 & 22	(10,830.3)	(14,701.8)
Instrument Entirely Equity in Nature	21	33,400.0	25,000.0
Total Equity (B)		**22,569.7**	**10,298.2**
Total Equity and Net Debt C=(A+B)		**1,06,015.2**	**95,629.5**
Gearing Ratio (A)/(C)		**0.79**	**0.89**

No changes were made in the objectives, policies or processes for managing capital during the period ended as at 30th September, 2024 and as at 30th September, 2023.

b) Financial Risk Management Objectives

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

In the ordinary course of business, the Obligor Group is mainly exposed to risks resulting from exchange rate fluctuation (currency risk), interest rate movements (interest rate risk) collectively referred as Market Risk, Credit Risk, Liquidity Risk and other price risks such as equity price risk. The Obligor Group's senior management oversees the management of these risks. It manages its exposure to these risks through derivative financial instruments by hedging transactions. It uses derivative instruments such as Principal only Swaps, Interest rate swaps, foreign currency future options and foreign currency forward contract to manage these risks. These derivative instruments reduce the impact of both favourable and unfavourable fluctuations.
The Obligor Group's risk management activities are subject to the management, direction and control of Central Treasury Team of the Obligor Group under the framework of Risk Management Policy for Currency and Interest rate risk as approved by the Board of Directors of the Obligor Group. The Group's central treasury team ensures appropriate financial risk governance framework for the Obligor Group through appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Obligor Group's policies and risk objectives. It is the Obligor Group's policy that no trading in derivatives for speculative purposes may be undertaken.

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

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

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and foreign currency risk.

1) Interest rate sensitivity

The sensitivity analysis below have been determined based on the exposure to interest rates at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease represents management's assessment of the reasonably possible change in interest rates.
If interest rates has been 50 basis points higher / lower and all other variables were held constant, the Obligor Group's profit for the period ended 30th September, 2024 would decrease / increase by ₹ 22.16 Million. This is mainly attributable to interest rates on variable rate borrowings.

2) Foreign currency risk

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

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

Nature	Purpose	As at 30th September, 2024		As at 30th September, 2023	
		Foreign Currency (USD in Million)	(₹ in Million)	Foreign Currency (USD in Million)	(₹ in Million)
i) Principal only swaps	Hedging of foreign currency bond principal liability	320.0	26,815.2	320.0	26,642.0
ii) Full Currency Swap	Hedging of foreign currency bond principal & Interest liability	557.5	46,717.1	587.5	48,912.0
iii) Forward covers	Hedging of foreign currency bond Interest liability	36.0	3,016.7	12.8	1,066.0

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

Nature	As at 30th September, 2024		As at 30th September, 2023	
	Foreign Currency (In Million)	(₹ in Million)	Foreign Currency (In Million)	(₹ in Million)
Creditors	USD 0.00	0.0	USD 0.03	2.2
Creditors	EURO 0.09	8.7	EURO 0.03	2.7

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

(₹ in Million)

Particulars	As at 30th September, 2024		As at 30th September, 2023	
	1% Increase	1% Decrease	1% Increase	1% Decrease
Risk Sensitivity				
Rupee / USD - (Increase) / Decrease	(0.0)	0.0	(0.0)	0.0
Rupee / EURO - (Increase) / Decrease	(0.1)	0.1	(0.0)	0.0

Derivative Financial Instrument

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

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

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

The Obligor Group enters into derivative financial instruments, such as forward currency contracts, cross currency swaps, options, interest rate futures and interest rate swaps for hedging the liabilities incurred/recorded and accounts for them as cash flow hedges and states them at fair value. The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss. Amounts recognised in OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs. These hedges have been effective for the period ended September 30, 2024.

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

(₹ in Million)

Derivative Financials Instruments	As at 30th September, 2024		As at 30th September, 2023	
	Assets	Liabilities	Assets	Liabilities
Cash flow hedge				
-Forward	2.3	-	4.3	-
-Principal Only Swaps & FCS	4,734.2	-	2,792.4	231.7
Total	**4,736.5**	**-**	**2,796.7**	**231.7**

Credit risk

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

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Adani Energy Solutions Limited

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

Liquidity risk

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

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

(₹ in Million)

As at 30th September, 2024	Less than 1 year	1-5 years	Over 5 Years	Total
Borrowings *#	6,869.1	67,686.3	26,399.1	1,00,954.5
Trade Payables	630.1	-	-	630.1
Other Financial Liabilities **	2,701.7	-	-	2,701.7

(₹ in Million)

As at 30th September, 2023	Less than 1 year	1-5 years	Over 5 Years	Total
Borrowings *#	5,691.4	55,489.3	22,355.7	83,536.4
Trade Payables	1,663.9	-	-	1,663.9
Derivatives Liabilities	231.7	-	-	231.7
Other Financial Liabilities **	2,646.6	-	-	2,646.6

* Includes Non-current borrowings, current borrowings, committed interest payments on borrowings.

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

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

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Adani Energy Solutions Limited

45 Segment information:-Operating Segments

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

i) Transmission

ii) Trading

The CODM evaluates the Obligor group's performance and allocates resources based on an analysis of various performance indicators by operating segments. The CODM reviews revenue and gross profit at the performance indicator for all of the operating segments.

The measurement of each segment's revenues, expenses and assets is consistent with the accounting policies that are used in preparation of the financial statements. Segment profit represents the profit before interest and tax.

Information regarding the Obligor Group's reportable segments is presented below:

(₹ in Million)

	Transmission	Trading	Total
1. Revenue			
External Sales	**16,538.7**	**9,301.8**	**25,840.5**
	21,840.4	*1,457.9*	*23,298.4*
Total Revenue	**16,538.7**	**9,301.8**	**25,840.5**
	21,840.4	*1,457.9*	*23,298.4*
2. Results			
Segment Results	**8,497.2**	**9.5**	**8,506.7**
	13,805.7	1.1	*13,806.8*
Unallocated			**2,124.8**
			951.0
Operating Profit			**10,631.5**
			14,757.9
Less: Finance Expense			**7,097.5**
			7,301.0
Profit Before Tax and Deferred Assets Recoverable/Adjustable			**3,534.0**
			7,456.8
Current Taxes			**1,340.2**
			2,058.8
Deferred Tax			**(34.3)**
			20.7
Total Tax			**1,305.9**
			2,079.5
Profit after tax and before deferred assets recoverable/adjustable			**2,228.1**
			5,377.3
Deferred Assets (Recoverable)/Adjustable			**(34.3)**
			20.7
Less: Minority Interest			-
			-
Net profit			**2,193.8**
			5,397.9
3. Other Information			
Segment Assets	**1,16,364.1**	-	**1,16,364.1**
	1,94,509.3		1,94,509.3
Unallocated	**4,047.1**	-	**4,047.1**
	10,731.8		10,731.8
Total Assets	**1,20,411.2**	-	**1,20,411.2**
	2,05,241.1	-	2,05,241.1
Segment Liabilities	**8,975.9**	-	**8,975.9**
	10,733.4		*10,733.4*
Unallocated Corporate Liabilities	**88,865.7**	-	**88,865.7**
	99,816.2	-	*99,816.2*
Total liabilities	**97,841.5**	-	**97,841.5**
	1,00,225.8	-	*1,00,225.8*
Depreciation	**5,690.9**	-	**5,690.9**
	5,751.1	-	*5,751.1*

Previous figures are given in italics

DHARMESH PARIKH & CO LLP FRN 112054W/ W100725

Adani Energy Solutions Limited

Note 1: The business operations of the Obligor Group are entirely based in India accordingly the entity has no separate geographical to disclose.

Note 2: Revenue from power distribution companies for allocation of Transmission capacity with which Obligor Group has entered into Transmission Service Agreement accounts for more than 10% of Total Revenue.

46 Other Disclosures

(i) The obligor Group evaluates events and transactions that occur subsequent to the balance sheet date but prior to the approval of consolidated financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the consolidated financial statements. As of 13th November, 2024 there are no subsequent events to be recognized or reported that are not already disclosed.

(ii) The Special Purpose Combined Financial Statements for the year ended 30th September, 2024 have been approved by the Management Committee of Adani Energy Solutions Limited (the holding entity) on 13th November, 2024.

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

Chirag J Shah

CHIRAG SHAH
Partner
Membership No. 122510

DHARMESH PARIKH & CO LLP
FRN 112054W/ W100725
Chartered Accountants

Place : Ahmedabad
Date : 13th November, 2024

For ADANI ENERGY SOLUTIONS LIMITED

ANIL SARDANA
Managing Director
DIN 00006867

KUNJAL MEHTA
Chief Financial Officer

JALADHI SHUKLA
Company secretary

Adani Energy Solutions Limited

Place : Ahmedabad
Date : 13th November, 2024

INDEPENDENT AUDITOR'S REPORT ON SPECIAL PURPOSE COMBINED FINANCIAL STATEMENTS

The Board of Directors
Adani Energy Solutions Limited
Ahmedabad.

Report on the Audit of the Special Purpose Combined Financial Statements for the six months ended 30th September 2024.

Opinion

We have audited the accompanying special purpose combined financial statements of **Adani Transmission Step-One Limited, Adani Transmission (India) Limited** and **Maharashtra Eastern Grid Power Transmission Company Limited** (collectively, the "Obligor Group") as described in note [1] of the special purpose combined financial statements, which comprise the Combined Balance Sheets as at September 30, 2024, the Combined Statement of Profit and Loss [including other comprehensive Income/(Loss)], the Combined Statement of Changes in Equity and the Combined Statement of Cash Flows for the six months ended September 30, 2024 and notes to the special purpose combined financial statements, including a summary of significant accounting policies and other explanatory information (collectively, the "Special Purpose Combined Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Special Purpose Combined Financial Statements is prepared, in all material respects, in accordance with the basis set out in note [2.2] to the Special Purpose Combined Financial Statements.

Basis for Opinion

We conducted our audit of the Special Purpose Combined Financial Statements in accordance with the Standards on Auditing (SAs) and other pronouncements issued by the Institute of Chartered Accountants of India (ICAI). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Special Purpose Combined Financial Statements section of our report. We are independent of the Obligor Group in accordance with the Code of Ethics issued by the ICAI together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 (the "Act") and the Rules made thereunder, and we have fulfilled our other responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a reasonable basis for our opinion on the Special Purpose Combined Financial Statements.

Emphasis of Matter - Basis of Accounting and Restriction on Use

We draw attention to note [2.1] to the Special Purpose Combined Financial Statements, which describes the purpose and basis of preparation. The Special Purpose Combined Financial Statements have been prepared for the purpose of Lenders requirements in relation to already issued USD denominated Notes by the Obligor Group. As a result, the Special Purpose Combined Financial Statements may not be suitable for another purpose.

Our opinion is not modified in respect of this matter.

DHARMESH PARIKH & CO LLP
FRN 112054W/W100725
Chartered Accountants

INDEPENDENT AUDITOR'S REPORT ON SPECIAL PURPOSE COMBINED FINANCIAL STATEMENTS (Continued)

Management's Responsibility for the Special Purpose Combined Financial Statements

The Board of Directors of the Obligor Group are responsible for the preparation and presentation of these Special Purpose Combined Financial Statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Obligor Group in accordance with the basis stated in Note [2.1] to the Special Purpose Combined Financial Statements for the purpose set out in "Emphasis of Matter- Basis of Accounting and Restriction on Distribution and Use" paragraph above.

The respective Board of Directors of the companies included in the Obligor Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Obligor Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Special Purpose Combined Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Special Purpose Combined Financial Statements by the Directors of the Obligor Group, as aforesaid.

In preparing the Special Purpose Combined Financial Statements, Directors of the Obligor Group are responsible for assessing the Obligor Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Obligor Group or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of the Obligor Group are also responsible for overseeing the Obligor Group's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the Special Purpose Combined Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs and other pronouncements issued by ICAI will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Special Purpose Combined Financial Statements.

