



**Adani Electricity Mumbai Limited**  
Annual Report 2023-24

A stylized illustration of a mountain range with four peaks. The mountains are rendered in a gradient of colors from dark blue on the left to red on the right. A small black flag is planted on the highest peak, with a white rectangular label containing the text "2023-24".

2023-24

**STRONGER THAN EVER**

## Forward-looking statement

Certain statements in this communication may be 'forward-looking statements' within the meaning of applicable laws and regulations. These forward-looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward looking statements. Important developments that could affect the Company's operations include changes in the industry structure, significant changes in political and economic environment in India and overseas, tax laws, import duties, litigation and labour relations. Adani Electricity Mumbai Limited, will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.

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**At Adani Electricity Mumbai Limited,**

we have transformed our utility into a responsive consumer-facing enterprise.

This has warranted an extensive investment in assets, systems, processes, culture and people.

The result has not just been an improvement in operations and financials; the result has been a transformed way of doing things directing at transforming consumer satisfaction to consumer delight.

The transformation has helped the company create a sustainable operational cum engagement platform.

This is expected to deepen the company's brand as India's most loved power distribution company.

This commitment has been made with the singular perspective of emerging stronger than ever.

AS IN SPORTS...

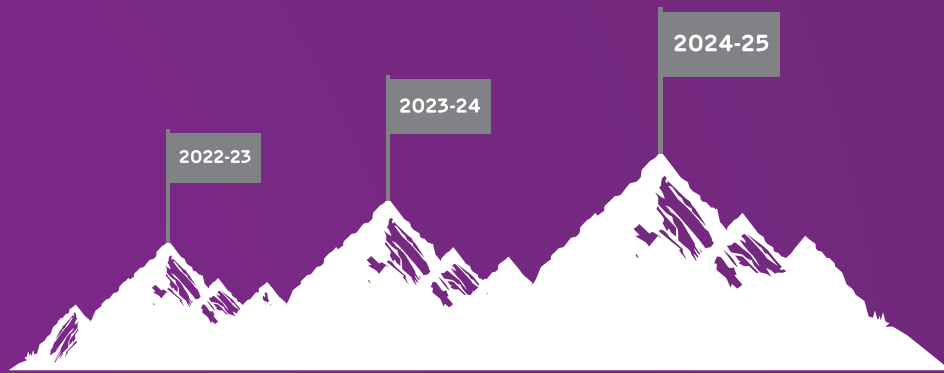
**BREAKING**

**"I never look back,  
I look forward."  
Steffi Graf**

**ALL**

**RECORDS**





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

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

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

Mount Everest, the world's highest mountain

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

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

And as they rise, they emerge stronger.

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

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

We kept building inner strength by:

Our unceasing  
commitment to  
governance and  
compliance

Our unwavering  
focus on  
sustainability and  
impact creation

Our unending  
endeavour to  
trust and  
transparency

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

We continue to rise higher and higher, and emerge

# Stronger Than Ever

Corporate **snapshot**

## **Vision**

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

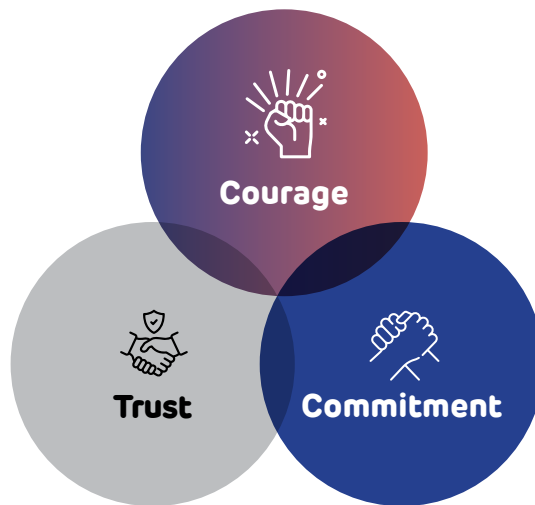
## Our mission

Adani Electricity has a long-term vision and strategy to provide Mumbai's consumers with electricity tariff stability and visibility by scaling renewable energy supply.

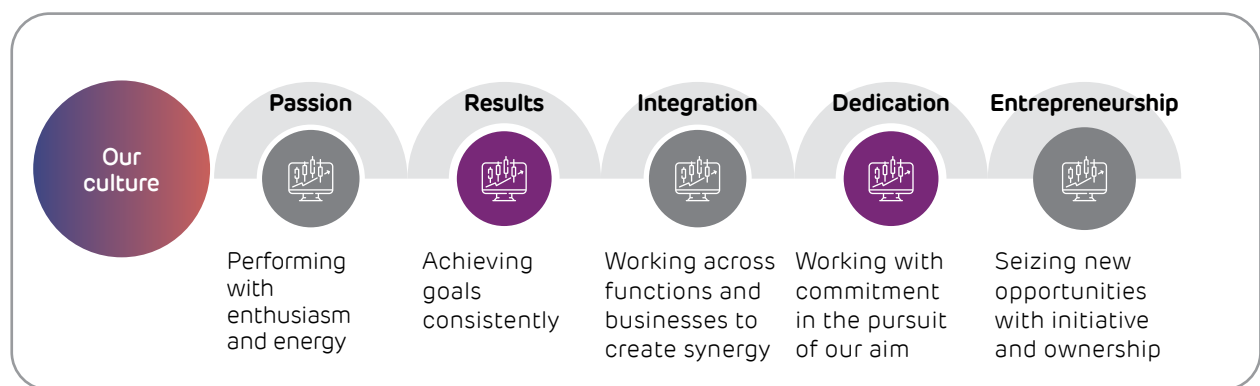
## Our ethos

The power of service. It is born of the will to make a difference and change things for the better so that everyone can power their dreams and live a stress-free life.