DHARMESH PARIKH & CO LLP
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W100725
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INDEPENDENT AUDITOR'S REPORT ON SPECIAL PURPOSE COMBINED FINANCIAL STATEMENTS (Continued)

As part of an audit in accordance with SAs and other pronouncements issued by ICAI, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

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

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for expressing an opinion on the effectiveness of the Obligor Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Obligor Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Special Purpose Combined Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Obligor Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Special Purpose Combined Financial Statements, including the disclosures, and whether the Special Purpose Combined Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

DHARMESH PARIKH & CO LLP
FRN 112054W/W100725
Chartered Accountants

INDEPENDENT AUDITOR'S REPORT ON SPECIAL PURPOSE COMBINED FINANCIAL STATEMENTS (Continued)

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings that we identify during our audit.

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

Place : Ahmedabad
Date : **13.11.2024**

For, **Dharmesh Parikh & Co LLP**
Chartered Accountants
FRN: 112054W/W100725

DHARMESH PARIKH & CO LLP
FRN
112054W/
W100725
Chartered Accountants

Chirag J Shah

(CA. CHIRAG SHAH)
Partner
Membership No. 122510.
UDIN - 24122510BKATHI5768

Obligor Group

adani
Energy Solutions

Special Purpose Combined Balance Sheet as at 30th September, 2024

Particulars	Notes	As at 30th September, 2024 (₹ in Million)	As at 30th September, 2023 (₹ in Million)
ASSETS			
Non-current Assets			
Property, Plant and Equipment	6.1	51,333.9	56,792.9
Capital Work-In-Progress	6.2	148.1	410.0
Right of Use Assets (Net)		41.5	62.3
Goodwill		3,139.0	3,139.0
Other Intangible Assets	6.3	51.5	48.5
Financial Assets			
(i) Investments	7	901.9	791.9
(ii) Loans	8	34,406.3	15,713.3
(iii) Other Financial Assets	9	7,734.4	9,585.2
Income Tax Assets (Net)	10	47.4	64.1
Other Non-current Assets	11	9,500.5	9,441.4
Total Non-current Assets		**1,07,304.5**	**96,048.6**
Current Assets			
Inventories	12	548.9	411.3
Financial Assets			
(i) Investments	13	330.9	274.0
(ii) Trade Receivables	14	11,241.3	13,433.0
(iii) Cash and Cash Equivalents	15	577.0	9.1
(iv) Bank balances other than (iii) above	16	0.4	0.4
(v) Loans	17	3.1	4.8
(vi) Other Financial Assets	18	44.1	43.2
Other Current Assets	19	361.0	299.6
Total Current Assets		**13,106.7**	**14,475.4**
Total Assets		**1,20,411.2**	**1,10,524.0**
EQUITY AND LIABILITIES			
Equity			
Share Capital	20	0.1	0.1
Instrument Entirely Equity in Nature	21	33,400.0	25,000.0
Other Equity	22	(10,830.4)	(14,701.9)
Total Equity		**22,569.7**	**10,298.2**
Liabilities			
Non-current Liabilities			
Financial Liabilities			
(i) Borrowings	23	77,432.7	77,241.5
(ii) Other Financial Liabilities	24	275.8	419.1
Provisions	25	279.6	364.8
Deferred Tax Liabilities (Net)	26	9,393.0	9,427.3
Total Non-current Liabilities		**87,381.1**	**87,452.7**
Current Liabilities			
Financial Liabilities			
(i) Borrowings	27	6,921.1	8,373.4
(ii) Trade Payables			
- Total outstanding dues of micro enterprises and small enterprises;	28	6.6	9.3
-Total outstanding dues of creditors other than micro enterprises and small enterprises		623.5	1,654.6
(iii) Other Financial Liabilities	29	2,425.9	2,253.7
Other Current Liabilities	30	397.6	374.1
Provisions	25	54.5	43.9
Current Tax liabilities (Net)	31	31.2	64.1
Total Current Liabilities		**10,460.4**	**12,773.1**
Total Equity and Liabilities		**1,20,411.2**	**1,10,524.0**

Summary of material accounting policies information 3

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

As per our attached report of even date
For Dharmesh Parikh & Co. LLP
Chartered Accountants
Firm Registration Number : 112054W/W100725

Chirag J Shah

CHIRAG SHAH
Partner
Membership No. 122510

DHARMESH PARIKH & CO LLP FRN 112054W/ W100725 Chartered Accountants

Place : Ahmedabad
Date : 13th November, 2024

For and on behalf of the board of directors of
ADANI ENERGY SOLUTIONS LIMITED
(Formerly known as Adani Transmission Limited)

ANIL SARDANA
Managing Director
DIN 00006867

KUNJAL MEHTA
Chief Financial Officer

JALADHI SHUKLA
Company secretary

Adani Energy Solutions Limited

Place : Ahmedabad
Date : 13th November, 2024

Obligor Group

Special Purpose Combined Statement of Profit and Loss For the six months ended 30th September, 2024

adani
Energy Solutions

Particulars	Notes	For the six months ended 30th September, 2024 (₹ in Million)	For the six months ended 30th September, 2023 (₹ in Million)
Income			
Revenue from Operations			
(i) From Transmission Business	32	8,093.7	8,509.1
(ii) From Trading Business	33	6,172.9	576.9
Other Income	34	1,178.9	458.4
Total Income		**15,445.5**	**9,544.4**
Expenses			
Purchase of Stock-in-Trade	35	6,164.0	576.8
Employee Benefits Expense	36	487.5	617.8
Finance Costs	37	3,538.9	3,596.5
Depreciation and Amortisation Expense	6.1 & 6.3	2,806.5	2,880.1
Other Expenses	38	593.2	547.2
Total Expenses		**13,590.1**	**8,218.4**
Profit Before Tax and before deferred assets recoverable /adjustable for the period		**1,855.4**	**1,326.0**
Tax Expense:	39		
Current Tax		667.4	613.0
Deferred Tax		(11.5)	(15.3)
Total Tax Expenses		**655.9**	**597.7**
Profit After Tax and before deferred assets recoverable /adjustable for the period		**1,199.4**	**728.3**
Deferred assets recoverable / adjustable		(11.5)	(15.3)
Profit After Tax for the period		**1,188.0**	**713.0**
Other Comprehensive Income/(Loss)			
(a) Items that will not be reclassified to Profit or Loss			
- Remeasurement of Defined Benefit Plans		4.2	(52.6)
(b) Tax relating to items that will not be reclassified to Profit or Loss		(1.1)	7.6
(c) Items that will be reclassified to profit or loss			
- Effective portion of gains and losses on designated portion of hedging instruments in a cash flow hedge		1,385.5	(1,003.1)
(d) Tax relating to items that will be reclassified to Profit or Loss		-	-
Total Other Comprehensive Income (Net of Tax) for the period		**1,388.6**	**(1,048.1)**
Total Comprehensive Income		**2,576.5**	**(335.1)**
Profit for the period attributable to			
Owners of the Company		1,188.0	713.0
Non-controlling interests		-	-
		1,188.0	**713.0**
Other Comprehensive Income for the period attributable to:			
Owners of the Company		1,388.6	(1,048.1)
Non-controlling interests		-	-
		1,388.6	**(1,048.1)**
Total Comprehensive Income for the period attributable to			
Owners of the Company		2,576.5	(335.1)
Non-controlling interests		-	-
		2,576.5	**(335.1)**
Summary of material accounting policies information	3		

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

As per our attached report of even date

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

Chirag J Shah

CHIRAG SHAH
Partner
Membership No. 122510

DHARMESH PARIKH & CO LLP FRN 112054W/ W100725 Chartered Accountants

Place : Ahmedabad
Date : 13th November, 2024

For and on behalf of the board of directors of
ADANI ENERGY SOLUTIONS LIMITED
(Formerly known as Adani Transmission Limited)

ANIL SARDANA
Managing Director
DIN 00006867

KUNJAL MEHTA
Chief Financial Officer

JALADHI SHUKLA
Company secretary

Adani Energy Solutions Limited

Place : Ahmedabad
Date : 13th November, 2024

adani
Energy Solutions

	Particulars	For the six months ended 30th September, 2024 (₹ in Million)	For the six months ended 30th September, 2023 (₹ in Million)
A.	**Cash flows from operating activities**		
	Profit before tax	1,855.4	1,326.0
	Adjustments for:		
	Depreciation and Amortisation Expense	2,806.5	2,880.1
	Finance Costs	3,538.9	3,596.5
	Unclaimed Liabilities / Excess provision written back	-	(9.7)
	Interest income	(1,131.7)	(435.4)
	Operating profit before working capital changes	**7,069.1**	**7,357.5**
	Movement in Working Capital:		
	(Increase) / Decrease in Operating Assets :		
	Trade Receivables	(6,703.3)	(800.2)
	Other financial assets and other assets	9,663.1	2,778.1
	Inventories	(148.8)	(20.4)
	Increase / (Decrease) in Operating Liabilities :		
	Trade Payables	(115.4)	293.7
	Other financial liabilities, other liabilities and provision	394.3	191.6
	Cash generated/ (used) from operations	**10,159.0**	**9,800.3**
	Less: Taxes paid (Net)	(534.1)	(481.9)
	Net cash flows (used in)/generated from operating activities (A)	**9,624.9**	**9,318.4**
B.	**Cash flow from investing activities**		
	Purchase of Property, Plant and Equipment (including Capital Work-in-progress, other intangible assets, capital advances and capital creditors)	204.1	39.8
	Proceeds from / (Deposits in) Bank deposits (net) (Including Margin money deposit)	(34.6)	(31.6)
	Sale/(Purchase) of Non Current Investments (Contingency Reserve)	(171.7)	(157.9)
	Interest received	181.4	239.5
	Non-current loans given	(14,981.4)	(10,301.0)
	Non-current Loans received back	5,072.2	1,395.6
	Current Loans (given) / received back (Net)	-	1.8
	Net cash flows from/(used in) investing activities (B)	**(9,730.0)**	**(8,813.8)**
C.	**Cash flow from financing activities**		
	Payment for Lease Liability including interest	(2.6)	(2.9)
	Proceeds from Long- term borrowings	12,347.3	9,537.9
	Repayment of Long-term borrowings	(8,598.7)	(8,609.5)
	Net (Repayment of)/Proceeds from Short-term borrowings	81.8	1,739.5
	Finance Costs Paid	(3,165.2)	(3,265.1)
	Net cash flows used in financing activities (C)	**662.6**	**(600.1)**
	Net increase / (decrease) in cash and cash equivalents (A+B+C)	**557.5**	**(95.5)**
	Cash and cash equivalents at the beginning of the period/year	19.5	104.6
	Cash and cash equivalents at the end of the period/year	**577.0**	**9.1**

Cash and Cash Equivalents Includes (Refer Note 9 & 15)	As at 30th September, 2024 (₹ in Million)	As at 30th September, 2023 (₹ in Million)
Balances with Banks		
- In Current Accounts	577.0	9.1
- Fixed Deposits (with original maturity for three months or less)	-	-
Total	**577.0**	**9.1**

Notes to Statement of Cash Flows:

i) The Consolidated Cash Flow Statement has been prepared under the Indirect method as set out in Ind AS 7 on Cash Flow Statements notified under Section 133 of The Companies Act 2013, read together with Paragraph 7 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended).

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

As per our attached report of even date

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

Chirag J Shah

DHARMESH PARIKH & CO LLP
FRN 112054W/ W100725
Chartered Accountants

CHIRAG SHAH
Partner
Membership No. 122510

Place : Ahmedabad
Date : 13th November, 2024

For and on behalf of the board of directors of
ADANI ENERGY SOLUTIONS LIMITED
(Formerly known as Adani Transmission Limited)

ANIL SARDANA
Managing Director
DIN 00006867

KUNJAL MEHTA
Chief Financial Officer

JALADHI SHUKLA
Company secretary

Adani Energy Solutions Limited

Place : Ahmedabad
Date : 13th November, 2024

A. Equity Share Capital

Particulars	No. Shares	(₹ in Million)
Balance as at 1st April, 2023	1,11,54,92,683	11,154.9
Changes in equity share capital during the period:		
Less : On account of restructuring	(1,11,54,92,683)	(11,154.9)
Add : On account of restructuring	10,000	0.1
Balance as at 30th September, 2023	10,000	0.1
Changes in equity share capital during the period :		
Issued of shares during the period	-	-
Balance as at 31st March, 2024	10,000	0.1
Changes in equity share capital during the period :		
Issued of shares during the period	-	-
Balance as at 30th September, 2024	10,000	0.1

B. Other Equity (₹ in Million)

Particulars	Reserve and Surplus					Item of other Comprehensive Income	Total
	Retained Earning	Contingency Reserve	Capital Redemption Reserve	Restructuring reserve	Other equity	Effective portion of cashflow Hedge	
Balance as at 1st April, 2023	**28,310.0**	**1,056.9**	**24,365.3**	**(65,744.4)**	**36.0**	**(2,426.6)**	**(14,402.9)**
Profit for the period	713.0	-	-	-	-	-	713.0
Other Comprehensive Income/(Loss) for the period (Net of tax)	(45.0)	-	-	-	-	(1,003.1)	(1,048.0)
Add : Addition during the period	-	-	-	-	36.0	-	36.0
Balance as at 30th September, 2023	**28,978.0**	**1,056.9**	**24,365.3**	**(65,744.4)**	**72.0**	**(3,429.7)**	**(14,701.9)**
Profit for the period	1,005.6	-	-	-	-	-	1,005.6
Other Comprehensive Income/(Loss) for the period (Net of tax)	38.2	-	-	-	-	165.4	203.6
Transfer from Retained Earning to Contingency Reserve	(162.6)	162.6	-	-	-	-	-
Add : Addition during the period	-	-	-	-	102.9	-	102.9
Balance as at 31st March, 2024	**29,859.2**	**1,219.5**	**24,365.3**	**(65,744.4)**	**174.9**	**(3,264.3)**	**(13,389.8)**
Profit for the period	1,188.0	-	-	-	-	-	1,188.0
Add/(Less): Other Comprehensive Income for the period (Net of tax)	3.1	-	-	-	-	1,385.5	1,388.6
Add/(Less) : On account of restrcturing	-	-	-	-	(17.2)	-	(17.2)
Balance as at 30th September, 2024	**31,050.3**	**1,219.5**	**24,365.3**	**(65,744.4)**	**157.7**	**(1,878.8)**	**(10,830.4)**

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

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

Chirag J Shah

CHIRAG SHAH
Partner
Membership No. 122510

DHARMESH PARIKH & CO LLP
FRN 112054W/ W100725
Chartered Accountants

Place : Ahmedabad
Date : 13th November, 2024

For and on behalf of the board of directors of
ADANI ENERGY SOLUTIONS LIMITED
(Formerly known as Adani Transmission Limited)

ANIL SARDANA
Managing Director
DIN 00006867

KUNJAL MEHTA
Chief Financial Officer

JALADHI SHUKLA
Company secretary

Place : Ahmedabad
Date : 13th November, 2024

Adani Energy Solutions Limited

1 General information

Adani Energy Solutions Limited ("The Company") ("AESL") is a public limited company incorporated and domiciled in India, It's ultimate holding entity is S. B. Adani Family Trust (SBAFT), having its registered office at 'Adani Corporate House', Shantigram, Near Vaishno Devi Circle, S.G.Highway, Khodiyar, Ahmedabad - 382421, Gujarat, India. The Company and its subsidiaries are engaged in the business of generation, transmission and distribution of power through India. The Group develops, owns and operates transmission lines across the States of Gujarat, Rajasthan, Bihar, Jharkhand, Uttar Pradesh, Maharashtra, Haryana, Chhattisgarh, Madhya Pradesh, West Bengal, Tamilnadu, Andhra Pradesh and Telangana. Apart from the above the group also deals in various Bullion. The Group has entered into new business opportunities, being laying optical fibers on transmission lines with the ambition of providing telecom solutions to Telcos, Internet service providers and long distance communication operators. The commercialization of the network is being done through leasing out spare capacities to potential players in the Telecom sector.

Adani Transmission (India) Limited ("The Company") ("ATIL") is a public limited company incorporated and domiciled in India and has its registered office at Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad 382 421, Gujarat, India. The principle activity of company is to establish, commission, operate and maintain Transmission Systems. The company is having a dedicated transmission line from Mundra to Dehgam, Mundra to Mohindergarh and Tiroda to Warora with total circuit length of approximately 3834 ckt km located in the states of Gujarat, Maharashtra and Haryana.
The Company has entered in to new business opportunities through OPGW fibres on transmission lines with the ambition of expanding its telecom solutions to Telcos, Internet service providers and long distance communication operators .The commercialization of the network shall be done through leasing out spare capacities to potential communication players.

Maharashtra Eastern Grid Power Transmission Company Limited ("The Company") ("MEGPTCL") is a public limited company incorporated and domiciled in India and has its registered office at Adani Corporate House, Shantigram, S.G. highway, near vaishno devi circle, Khodiyar Ahmedabad Gujrat 382421. The company establish, commission, operate and maintain Transmission Systems.
The Company operates the Tiroda-Aurangabad Transmission System, which is located in the state of Maharashtra, which is a 765 kV Transmission System of 1,213 ckms from Tiroda to Aurangabad.
The Company's main source of revenue is electricity transmission tariffs where the tariffs are set on "cost plus-basis" by the regulators i.e. Maharashtra Electricity Regulatory Commission (MERC). This "cost-plus basis" tariff is determined based on a number of components that are aggregated into an Annual Transmission Charges which is paid to us by Maharashtra State Electricity Transmission Company Limited (MSETCL).

Adani Transmission Step-One Limited ("The Company") ("ATSOL") is a public limited company incorporated and domiciled in India and has its registered office at Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad 382 421, Gujarat, India. The company is incorporated on 23rd September, 2020. The company is deals various Bullion commodities.

Pursuant to an agreement between AESL and its wholly owned subsidiaries, viz; Adani Transmission Step- One Limited ('ATSOL'), Adani Transmission (India) Limited ('ATIL'), and Maharashtra Eastern Grid Power Transmission company Limited ('MEGPTCL'), AESL has transferred/novated, as the case may be, its investments in equity shares of, and Inter Corporate Deposits placed with ATIL and MEGPTCL, USD denominated borrowings of Senior Secured Notes / Bonds along with corresponding hedge contracts, identified fixed assets, cash equivalent to restricted reserve and working capital loans to ATSOL after obtaining requisite approvals and consents.

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

The Obligor Group entities Comprise the Parent Company and the following wholly owned entities:-

Entities	Country of Incorporation
Adani Transmission Step-One Limited (Parent Company)	India
Adani Transmission (India) Limited (Wholly owned subsidiary of ATSOL)	India
Maharashtra Eastern Grid Power Transmission Company Limited (Wholly owned subsidiary of ATSOL)	India

Pursuant to Internal Restructring scheme carried out in previous year, 'AESL' is not part of the obligor group and hence figures of certains assets and liablities are not comparable.

2.1 Purpose of the Special Purpose Combined Financial Statements

The Special Purpose Combined Financial Information have been prepared for the purpose of lenders requirement in relation to already issued USD denominated notes by the Obligor Group. The Combined Financial Statements presented herein reflect the Obligor Group's results of operations, assets and liabilities and cash flows for the period presented. The basis of preparation and Significant accounting policies used in preparation of these Special Purpose Combined Financial Statements are set out in note 2.2 and 3 below. The basis of preparation and Material accounting policies used in preparation of these Special Purpose Combined Financial Information are set out in notes below.

2.2 Basis of Preparation

The Combined Financial Statements of the Obligor Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015 amended from time to time and other accounting principles generally accepted in India and the Guidance Note on Combined and Carve-out Financial Statements issued by the Institute of Chartered Accountants of india (ICAI)

Management has prepared these combined financial statements to depict the historical financial information of the Obligor Group. The Combined Financial Statements have been prepared on a going concern basis under the historical cost convention except for Investments in mutual funds and certain financial assets and liabilities that are measured at fair values whereas net defined benefit (asset)/ liability are valued at fair value of plan assets less defined benefit obligation at the end of each reporting period, as explained in the accounting policies below;

DHARMESH PARIKH & CO LLP FRN 112054W/ W100725 Chartered Accountants

Adani Energy Solutions Limited

As per the Guidance Note on Combined and Carve out Financial Statements, the procedure for preparing combined financial statements of the combining entities is similar to that of consolidated financial statements as per the applicable Indian Accounting Standards. Accordingly, when combined financial statements are prepared, intra-group transactions and profits or losses are eliminated. All the inter group transactions are undertaken on Arm's Length basis. The information presented in the combined financial statements of the Obligor Group may not be representative of the position which may prevail after the transaction. The resulting financial position may not be that which might have existed if the combining business had been a stand-alone business.

The following procedure is followed for the preparation of the Combined Financial Statements:
(a) Combined like items of assets, Liabilities, equity, income, expenses and cash flows of the entities of the Obligor Group.
(b) Eliminated in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Obligor Group.

These combined financial statements are Combined Financial Statements and may not be necessarily indicative of the financial performance, financial position and cash flows of the Obligor Group that would have occurred if it had operated as separate stand-alone entities during the year presented or the Obligor Group's future performance. The Combined Financial Statements include the operation of entities in the Obligor Group, as if they had been managed together for the period presented.
Earnings Per Share have not been presented in these Special Purpose Combined Financial Information, as The Group did not meet the applicability criteria as specified under Ind AS 33 – Earnings Per Share.

Transactions that have taken place with the other entities which are a part of the Group and not included in the Obligor Group of entities have been disclosed in accordance of Ind AS 24, Related Party Disclosures. The preparation of financial information in conformity with Ind AS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Obligor Group's accounting policies.
Income taxes are arrived at by aggregation of the tax expenses actually incurred by the combining businesses, after considering the tax effects of any adjustments which is in accordance with the Guidance Note on Combined and Carve-Out Financial Statements issued by the ICAI.

The Function currency of the Obligor Group is Indian Rupee(INR). The Special Purpose Combined financial statements are presented in INR and all values are rounded to the nearest Million (Transactions below ₹ 50000.00 denoted as ₹ 0.0), unless otherwise indicated.

3 Material accounting policy information

a. Property, plant and equipment

All items of property, plant and equipment, including freehold land, are initially recorded at cost. Subsequent to initial recognition, property, plant and equipment other than freehold land are measured at cost less accumulated depreciation and any accumulated impairment losses. Freehold land has an unlimited useful life and therefore is not depreciated.

Capital work-in-progress is stated at cost, net of accumulated impairment loss, if any. Other Indirect expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre-operative expenses and disclosed under Capital Work-in-Progress.

Depreciation

Depreciation commences when an asset is ready for its intended use. Depreciation is recognised based on the cost of assets (other than land) less their residual values over their useful lives.

(i) Regulated Assets

Depreciation on Property, plant and equipment in respect of electricity business of the Group covered under Part B of Schedule II of the Companies Act, 2013, has been provided on the straight line method at the rates specified in tariff regulations notified by the respective Electricity Regulatory Commission ('Regulator').

(ii) Non-Regulated Assets

Depreciation is recognised on the cost of assets (other than freehold land and properties under construction) less their residual values over their estimated useful lives, using the straight-line method.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. The Group, based on technical assessment made by technical expert and management estimate, depreciates certain items of building, plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.
Estimated useful life of Regulated and Non Regulated assets are as below :

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

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Special Purpose Combined Statement of Profit and Loss.

DHARMESH PARIKH & CO LLP FRN 112054W/ W100725 Chartered Accountants

Adani Energy Solutions Limited

b. Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and any accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives.

Useful life

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Special Purpose Combined Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset.

Intangible Assets with indefinite lives are not amortised but are tested for impairment on annual basis. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Estimated useful lives of the intangible assets are as follows:

Type of Assets	Useful lives
Computer Software	3-5 years

c. Current / Non-Current Classification

Based on the time involved between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has identified twelve months as its operating cycle for determining current and non-current classification of assets and liabilities in the balance sheet.

d. Financial Instruments

All financial assets and liabilities are recognized at fair value on initial recognition except Trade Receivables which are measured at Transaction Cost. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities measured at fair value through profit or loss are recognised immediately in the Special Purpose Combined Statement of Profit and Loss.

(A) Financial assets

Initial Recognition and measurement :

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement :

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

i) Classification and measurement of financial assets

a) Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost using the effective interest rate method if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if both of the following criteria are met
- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

All financial assets that do not meet the criteria for amortised cost or FVTOCI are measured at FVTPL. Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in Consolidated profit or loss. The net gain or loss recognised in Consolidated profit or loss incorporates any dividend or interest earned on the financial asset.

ii) Impairment of financial assets

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

iii) Derecognition of financial assets

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

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

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

DHARMESH PARIKH & CO LLP FRN 112054W/ W100725 * Chartered Accountants *

Adani Energy Solutions Limited *

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

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

(B) Financial liabilities and equity instruments

i) Classification as debt or equity

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

ii) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost (loans and borrowings)

All financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in Special Purpose Combined Statement of Profit and Loss when the liabilities are derecognised as well as through the effective interest rate (EIR) amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Special Purpose Combined Statement of Profit and Loss.

Trade and other payables are recognised at the transaction cost, which is its fair value, and subsequently measured at amortised cost. Similarly, interest bearing loans (inter corporate deposits), trade credits and borrowings (including bonds) are subsequently measured at amortised cost using effective interest rate method. Trade credits include Buyer's credit, Foreign Letter of Credit and Inland Letter of Credit.

Financial liabilities measured at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Financial liabilities are classified as held for trading if these are incurred for the purpose of repurchasing in the near term. Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in the Special Purpose Combined Statement of Profit and Loss.

Derecognition of Financial Liability

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

e. Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement:

The Group uses derivative financial instruments, such as forward currency contracts, interest rate swaps and forward commodity contracts, to hedge its foreign currency risks, interest rate risks and commodity price risks, respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to the statement of profit and loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to the statement of profit and loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

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

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

Cash flow hedges

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

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

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

d. Business combinations and Goodwill

The obligor Group accounts for its business combinations under acquisition method of accounting. Acquisition related costs are recognised in Special Purpose Combined Statement of Profit and Loss as incurred. The acquiree' s identifiable assets, liabilities and contingent liabilities that meet the condition for recognition are recognised at their fair values at the acquisition date.

If the initial accounting for a business combination is incomplete as at the reporting date in which the combination occurs, the identifiable assets and liabilities acquired in a business combination are measured at their provisional fair values at the date of acquisition. Subsequently adjustments to the provisional values are made within the measurement period, if new information is obtained about facts and circumstances that existed as of the acquisition date and, if known, would have resulted in the recognition of those assets and liabilities as of that date; otherwise the adjustments are recorded in the period in which they occur.

Purchase consideration paid in excess of the fair value of net assets acquired is recognised as goodwill. Where the fair value of identifiable assets and liabilities exceed the cost of acquisition, after reassessing the fair values of the net assets and contingent liabilities, the excess is recognised as capital reserve.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in other comprehensive income (OCI) and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

e. Foreign currencies

The functional currency of the Group is Indian Rupee ₹.

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

Exchange differences on monetary items are recognised in the Statement of Profit and Loss in the period in which they arise except for:

(i) exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings; and

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

f. Fair value measurement

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

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

(i) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities;

(ii) Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;

(iii) Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per The Group's accounting policies. For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

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g. Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

• **Power Transmission Services**

a. Bulk Power Transmission Agreements

The Company as per the prevalent tariff regulations is required to recover its Annual Revenue Requirement ('ARR') comprising of expenditure on account of operations and maintenance expenses, financing costs, taxes and assured return on regulator approved equity with additional incentive for operational efficiencies. Any surplus/shortfall in the recovery is accounted as revenue based on the final tariff orders by the regulatory authority.

Accordingly, the revenue from power transmission services is recognised over time based on the transmission asset availabilities and the tariff charges approved under the respective TSA's / tariff orders and includes unbilled revenues accrued up to the end of the accounting period. The payment is generally due within 30-60 days upon receipt of monthly invoice by the customer.

b. Incentive Income

Income from transmission system incentive is accounted for based on certification of availability by respective regulatory nominated body. Where certification by the regulatory nominated body is not available, incentive is accounted for on provisional basis as per estimate of availability by the Group and differences, if any is accounted upon receipt of certification.

• **Interest on Overdue Receivables / Delayed Payment Charges:**

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

• **Other Income**

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

h. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Substantial time is defined as time required for commissioning of the assets considering industry benchmarks.

i. Employee benefits

i) Defined benefit plans:

The Group has an obligation towards gratuity, a defined benefit retirement plan which is a combination of funded plan / unfunded plan for various companies in the Group.

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

ii) Defined contribution plan:

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

iii) Compensated Absences:

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

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

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

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j. **Taxation**

Tax on Income comprises current tax and deferred tax. These are recognised in Statement of Profit and Loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

i) **Current tax**

Tax on income for the current period is determined on the basis on estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss (either in Other Comprehensive Income or in Equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations for which applicable tax regulations are subject to interpretation and revises the provisions where appropriate.

ii) **Deferred tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

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

Regulators tariff norms in respect of certain subsidiaries which operate under cost plus tariff regime, provide the recovery of Income Tax from the beneficiaries by way of grossing up the return on equity based on effective tax rate for the financial year shall be based on the actual tax paid during the year on the transmission income from certain subsidiaries . Accordingly, deferred tax liability provided during the year which is fully recoverable from beneficiaries and known as "deferred assets recoverable / adjustable". The same will be recovered when the related deferred tax liability forms a part of current tax.

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6.1 Property, Plant and Equipment

(₹ in Million)

Description of Assets	Tangible Assets							
	Land (Free hold)	Building	Plant & Equipment	Furniture and Fixtures	Office Equipments	Computer Equipment	Vehicles	Total
I. Gross Carrying Value								
Balance as at 1st April, 2023	**758.7**	**901.7**	**1,02,681.8**	**21.4**	**74.0**	**120.7**	**1.5**	**1,04,559.8**
Additions during the period	24.7	1.9	1.1	-	2.9	16.9	-	47.5
Disposals during the year	-	-	-	-	(0.7)	-	(0.1)	(0.8)
Balance as at 30th Sept, 2023	**783.4**	**903.6**	**1,02,682.9**	**21.4**	**76.1**	**137.6**	**1.4**	**1,04,606.5**
Additions during the period	-	9.0	159.5	0.5	6.7	11.3	-	187.0
Disposals during the year								0.0
Balance as at 31st March, 2024	**783.4**	**912.6**	**1,02,842.4**	**21.9**	**82.9**	**148.9**	**1.4**	**1,04,793.5**
Additions during the period		15.2	87.4	0.0	5.1	12.8	8.7	129.1
Disposals during the year			(53.7)					(53.7)
Balance as at 30th Sept, 2024	**783.4**	**927.8**	**1,02,876.0**	**21.9**	**88.0**	**161.7**	**10.1**	**1,04,868.9**
II. Accumulated depreciation								
Balance as at 1st April, 2023	-	**248.3**	**44,652.5**	**9.9**	**20.3**	**35.0**	**0.6**	**44,966.6**
Depreciation for the period	-	15.7	2,818.7	0.7	2.5	9.7	0.1	2,847.3
Eliminated on disposal of assets	-	-	-	-	(0.3)	0.0	(0.0)	(0.3)
Balance as at 30th Sept, 2023	-	**264.0**	**47,471.2**	**10.6**	**22.4**	**44.7**	**0.7**	**47,813.6**
Depreciation for the period	-	15.8	2,821.4	0.7	2.6	10.2	0.0	2,850.8
Eliminated on disposal of assets	-	-	-	-	-	-	-	-
Balance as at 31st March, 2024	-	**279.8**	**50,292.6**	**11.3**	**25.1**	**54.9**	**0.7**	**50,664.4**
Depreciation for the period	-	16.0	2,829.6	0.7	2.8	22.5	0.2	2,871.8
Eliminated on disposal of assets	-	-	(1.2)	-	-	-	-	(1.2)
Balance as at 30th Sept, 2024	-	**295.8**	**53,121.0**	**12.1**	**27.9**	**77.4**	**0.9**	**53,535.0**

Description of Assets	Tangible Assets							
	Land (Free hold)	Building	Plant & Equipment	Furniture and Fixtures	Office Equipments	Computer Equipment	Vehicles	Total
Net Carrying Value :								
Balance as at 30th Sept, 2023	**783.4**	**639.6**	**55,211.7**	**10.8**	**53.7**	**93.0**	**0.8**	**56,792.8**
Balance as at 30th Sept, 2024	**783.4**	**632.0**	**49,755.1**	**9.9**	**60.1**	**84.3**	**9.2**	**51,333.9**

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Note:

i) Details of immovable properties for which title deeds are not in the name of Company are given below:

Relevant Line Item in Balancesheet	Description of Property	Gross carrying value (₹ in Mn)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
Property, Plant and Equipment	Land (Free hold)	254.1	Adani Power Limited	No	1st April , 2014	Adani Transmission (India) Limited (ATIL) being demerged from erstwhile company related to transmission business Post demerger, ATIL is in process of transferring the same in the name of the ATIL.
Right-of-Use Assets	Leasehold Land	87.8				

6.2 Capital Work-In-Progress

Description of Assets	As at 30th September, 2024 (₹ in Million)	As at 30th September, 2023 (₹ in Million)
Capital Work-In-Progress	148.1	410.0
Total	**148.1**	**410.0**

6.3 : Right of Use Assets

(₹ in Million)

Particulars	Right-of-Use Assets			Total
	Leasehold Land	Building	Computer Equipment	
Gross carrying value				
Balance as at 1st April, 2023	**529.0**	**4.9**	**15.3**	**549.2**
Additions during the period	-	1.7	-	1.7
Disposals during the year	-	-	-	-
Balance as at 30th Sept, 2023	**529.0**	**6.6**	**15.3**	**551.0**
Additions during the period	-	-	-	-
Disposals during the year	-	-	-	-
Balance as at 31st March, 2024	**529.0**	**6.6**	**15.3**	**551.0**
Additions during the period	-	-		-
Disposals during the year				-
Balance as at 30th Sept, 2024	**529.0**	**6.6**	**15.3**	**551.0**
Accumulated Depreciation				
Balance as at 1st April, 2023	**168.99**	**4.43**	**9.77**	**183.2**
Depreciation for the period	23.15	-	-	23.1
Eliminated on disposal of assets	-	-	-	
Balance as at 30th Sept, 2023	**192.14**	**4.43**	**9.77**	**206.34**
Depreciation for the period	23.10	-	-	23.1
Eliminated on disposal of assets	-	-	-	-
Balance as at 31st March, 2024	**215.24**	**4.43**	**9.77**	**229.44**
Depreciation for the period	23.1	-	-	23.1
Eliminated on disposal of assets	-	-	-	-
Balance as at 30th Sept, 2024	**238.39**	**4.43**	**9.77**	**252.59**
Net Carrying Value				
Balance as at 30th Sept, 2023	336.87	2.16	5.58	344.61
Balance as at 30th Sept, 2024	290.62	2.16	5.58	298.36

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Lease liability

(₹ in Million)

Particulars	Total
Balance as at 30th Sept, 2023	282.39
Balance as at 30th Sept, 2024	256.87

Right of use assets (net of lease liability)

(₹ in Million)

Particulars	Total
Balance as at 30th Sept, 2023	62.2
Balance as at 30th Sept, 2024	41.5

6.4 : Intangible Assets

(₹ in Million)

Particulars	Intangible Assets	
	Computer Software	Total
Gross carrying value		
Balance as at 1st April, 2023	**98.7**	**98.7**
Additions during the period	0.2	0.2
Balance as at 30th Sept, 2023	**98.9**	**98.9**
Additions during the period	18.1	18.1
Balance as at 31st March, 2024	**117.0**	**117.0**
Additions during the period	7.2	7.2
Balance as at 30th Sept, 2024	**124.2**	**124.2**
Accumulated Amortisation		
Balance as at 1st April, 2023	**40.8**	**40.8**
Amortisation Charge for the period	9.6	9.6
Balance as at 30th Sept, 2023	**50.4**	**50.4**
Amortisation Charge for the period	10.5	10.5
Balance as at 31st March, 2024	**60.9**	**60.9**
Amortisation Charge for the period	11.8	11.8
Balance as at 30th Sept, 2024	**72.7**	**72.7**
		-
Balance as at 30th Sept, 2023	**48.5**	**48.5**
Balance as at 30th Sept, 2024	**51.5**	**51.5**

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7 Investments

	As at 30th September, 2024 (₹ in Million)	As at 30th September, 2023 (₹ in Million)
Invt Gov & Trust Securities-Traded-Quoted	901.9	791.9
	901.9	**791.9**

8 Loans at Amortised Cost

(Unsecured, considered good)

	As at 30th September, 2024 (₹ in Million)	As at 30th September, 2023 (₹ in Million)
Loans to Subsidiaries and Group companies	34,406.3	15,713.3
	34,406.3	**15,713.3**

9 Non-current Financial Assets- Others

	As at 30th September, 2024 (₹ in Million)	As at 30th September, 2023 (₹ in Million)
Unbilled Revenue	1,118.1	5,737.3
Security deposits	-	0.6
Interest accrued and due receivable Long term	956.4	196.4
Derivative instruments designated in hedge accounting relationship	4,734.2	2,792.4
Balance held as margin money for security against borrowings	925.7	858.5
Total	**7,734.4**	**9,585.2**

10 Income Tax Assets (Net)

	As at 30th September, 2024 (₹ in Million)	As at 30th September, 2023 (₹ in Million)
Advance Income Tax (Net of Provision)	47.4	64.1
Total	**47.4**	**64.1**

11 Other Non-current Assets

	As at 30th September, 2024 (₹ in Million)	As at 30th September, 2023 (₹ in Million)
Capital advances	9.5	14.5
Other deferred asset on corporate commission	98.0	-
Deferred assets recoverable / adjustable	9,393.0	9,426.9
Total	**9,500.5**	**9,441.4**

12 Inventories

(At lower of Cost and Net Realisable Value)

	As at 30th September, 2024 (₹ in Million)	As at 30th September, 2023 (₹ in Million)
Stores & spares	548.9	411.3
Total	**548.9**	**411.3**

13 Investments

	As at 30th September, 2024 (₹ in Million)	As at 30th September, 2023 (₹ in Million)
Un-Quoted Investments		
Investment for Contingency Reserve		
Investments in Treasury Bill	330.9	274.0
	330.9	**274.0**
Aggregate book value of unquoted investments	330.9	274.0
Aggregate market value of unquoted investments	330.9	274.0

14 Trade Receivables

	As at 30th September, 2024 (₹ in Million)	As at 30th September, 2023 (₹ in Million)
Unsecure, Considered Good (includes unbilled amuount of ₹ 8,794.9 (P.Y. ₹ 8,686.1)	11,241.3	13,433.0
	11,241.3	**13,433.0**
(Less) : Expected Credit Loss	-	-
	11,241.3	**13,433.0**

Note:

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

15 Cash and Cash equivalents

	As at 30th September, 2024 (₹ in Million)	As at 30th September, 2023 (₹ in Million)
Balances with banks		
In current accounts	577.0	9.1
Total	**577.0**	**9.1**

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16	Bank balance other than Cash and Cash equivalents	As at 30th September, 2024 (₹ in Million)	As at 30th September, 2023 (₹ in Million)
	Balances held as Margin Money	0.4	0.4
	Fixed Deposits (with original maturity for more than three months)	-	-
	Total	**0.4**	**0.4**

17	Current Financial Assets - Loans	As at 30th September, 2024 (₹ in Million)	As at 30th September, 2023 (₹ in Million)
	(Unsecured, considered good)		
	Loans to Employees	3.1	4.8
	Total	**3.1**	**4.8**

18	Current Financial Assets- Others	As at 30th September, 2024 (₹ in Million)	As at 30th September, 2023 (₹ in Million)
	Interest Receivable	20.7	21.4
	Security deposits	16.0	15.3
	Derivative instruments designated in hedge accounting relationship	2.3	4.3
	Other Receivable	5.1	2.2
	Total	**44.1**	**43.2**

19	Other Current Assets	As at 30th September, 2024 (₹ in Million)	As at 30th September, 2023 (₹ in Million)
	Advance to Suppliers	52.3	70.0
	Advance to Employees	3.2	2.3
	Balances with Government authorities	168.3	77.1
	Prepaid Expenses	137.2	150.2
	Total	**361.0**	**299.6**

20	Share Capital	As at 30th September, 2024 (₹ in Million)	As at 30th September, 2023 (₹ in Million)
	Authorised Share Capital		
	10,000 (As at 30th September, 2023 - 10,000) equity shares of ₹ 10 each	0.1	0.1
	Total	**0.1**	**0.1**
	Issued, Subscribed and Fully paid-up equity shares		
	10,000 (As at 30th September 2023 - 10,000) fully paid up equity shares of ₹ 10 each	0.1	0.1
	Total	**0.1**	**0.1**

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

Equity Shares

	As at 30th September, 2024		As at 30th September, 2023	
	No. Shares	(₹ in Million)	No. Shares	(₹ in Million)
At the beginning of the period	10,000	0.1	1,11,54,92,683	11,154.9
Add :On account of restructuring#	-	-	10,000	0.1
Less : On account of restructuring#	-	-	(1,11,54,92,683)	(11,154.9)
Outstanding at the end of the period	**10,000**	**0.1**	**10,000**	**0.1**

b. Terms/rights attached to equity shares

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

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

	As at 30th September, 2024		As at 30th September, 2023	
	No. Shares	% holding in the class	No. Shares	% holding in the class
Equity shares of ₹ 10 each fully paid				
Adani Transmission Step-One Ltd	10,000	100.00%	10,000	100.00%
Total	**10,000**	**100.00%**	**10,000**	**100.00%**

Due to Internal restrcturing carried out in previous year, equity share holding of previous parent company AESL is replaced with the current parent company of ATSOL.

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21 Instrument entirely equity in nature		As at 30th September, 2024 (₹ in Million)	As at 30th September, 2023 (₹ in Million)
0% Compulsory Convertible Debentures classified as Equity			
Opening Balance		25,000.0	25,000.0
Add: Issued during the year (Refer note (i) & (ii) below)		8,400.0	-
Less: Repaid during		-	-
	Total	**33,400.0**	**25,000.0**

Terms / rights attached to instruments - (CCD)

(i) The Group has issued 0% Nil (P.Y. 25,00,00,000) no. of CCDs having value of ₹ 100 each for a period of 20 years from the date of issue which will be converted into equity shares (₹ 10 each) at a conversion ratio of 10:1 at the option of the Company. The holders of the CCDs (i.e. Adani Energy Solutions Limited) shall have no right to convert all or a portion of CCDs.

(ii) The Group has issued 8,40,00,000 (P.Y. Nil) no. of CCDs having value of ₹ 100 each for a period of 20 years from the date of issue which will be converted into equity shares (₹ 10 each) at a conversion ratio of 10:1 at the option of the holder . The holders of the CCDs (i.e. Adani Energy Solutions Limited) shall have right to convert all or a portion of CCDs.

22 Other Equity		As at 30th September, 2024 (₹ in Million)	As at 30th September, 2023 (₹ in Million)
a. Retained Earnings (Refer note (i) below)			
Opening Balance		29,859.2	28,310.0
Add: Profit for the period		1,188.0	713.0
Add/(Less): Other comprehensive income (Loss) arising from remeasurement of Defined Benefit Plans		3.1	(45.0)
Closing Balance	**Total (a)**	**31,050.3**	**28,978.0**
b. Effective portion of cash flow Hedge (refer note (ii) below)			
Opening balance		(3,264.3)	(2,426.6)
Add: Effective portion of cash flow hedge for the period		1,385.5	(1,003.1)
Closing Balance	**Total (b)**	**(1,878.8)**	**(3,429.7)**
c. Restructuring Reserve (refer note (iii) below)			
Opening Balance		(65,744.4)	(65,744.4)
Less : On account of restructuring		-	-
	Total (c)	**(65,744.4)**	**(65,744.4)**
d. Capital Redemption Reserve (Refer note (vi) below)			
Opening Balance		24,365.3	24,365.3
Add: Transfer from Retained Earning on redemption of Optionally Convertible Redeemable Preference Shares (OCRP)		-	-
Closing Balance	**Total (e)**	**24,365.3**	**24,365.3**
e. Contingency Reserve (Refer note (vii) below)			
Opening Balance		1,219.5	1,056.9
Add: Transfer from Retained Earning during the period		-	-
Closing Balance	**Total (f)**	**1,219.5**	**1,056.9**
f. Other equity (Refer note (ix) below)			
Opening Balance		174.9	36.0
Add : Addition during the year		(17.2)	36.0
Closing Balnce	**Total (g)**	**157.7**	**72.0**
	Total (a+b+c+d+e+f)	**(10,830.4)**	**(14,701.9)**

Notes:

i) __Retained Earnings__ : Retained earnings represents the amount of profits or losses of the group earned till date net of appropriation.

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

iii) Restructuring reserve : Company has received investments in equity shares of fellow subsidiaries companies and Inter Corporate Deposits of ATIL and MEGPTCL, USD denominated borrowings of Senior Secured Notes / Bonds (aggregating USD 937.50 million) along with corresponding hedge contracts, identified fixed assets, cash equivalent to restricted reserve and working capital loans from the holding company on account of internal restructuring scheme. Company has discharged the consideration towards acquisition of the said assets and liabilities by way of issuance of Compulsorily Convertible Debentures to the company by the subsidiary. The transaction being a common control transaction, the difference between net liabilities transferred and the value of CCD recorded, being ₹ 65744.4 Million has been recognized in Other Equity of the Company.

iv) __Capital Reserve__ : It has been created on acquisition of subsidiary companies. On account of Internal Restructuring Capital Reserve remains in books of AESL.

v) __General Reserve__ : It has been created pursuant to the demerger of transmission undertaking of Adani Enterprises Limited into the group. On account of Internal Restructuring Capital Reserve remains in books of AESL.

vi) **__Capital Redemption Reserve__** : Capital Redemption Reserve is created due to transfer on redemption of optionally convertible redeemable preference shares from retained earnings.

vii) __Contingency Reserve__ : As per the provisions of MERC MYT Regulations read with Tariff orders passed by MERC, the Company being a Transmission Licensee, makes an appropriation to the Contingency Reserve fund to meet with certain exigencies. Investments in Government Securities have been made against such reserve. In preceeding year, Investments in Mutual Funds have been made against such reserve.

viii) __Self Insurance Reserve__ : The Obligor Group has decided that insurance of the transmission lines of subsidiary companies would be through the self-insurance to mitigate the loss of assets hence a reserve has been created in current period. The insurance of sub stations of subsidiary companies are covered through insurance companies under all risk policy. On account of Internal Restructuring Self Insurance reserve remains in books of AESL.

ix) Other equity : Represents the service rendered by the holding company ("AESL"), by way of providing the Corporate guarantee to the lenders on behalf of the Company ("ATSOL").

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23 Non current Financial Liabilities - Borrowings

	Non-current		Current	
	As at 30th September, 2024 (₹ in Million)	As at 30th September, 2023 (₹ in Million)	As at 30th September, 2024 (₹ in Million)	As at 30th September, 2023 (₹ in Million)
Secured				
Bonds				
4.00% USD Bonds	41,657.6	41,164.8	-	-
4.25% USD Bonds	28,901.7	31,103.7	2,489.0	2,463.8
	70,559.3	**72,268.5**	**2,489.0**	**2,463.8**
Current maturities of long-term borrowings	-	-	(2,489.0)	(2,463.8)
Net amount	**70,559.3**	**72,268.5**	**-**	**-**
Unsecured				
From Related Parties	6,873.4	4,973.0	-	-
Net amount	**6,873.4**	**4,973.0**	**-**	**-**
Total	**77,432.7**	**77,241.5**	**-**	**-**

Notes

Borrowings	Security	Terms of Repayment
Secured 4.00% USD Bonds	- The USD Bonds are secured by way of first ranking pari passu charge in favour of the Security trustee (for the benefit of the Bond/Debenture holders): a. Mortgage of land situated at Sanand. b. Hypothecation of all the assets (movable and immovable) including current assets of the Company. c. Pledge over 100% equity shares of Adani Transmission (India) Limited (ATIL) and Maharashtra Eastern Grid Power Transmission Company Limited (MEGPTCL), both are wholly owned subsidiaries of the company.	- 4.00% 500.0 Million (30th September, 2023 - 500.0 Million) USD Bonds aggregating to ₹ 41,898.7 Millions (30th September, 2023 - ₹ 41,522.5 Millions) are redeemable by bullet payment in FY 2026.
Secured 4.25% USD Bonds	d. All assets (moveable and immovable) of ATIL & MEGPTCL including its current assets. d. Assignement by wasy of security over loans given to ATIL & MEGPTCL. All its rights under the inter entity loan arrangment entered or to be entered into between the issuer, ATIL and MEGPTCL (the 'inter entity loans) e. Corporate gurantee given by the holding Company.	- 4.25% 377.5 Million (30th September, 2023 - 407.5 Million) USD Bonds aggregating to ₹ 31,633.6 Millions (30th September, 2023 - ₹ 33,840.8 Millions) are redeemable by Half yearly payment starting from May 2020 to May 2036.
Unsecured Inter Corporate Loan	Unsecured	- 11% Inter Corporate Loan from related party of ₹ 6,873.4 Millions (30th September, 2023 - ₹ 4,973.0 Millions)

24 Other Financial Liabilities

	As at 30th September, 2024 (₹ in Million)	As at 30th September, 2023 (₹ in Million)
Derivative instruments designated in hedge accounting relationship	-	225.6
Interest accrued but not due on borrowings	275.8	193.5
Total	**275.8**	**419.1**

25 Provisions

	Non-Current		Current	
	As at 30th September, 2024 (₹ in Million)	As at 30th September, 2023 (₹ in Million)	As at 30th September, 2024 (₹ in Million)	As at 30th September, 2023 (₹ in Million)
Net employee defined benefit liabilities				
Provision for Employee Benefits	123.1	208.3	54.5	43.9
Provision for Stamp Duty	156.5	156.5	-	-
Total	**279.6**	**364.8**	**54.5**	**43.9**

26 Deferred tax liabilities (Net)

	As at 30th September, 2024 (₹ in Million)	As at 30th September, 2023 (₹ in Million)
Deferred Tax Liabilities		
Deferred tax liabilities (Net)	9,393.0	9,427.3
Total	**9,393.0**	**9,427.3**

27 Current Financial Liabilities - Borrowings

	As at 30th September, 2024 (₹ in Million)	As at 30th September, 2023 (₹ in Million)
Secured Borrowings		
Term Loan from bank	3,636.8	3,200.0
Bank Overdraft	795.3	756.8
Cash Credit / Working Capital Loan from bank	-	1,952.8
Current maturities of long-term borrowings (Secured) (Refer Note 23)	2,489.0	2,463.8
Total	**6,921.1**	**8,373.4**

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Notes:

Borrowings	Security	Terms of Repayment
Term Loan	Secured as per Lender's Agreement	The Secured Term Loan from bank amounting to Rs. 3636.8 Millions (30th September, 2023 - Rs. 3200 Millions) carries an interest rate of in range of 8.00% to 8.84% p.a.
Bank Over Draft	Secured against the Fixed Deposits.	The Bank Overdraft is carrying an interest rate of 8.00% p.a.
Cash Credit / Working Capital Loan	First charge on receivables and on immovable and movable assets created out of project on paripassu basis.	Nil balance

28 Trade Payables

	As at 30th September, 2024 (₹ in Million)	As at 30th September, 2023 (₹ in Million)
Trade Payables		
- Total outstanding dues of micro enterprises and small enterprises	6.6	9.3
- Total outstanding dues of creditors other than micro enterprises and small enterprises	584.2	1,615.7
Accrual For Employees	39.3	38.9
Total	**630.1**	**1,663.9**

29 Current Financial Liabilities - Others

	As at 30th September, 2024 (₹ in Million)	As at 30th September, 2023 (₹ in Million)
Interest accrued but not due on borrowings	764.2	787.0
Retention money	21.4	24.9
Provision for reversal of Unbilled Revenue	1,271.7	1,102.0
Payable on purchase of Property, Plant and Equipment	368.6	333.7
Derivative instruments designated in hedge accounting relationship	-	6.1
Total	**2,425.9**	**2,253.7**

30 Other Current Liabilities

	As at 30th September, 2024 (₹ in Million)	As at 30th September, 2023 (₹ in Million)
Statutory liabilities	212.7	136.2
Advance from Customers	134.9	187.9
Other Payables	50.0	50.0
Total	**397.6**	**374.1**

31 Current tax liabilities

	As at 30th September, 2024 (₹ in Million)	As at 30th September, 2023 (₹ in Million)
Current Tax Liabilities (Net)	31.2	64.1
Total	**31.2**	**64.1**

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32 Revenue from Operations - From Transmission Business

	For the six months ended 30th September, 2024 (₹ in Million)	For the six months ended 30th September, 2023 (₹ in Million)
Income from transmission charges		
Income from transmission lines (Refer Note 45)	8,093.7	8,509.1
Total	**8,093.7**	**8,509.1**

33 Revenue from Operations - From Trading Business

	For the six months ended 30th September, 2024 (₹ in Million)	For the six months ended 30th September, 2023 (₹ in Million)
Sale of Traded Goods	6,172.9	576.9
Total	**6,172.9**	**576.9**

Details of Revenue from Contract with Customer :

Contract balances:

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

Particulars	As at 30th September, 2024 (₹ in Million)	As at 30th September, 2023 (₹ in Million)
Trade receivables (Refer Note 14)	11,241.3	13,433.0
Contract Assets (Refer Note 9 & 18)	1,118.1	5,737.3
Contract Liabilities (Refer Note 29 & 30)	1,406.6	1,289.8

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

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

Particulars	For the six months ended 30th September, 2024 (₹ in Million)	For the six months ended 30th September, 2023 (₹ in Million)
Revenue as per contracted price	8,134.9	8,529.1
Adjustments		
Less: Rebate on prompt payment	41.2	20.0
Revenue from contract with customers	**8,093.7**	**8,509.1**

34 Other Income

	For the six months ended 30th September, 2024 (₹ in Million)	For the six months ended 30th September, 2023 (₹ in Million)
Interest Income		
- Bank	34.3	31.4
- Contingency Investment Reserve	35.2	30.5
- Other	1,062.3	373.4
Sale of Scrap	20.9	7.6
Profit or loss on sale of Fixed assets	25.5	-
Unclaimed liabilities / Excess Provision written back	-	9.7
Insurance Claim received	0.4	5.1
Miscellaneous Income	0.3	0.6
Total	**1,178.9**	**458.4**

35 Purchase of Stock- in- Trade

	For the six months ended 30th September, 2024 (₹ in Million)	For the six months ended 30th September, 2023 (₹ in Million)
Purchase of Stock-in-Trade	6,164.0	576.8
Total	**6,164.0**	**576.8**

36 Employee Benefits Expenses

	For the six months ended 30th September, 2024 (₹ in Million)	For the six months ended 30th September, 2023 (₹ in Million)
Salaries, Wages and Bonus	447.5	562.8
Contribution to Provident and Other Funds	24.8	30.1
Employee Welfare Expenses	15.2	24.9
Total	**487.5**	**617.8**

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37 Finance costs

	For the six months ended 30th September, 2024 (₹ in Million)	For the six months ended 30th September, 2023 (₹ in Million)
Interest Expenses	2,183.6	2,191.1
Bank Charges & Other Borrowing Costs	4.5	3.6
Interest on Lease Obligation	16.2	17.7
Interest - Hedging Cost	1,334.6	1,384.1
Total	**3,538.9**	**3,596.5**

38 Other Expenses

	For the six months ended 30th September, 2024 (₹ in Million)	For the six months ended 30th September, 2023 (₹ in Million)
Operating Cost	304.6	255.2
Electricity Expenses	31.3	26.0
Repairs and Maintenance - Others	0.5	0.2
Short Term Lease Rental	23.9	16.2
Rates and Taxes	0.1	1.0
Legal & Professional Expenses	133.4	149.1
Directors' Sitting Fees	0.1	-
Security Charges	0.1	2.7
Communication Expenses	4.0	3.8
Travelling & Conveyance Expenses	44.9	41.0
Insurance Expenses	22.3	20.7
Printing & Stationary Expense	0.10	0.3
Corporate Social Responsibility expenses	13.1	17.2
Advertisement & Selling expnese	0.0	0.2
Miscellaneous Expenses	14.8	13.6
Total	**593.2**	**547.2**

39 Income Tax

	For the six months ended 30th September, 2024 (₹ in Million)	For the six months ended 30th September, 2023 (₹ in Million)
Current Tax	667.4	613.0
Deferred Tax	(11.5)	(15.3)
Total	**655.9**	**597.7**

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40 Contingent liabilities and commitments :

(₹ in Million)

(i) Contingent liabilities :	**As at 30th September, 2024**	**As at 30th September, 2023**
a) Related to Direct tax & Indirect tax	1.4	1.4
b) Claim raised during the year by the MSETCL towards additional capital cost for the assets constructed in earlier years	313.1	313.1
	314.5	**314.5**

Notes:

1. Amounts in respect of employee related claims/disputes, consumer related litigation, regulatory matters is not ascertainable.
2. Future cash flows in respect of above matters are determinable only on receipt of judgements/decisions pending at various forums / authorities.
3. The above amounts are recoverable from the customer as part of the truing up exercise.

(₹ in Million)

(ii) Commitments :	**As at 30th September, 2024**	**As at 30th September, 2023**
a) Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of capital advance):	202.2	210.5
	202.2	**210.5**

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41 Related party disclosures :

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

> Ultimate Controlling Entity	S. B. Adani Family Trust (SBAFT)
> Holding Entity	Adani Energy Solutions Limited (formerly known as Adani Transmission Limited)
> Intermediate Holding Entity	Adani Transmission Step-One Limited
> Subsidiary Companies	Sipat Transmission Limited Raipur – Rajnandgaon – Warora Transmission Limited Chhattisgarh – WR Transmission Limited Adani Transmission (Rajasthan) Limited North Karanpura Transco Limited Maru Transmission Service Company Limited Aravali Transmission Service Company Limited Hadoti Power Transmission Service Limited. Barmer Power Transmission Service Limited. Thar Power Transmission Service Limited. Western Transco Power Limited. Western Transmission (Gujarat) Limited. Fatehgarh-Bhadla Transmission Limited. Ghatampur Transmission Limited Adani Electricity Mumbai Limited AEML Infrastructure Limited OBRA-C Badaun Transmission Limited Adani Transmission Bikaner Sikar Private Limited (Formerly known as 'KEC Bikaner Sikar Transmission Private Limited') Bikaner Khetri Transco Limited WRSS XXI(A) Transco Limited Arasan Infra Private Limited Sunrays Infra Space Private Limited Lakadia Banaskantha Transco Limited Jam Khambaliya Transco Limited Power Distribution Service Limited (Formerly known as 'Adani Electricity Mumbai Services Limited') Adani Electricity Mumbai Infra Limited Kharghar Vikhroli Transmission Private Limited Alipurduar Transmission Limited AEML Seepz Limited Warora - Kurnool Transmission Limited ATL HVDC Limited MP Power Transmission Package-II LTD (w.e.f 1st Novemeber, 2021) MPSEZ Utility Limited ((w.e.f. 15th December, 2021) Karur Transmission Limited (w.e.f. 18th January, 2022) Khavda-Bhuj Transmission Limited (w.e.f. 18th January, 2022) Adani Transmission Step-Two Limited (w.e.f 2nd August, 2022) Adani Electricity Jewar Limited (w.e.f 12th September, 2022) Adani Cooling Solutions Limited (w.e.f. 13th December, 2022) Best Smart Metering Limited (w.e.f. 27th December, 2022) Adani Transmission Step-Three Limited (w.e.f. 12th January, 2023) Adani Transmission Step-Four Limited (w.e.f. 12th January, 2023) Adani Transmission Step-Five Limited (w.e.f. 11th January, 2023) Adani Transmission Step- Six Limited (w.e.f. 13th January, 2023) Adani Transmission Step-Seven Limited (w.e.f. 12th January, 2023) Adani Transmission Step-Eight Limited (w.e.f. 12th January, 2023) NE Smart Metering Limited (w.e.f. 16th January, 2023) WRSR Power Transmission Ltd Khavda II-A Transmission Limited Adani Electricity Aurangabad Limited (w.e.f. 15th March, 2023) Adani Electricity Nashik Limited (w.e.f. 16th January, 2023) KPS1 Transmission Limited (w.e.f 16th September, 2023) Sangod Transmission Service Limited (w.e.f 5th October, 2023) Halvad Transmission Limited (w.e.f 27th December, 2023) Sunrays Infra Space Two Limited (w.e.f 19th January, 2024) Arasan Infra Two Limited (w.e.f 20th January, 2024) Adani Energy Solutions Step-Twelve Limited (w.e.f 25th January, 2024) Adani Energy Solutions Step-Thirteen Limited (w.e.f 13th February, 2024) Pointleap Projects Private Limited (w.e.f 3rd May, 2024) Gopalaya Build Estate Private Limited (w.e.f 11th June, 2024) Khavda IVA Power Transmission Limited (w.e.f 30th August, 2024)
> Key Managerial Personnel (KMP)	Mr. Gautam S. Adani, Chairman Mr. Rajesh S. Adani, Director Mr. Anil Sardana, Managing Director Mr. K. Jairaj - Non Executive Director Dr. Ravindra H. Dholakia - Non Executive Director Ms. Meera Shankar - Non Executive Director Ms. Lisa Caroline Maccallum - Non Executive Director Mr. Kandrap Patel, Chief Executive Officer Mr. Kunjal Mehta, Chief Financial Officer Mr. Jaladhi Shukla, Company Secretary

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> Entities over which ultimate controlling entity or KMP above have control or significant influence (with whom transactions are done)	Adani Infra (India) Limited Belvedere Golf and Country Club Private Limited Adani Total Gas Limited Adani Foundation Adani Enterprises Limited Adani Infrastructure Management Services Limited Mundra Solar PV Limited Adani Power (Mundra) Limited Adani Power Limited Adani Ports and Special Economic Zone Limited Adani Green Energy Limited Adani Wind Energy Kutchh One Limited (Formerly known as Adani Green Energy (MP) Limited) Adani Power (Jharkhand) Limited Adani Renewable Energy Park Rajasthan Limited Adani Krishnapatnam Port Ltd Adani Airport Holdings Limited Adani Ahmedabad International Airport Limited Adani Renewable Energy (RJ) Limited

Note:

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

(A) Transaction with Related parties **(₹ in Million)**

Name of transactions	Name of Related party	For the period ended 30th September, 2024	For the period ended 30th September, 2023
Loan Given	Adani Energy Solutions Limited	14,982.0	10,301.0
Loan Given received back	Adani Energy Solutions Limited	5,072.2	1,395.6
Loan Taken	Adani Energy Solutions Limited	12,347.3	9,537.9
Loan Taken paid back	Adani Energy Solutions Limited	7,346.3	7,372.0
Receiving of Services	Adani Total Gas Limited	0.00	0.0
	Adani Energy Solutions Limited	-	4.3
	Adani Enterprises Limited	73.4	-
	Belvedere Golf And Country Club Private Limited	0.2	0.7
	Adani Power Limited	0.8	1.2
	Adani Ports And Special Economic Zone Limited	17.8	20.7
	Adani University	0.1	-
Sale of Inventory	ATL HVDC Limited	1,441.5	-
	Alipurduar Transmission Limited	0.1	-
	Adani Energy Solutions Limited	529.4	-
	Adani Transmission Step-Two Limited	573.2	-
	Adani Transmission Step-Three Limited	432.8	-
Rendering of Services	Adani Energy Solutions Limited	3.4	-
	North Karanpura Transco Limited	0.0	-
Interest income	Adani Energy Solutions Limited	1,062.2	343.9
Interest expense	Adani Energy Solutions Limited	275.9	206.5
Director Sitting Fees	Director Sitting Fees	0.1	
O & M Charges	Adani Infrastructure Management Services Limited	171.2	171.2
Purchase of Inventory	Adani Energy Solutions Limited	2,592.6	576.8
	Adani Green Energy (UP) Limited	-	0.5
	Adani Transmission Step-Three Limited	605.4	-
Professional and Consultancy Fees	Adani Enterprises Limited	23.9	88.5

* Subsidiaries other than included in obligor group

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

Notes:

1. Interest on Loan given to Subsidiary Companies and Entity under Common Control.
2. Financial support to Subsidiary Companies primarily for Green field Growth Project.

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Adani Energy Solutions Limited

(B) Balances with Related parties

(₹ in Million)

Name of transactions	Name of Related party	For the period ended 30th September, 2024	For the period ended 30th September, 2023
Interest Accrued due receivable	Adani Energy Solutions Limited	956.0	196.4
Interest Accrued but not due	Adani Energy Solutions Limited	275.8	193.5
Loan Given	Adani Energy Solutions Limited	34,406.2	15,713.3
Loan taken	Adani Energy Solutions Limited	6,873.4	4,973.0
Accounts Payable	Adani Enterprises Limited	40.6	406.4
	MPSEZ Utilities Limited	0.2	0.7
	Adani Infrastructure Management Services Limited	283.6	772.3
	OBRA-C Badaun Transmission Limited	0.5	0.9
	Lakadia Banaskantha Transco Limited	1.0	1.1
	Jam Khambaliya Transco Limited	0.2	0.6
	Warora Kurnool Transmission Limited	1.9	3.2
	Adani Green Energy Limited	2.5	1.1
	Adani Green Energy (UP) Limited	-	0.6
	Adani Airport Holdings Limited	-	0.5
	Adani Energy Solutions Limited	44.3	517.6
	Adani Krishnapatnam Port Limited	-	0.1
	Sipat Transmission Limited	0.0	-
	Raipur-Rajnandgaon-Warora Transmission Limited	1.1	1.3
	Chhattisgarh-WR Transmission Limited	0.0	0.0
	North Karanpura Transco Limited	0.5	0.5
	Maru Transmission Service Company Limited	0.0	0.3
	Aravali Transmission Service Company Limited	1.2	1.1
	Ghatampur Transmission Limited	0.2	0.2
	Barmer Power Transmission Service Limited	1.2	1.3
	Thar Power Transmission Service Limited	0.1	0.1
	Western Transco Power Limited	7.9	7.9
	Western Transmission (Gujarat) Limited	0.4	0.4
	Adani Infra (India) Limited	0.0	-
	Adani Power Limited	1.3	1.5
	Mundra Solar PV Limited	8.5	8.5
	Mumbai International Airport Limited	0.4	0.4
	Wrsr Power Transmission Limited	0.1	-
	WRSS XXI (A) Transco Limited	-	0.0
	MP Power Transmission Package-II Limited	-	0.9
	Alipurduar Transmission Limited	-	0.0
	Bikaner-Khetri Transmission Limited	-	0.1
	Adani Ports and Special Economic Zone Limited	12.2	69.3
	Adani Electricity Mumbai Infra Limited	23.5	-
Compulsory convertible debenture	Adani Energy Solutions Limited	33,400.0	25,000.0
Accounts Receivable	Adani Enterprises Limited	3.1	-
	WRSS XXI (A) Transco Limited	0.0	-
	MP Power Transmission Package-II Limited	0.4	0.6
	Raipur-Rajnandgaon-Warora Transmission Limited	-	0.1
	Adani Power Limited	-	2.9
	ATL HVDC LIMITED	14.6	0.9
	Alipurduar Transmission Limited	0.1	-
	Bikaner-Khetri Transmission Limited	0.2	0.4
	Lakadia Banaskantha Transco Limited	0.1	0.1
	Jam Khambaliya Transco Limited	0.9	0.9
	Adani Energy Solutions Limited	117.4	9.6
	MPSEZ Utilities Limited	-	0.5
	Adani Vizhinjam Port Private Limited	-	0.3
	Sipat Transmission Limited	0.0	0.1
	Chhattisgarh-WR Transmission Limited	0.1	0.1
	Adani New Industries Limited	-	0.3
	North Karanpura Transco Limited	0.4	0.5
	Maru Transmission Service Company Limited	0.9	1.1
	Fatehgarh-Bhadla Transmission Limited	0.4	0.4
	Barmer Power Transmission Service Limited	-	0.2
	Hadoti Power Transmission Service Limited	0.1	0.1
	Western Transco Power Limited	0.0	0.0
	Adani Infra (India) Limited	0.0	-
	Adani Transmission Step-Two Limited	1.1	-
	Adani Transmission Step-Three Limited	2.1	-
	Adani Ports and Special Economic Zone Limited	1.5	-
	Adani Wind Energy Kutchh One Limited	0.0	-
	Adani Green Energy Limited	-	0.4
	Ahmedabad International Airport Limited	0.5	0.5
	Warora Kurnool Transmission Limited	-	0.0
	Mundra Petrochem Limited	-	0.0
Corporate Guarantee	Adani Energy Solutions Limited	62,936.4	71,780.2

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42 Fair Value measurement:

The carrying value of financial instruments by categories as on 30th September, 2024 is as follows:

(₹ in Million)

Particulars	Fair Value through other Comprehensive Income	Fair Value through profit or loss	Amortised cost	Total Carrying Value in Books	Fair Value
Financial Assets					
Investments in Government Securities	-	-	901.9	901.9	901.9
Investments in Treasury Bill	-	-	330.9	330.9	330.9
Trade Receivables	-	-	11,241.3	11,241.3	11,241.3
Cash and Cash Equivalents	-	-	577.0	577.0	577.0
Other Bank balances	-	-	0.4	0.4	0.4
Loans	-	-	34,409.3	34,409.3	34,409.3
Derivatives instruments	(1,878.8)	6,615.4	-	4,736.6	4,736.5
Other Financial Assets	-	-	3,042.0	3,042.0	3,042.0
Total	**(1,878.8)**	**6,615.4**	**50,502.8**	**55,239.3**	**55,239.2**
Financial Liabilities					
Borrowings	-	-	84,353.8	84,353.8	72,856.0
Trade Payables	-	-	630.1	630.1	630.1
Other Financial Liabilities	-	-	2,701.7	2,701.7	2,701.7
Total	**-**	**-**	**87,685.6**	**87,685.6**	**76,187.8**

The carrying value of financial instruments by categories as on 30th September, 2023 is as follows:

(₹ in Million)

Particulars	Fair Value through other Comprehensive Income	Fair Value through profit or loss	Amortised cost	Total Carrying Value in Books	Fair Value
Financial Assets					
Investments in Government Securities			791.9	791.9	791.9
Investments in Treasury bills	-	-	274.0	274.0	274.0
Trade Receivables	-	-	13,433.0	13,433.0	13,433.0
Cash and Cash Equivalents	-	-	9.1	9.1	9.1
Other Bank balances	-	-	0.4	0.4	0.4
Loans	-	-	15,718.1	15,718.1	15,718.1
Derivatives instruments	(3,429.7)	6,226.4	-	2,796.7	2,796.7
Other Financial Assets	-	-	6,831.7	6,831.7	6,831.7
Total	**(3,429.7)**	**6,226.4**	**37,058.2**	**39,854.8**	**39,854.8**
Financial Liabilities					
Borrowings	-	-	85,614.9	85,614.9	68,917.6
Trade Payables	-	-	1,663.9	1,663.9	1,663.9
Derivatives instruments	6.1	225.6	-	231.7	231.7
Other Financial Liabilities	-	-	2,441.1	2,441.1	2,441.1
Total	**6.1**	**225.6**	**89,719.9**	**89,951.6**	**73,254.3**

Notes:

- Above excludes carrying value of equity nature Investments in subsidiaries accounted at cost in accordance with Ind AS 27.
- The management assessed that the fair value of cash and cash equivalents, other balance with banks, trade receivables, loans, trade payables, other financial assets and liability approximate their carrying amount largely due to the short term maturities of these instruments.
- The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties. The following methods and assumptions were used to estimate the fair values.
- The fair value of loans from banks and other financial liabilities, as well as other non-current financial liabilities is estimated by discounting future cash flow using rates currently available for debt on similar terms, credit risk and remaining maturities.
- Fair value of mutual funds and Government Securities are based on the price quotations near the reporting date.
- 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.

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43 Fair Value hierarchy

(₹ in Million)

Particulars	As at 30th September, 2024		As at 30th September, 2023	
	Level 1	Level 2	Level 1	Level 2
Assets measured at fair value				
Investments in Treasury Bill	-	330.9	-	274.0
Investments in Subsidiaries	-	-	-	-
Investment in Government Securities	901.9	-	791.9	-
Assets measured at amortised cost				
Loans	-	34,409.3	-	15,718.1
Derivative Instruments designated in hedge accounting relationship				
Derivative Instruments	-	4,736.5	-	2,796.7
Total	**901.9**	**39,476.7**	**791.9**	**18,788.8**
Liabilities for which fair values are disclosed				
Borrowings (Including Interest Accrued)	67,659.7	5,196.2	61,948.1	6,969.5
Derivative Instruments designated in hedge accounting relationship				
Derivative Instruments	-	-	-	231.7
Total	**67,659.7**	**5,196.2**	**61,948.1**	**7,201.1**

- The fair value of Investments in Subsidiaries has been determined using Discounted Cash Flow Method.
- The fair value of Loans given is equivalent to amortised cost.
- The fair value of Derivative instruments is derived using valuation techniques which include forward pricing and swap models using present value calculations.

- The Borrowing includes USD bonds which are listed in Singapore Stock Exchange. The fair value of Bonds have been determined based on the prevailing market rate as on the reporting date. The fair value of rest of the borrowings is equivalent to carrying value.
- Fair value of mutual funds are based on the price quotations near the reporting date.
- Fair value of Investment in Government securities are based on the price quotations of the reporting date.

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44 Financial Instruments and Risk Overview

a) Capital Management

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

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

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

(₹ in Million)

Particulars	Refer Note	As at 30th September, 2024	As at 30th September, 2023
Total Borrowings (Including Current Maturities)	23, 27 & 29	84,353.8	85,614.9
Less: Cash and bank balances	15 & 16	577.4	9.5
Less : Current Investments	13	330.9	274.0
Net Debt(A)		**83,445.5**	**85,331.4**
Equity Share Capital & Other Equity	20 & 22	(10,830.3)	(14,701.8)
Instrument Entirely Equity in Nature	21	33,400.0	25,000.0
Total Equity (B)		**22,569.7**	**10,298.2**
Total Equity and Net Debt C=(A+B)		**1,06,015.2**	**95,629.5**
Gearing Ratio (A)/(C)		**0.79**	**0.89**

No changes were made in the objectives, policies or processes for managing capital during the period ended as at 30th September, 2024 and as at 30th September, 2023.

b) Financial Risk Management Objectives

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

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

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

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

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

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and foreign currency risk.

1) Interest rate sensitivity

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

If interest rates has been 50 basis points higher / lower and all other variables were held constant, the Obligor Group's profit for the period ended 30th September, 2024 would decrease / increase by ₹ 22.16 Million . This is mainly attributable to interest rates on variable rate borrowings.

2) Foreign currency risk

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

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

Nature	Purpose	As at 30th September, 2024		As at 30th September, 2023	
		Foreign Currency (USD in Million)	(₹ in Million)	Foreign Currency (USD in Million)	(₹ in Million)
i) Principal only swaps	Hedging of foreign currency bond principal liability	320.0	26,815.2	320.0	26,642.0
ii) Full Currency Swap	Hedging of foreign currency bond principal & Interest liability	557.5	46,717.1	587.5	48,912.0
iii) Forward covers	Hedging of foreign currency bond Interest liability	36.0	3,016.7	12.8	1,066.0

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

Nature	As at 30th September, 2024		As at 30th September, 2023	
	Foreign Currency (In Million)	(₹ in Million)	Foreign Currency (In Million)	(₹ in Million)
Creditors	USD 0.00	0.0	USD 0.03	2.2
Creditors	EURO 0.09	8.7	EURO 0.03	2.7

Foreign Currency Risk Sensitivity

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

(₹ in Million)

Particulars	As at 30th September, 2024		As at 30th September, 2023	
	1% Increase	1% Decrease	1% Increase	1% Decrease
Risk Sensitivity				
Rupee / USD - (Increase) / Decrease	(0.0)	0.0	(0.0)	0.0
Rupee / EURO - (Increase) / Decrease	(0.1)	0.1	(0.0)	0.0

Derivative Financial Instrument

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

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

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

The Obligor Group enters into derivative financial instruments, such as forward currency contracts, cross currency swaps, options, interest rate futures and interest rate swaps for hedging the liabilities incurred/recorded and accounts for them as cash flow hedges and states them at fair value. The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss. Amounts recognised in OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs. These hedges have been effective for the period ended September 30, 2024.

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

(₹ in Million)

Derivative Financials Instruments	As at 30th September, 2024		As at 30th September, 2023	
	Assets	Liabilities	Assets	Liabilities
Cash flow hedge				
-Forward	2.3	-	4.3	-
-Principal Only Swaps & FCS	4,734.2	-	2,794.4	231.7
Total	**4,736.5**	**-**	**2,798.7**	**231.7**

Credit risk

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

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

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Liquidity risk

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

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

(₹ in Million)

As at 30th September, 2024	Less than 1 year	1-5 years	Over 5 Years	Total
Borrowings *#	6,869.1	67,686.3	26,399.1	1,00,954.5
Trade Payables	630.1	-	-	630.1
Derivatives Liabilities	-	-	-	-
Other Financial Liabilities **	2,701.7	-	-	2,701.7

(₹ in Million)

As at 30th September, 2023	Less than 1 year	1-5 years	Over 5 Years	Total
Borrowings *#	5,691.4	55,489.3	22,355.7	83,536.4
Trade Payables	1,663.9	-	-	1,663.9
Derivatives Liabilities	231.7	-	-	231.7
Other Financial Liabilities **	2,646.6	-	-	2,646.6

* Includes Non-current borrowings, current borrowings, interest payments on borrowings.

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

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

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45 Segment information:-Operating Segments

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

i) Transmission
ii) Trading

The CODM evaluates the Obligor group's performance and allocates resources based on an analysis of various performance indicators by operating segments. The CODM reviews revenue and gross profit at the performance indicator for all of the operating segments.

The measurement of each segment's revenues, expenses and assets is consistent with the accounting policies that are used in preparation of the financial statements. Segment profit represents the profit before interest and tax.

Information regarding the Obligor Group's reportable segments is presented below:

(₹ in Million)

	Transmission	Trading	Total
1. Revenue			
External Sales	**8,093.7**	**6,172.9**	**14,266.6**
	8,509.1	*576.9*	*9,086.0*
Total Revenue	**8,093.7**	**6,172.9**	**14,266.6**
	8,509.1	*576.9*	*9,086.0*
2. Results	**4,206.4**	**9.0**	**4,215.4**
Segment Results	*4,464.0*	0.0	*4,464.0*
Unallocated			**1,178.9**
			458.4
Operating Profit			**5,394.2**
			4,922.4
Less: Finance Expense			**3,538.9**
			3,596.5
Profit Before Tax and Deferred Assets Recoverable/Adjustable			**1,855.3**
			1,326.0
Current Taxes			**667.4**
			613.0
Deferred Tax			**(11.5)**
			(15.3)
Total Tax			**655.9**
			597.6
Profit after tax and before deferred assets recoverable/adjustable			**1,199.5**
			728.3
Deferred Assets (Recoverable)/Adjustable			**(11.5)**
			(15.3)
Less: Minority Interest			-
			-
Net profit			**1,188.0**
			713.0
3. Other Information			
Segment Assets	**1,16,364.0**	-	**1,16,364.0**
	1,07,101.5		1,07,101.5
Unallocated	**4,047.2**	-	**4,047.2**
	3,422.5		3,422.5

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Total Assets	**1,20,411.2** *1,10,524.0*	**-** -	**1,20,411.2** 1,10,524.0
Segment Liabilities	**10,234.6** *11,360.2*	**-**	**10,234.6** *11,360.2*
Unallocated Corporate Liabilities	**87,607.0** *88,865.6*	**-** -	**87,607.0** *88,865.6*
Total liabilities	**97,841.5** *1,00,225.8*	**-** -	**97,841.5** *1,00,225.8*
Depreciation	**2,806.5** *2,880.1*	**-** -	**2,806.5** *2,880.1*
Non Cash Expenditure other then Depreciation/ Amortisation	**-**	-	**-**

Previous figures are given in italics

Note 1: The business operations of the Obligor Group are entirely based in India accordingly the entity has no separate geographical to disclose.

Note 2: Revenue from power distribution companies for allocation of Transmission capacity with which Obligor Group has entered into Transmission Service Agreement accounts for more than 10% of Total Revenue.

46 Other Disclosures

(i) The obligor Group evaluates events and transactions that occur subsequent to the balance sheet date but prior to the approval of consolidated financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the consolidated financial statements. As of 13th November, 2024 there are no subsequent events to be recognized or reported that are not already disclosed.

(ii) The Special Purpose Combined Financial Statements for the year ended 30th September, 2024 have been approved by the Management Committee of Adani Energy Solutions Limited (the holding entity) on 13th November, 2024.

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

Chirag J Shah

CHIRAG SHAH
Partner
Membership No. 122510

DHARMESH PARIKH & CO LLP
FRN
112054W/
W100725
Chartered Accountants

Place : Ahmedabad
Date : 13th November, 2024

For and on behalf of the board of directors of
ADANI ENERGY SOLUTIONS LIMITED
(Formerly known as Adani Transmission Limited)

ANIL SARDANA
Managing Director
DIN 00006867

KUNJAL MEHTA
Chief Financial Officer

JALADHI SHUKLA
Company secretary

Adani Energy Solutions Limited

Place : Ahmedabad
Date : 13th November, 2024