## Our values



- Courage:** We shall embrace new ideas and businesses
- Trust:** We shall believe in our employees and other stakeholders
- Commitment:** We shall stand by our promises and standards of business



## Who we are

Adani Electricity Mumbai Limited (AEML) is a leading electricity distribution company in India that operates as a subsidiary of Adani Energy Solutions Limited (formerly Adani Transmission Limited). With a consumer base of over three million in and around Mumbai, it covers a vast area of 400 square Km.

Our commitment to reliability is evident in our track record, of an uptime of 99.99%, which ranks among the highest in India. We supply close to 2,000 MW through our extensive and highly efficient distribution network. We are Mumbai's preferred power supplier, providing the

most competitive tariff powered by a large in-Group access to renewable energy.

### Background

The Company is a part of the Adani Group, a multinational conglomerate headquartered in Ahmedabad. With a diverse portfolio spanning multiple sectors, including energy, infrastructure, logistics, agribusiness and more, the Group has established itself as a prominent player in the global business landscape.

The key focus areas of the Adani Group comprise sustainability and renewable energy. The Group made significant investments in the renewable power sector,

particularly in solar and wind energy, contributing to the country's transition towards a cleaner and greener future. Operating in over 50 countries, the Adani Group enjoys a strong global presence, known for the successful execution of large infrastructure projects. With its entrepreneurial spirit, innovative approach, and commitment to economic growth, the Adani Group has emerged as one of India's largest and most influential business conglomerates.

### Our responsibility

Adani Electricity Mumbai Limited (AEML) services 3.2 Mn consumers in India's financial capital. The Company's reach

extends to 12 Mn households, encompassing a significant 85% of Mumbai's geography and touching the 67% of its population through quality service and solutions.

### Our commitment

AEML is committed to deliver a minimum 60% of its energy mix through renewable energy by FY 26-27. The Company aims to reduce greenhouse gas (GHG) emissions intensity by 60% by FY 28-29 (baseline of FY 18-19). These goals validate the Company's commitment to an environmentally responsible energy portfolio, contributing to the reduction of carbon emissions and mitigating climate change. AEML pioneered the introduction of sustainability-linked bonds within its US\$ 2 Bn global medium-term notes program.

### Our stakeholder engagement

AEML professes best practices in stakeholder engagement and building relationships of mutual understanding. The Company ensures that relevant corporate information is available on its website. The Company also engages with stakeholders in the areas of Environment, Social and Corporate Governance (ESG), validating its holistic responsibility.

### Our resource mix

At AEML, we possess a flexibility in the use of resources – coal (domestic or imported) as well as renewable energy. This makes it possible for the Company to adapt to periods of high prices or low resources availability. During the last few years, the Company modified its power generation equipment to use imported coal of a different calorific value. The Company transitioned to the deployment of renewable energy during the last financial year and intends to increase the proportion of renewable energy across the coming years.

### Our compliances

AEML is completely compliant with regulatory needs related to timely compliance certificates, consistent compliance track record, industry updates, transparent financial projections, third-party assurance reports, renewable power mix, electric vehicle initiatives, smart metering implementation, Green Medium-Term Notes programme, sustainability-linked bonds issuance, infrastructure approvals and green power initiative.

### Our digitalisation

AEML is committed to the growing use of digitalisation leading to enhanced consumer delight. AEML introduced Electric Smiles, a customer rewards program. Customers earn credit points on cashless payments and enjoy bonus points for timely digital bill payments.

### Our credit rating

During the year under review, S&P and Moody's updated the company's outlook from Negative to Stable. All three international rating agencies viz. S&P, Moody's and Fitch completed the annual surveillance of AEML and reaffirmed the Investment Grade (IG) Rating, capped at the sovereign level.

Two domestic agencies viz. CRISIL and India Ratings reaffirmed the AA+/ Stable rating.

### Our certifications

At AEML, business excellence is integral to AEML's culture and a catalyst of sustainable value creation. AEML is implementing world-class standards, certified for nine management system standards / guidelines, including Quality Management System (ISO 9001), Environment Management System (ISO-14001), Occupational Health & Safety Management System (ISO 45001), Asset Management System (ISO 55001), Energy Management

System (ISO-50001), Business Continuity Management System (ISO 22301), Information Security Management System (ISO 27001), IT Service Management System (ISO 20000- 1), Guidelines for Information and Communication Technology Readiness for Business Continuity (ISO 27031) and Social Responsibility Guidelines (ISO26001). AEML is certified for Management of Single Use Plastic (SUP) and compliant with the requirements of Zero Waste to Landfill with a diversion rate of 95.63%. The Company's Adani-Dahanu Thermal Power Station (ADTPS) was the world's first power plant to receive the ISO 50001:2018 certification for energy management. It is certified for quality, environment, occupational health and safety, social accountability, information security and other attributes. ADTPS features advanced systems for control, monitoring, and asset management. It prioritises environmental sustainability through measures like emission dispersion, efficient fly ash collection, air quality monitoring, and sulphur removal. The result is that in the last few years, ADTPS has emerged as a standard for responsible and efficient power generation.

### Formation of AEML SEEPZ Ltd. (ASL) and its impact on SEEPZ SEZ consumers

During FY 23-24, AEML SEEPZ Ltd (ASL) was formed with an intent to supply electricity to consumers located in SEEPZ SEZ area at a lower tariff: a reduction in tariff will help the units remain competitive in international markets. The consumers located in the SEEPZ SEZ area were transferred to ASL from 1<sup>st</sup> November 2023 after Regulatory approvals. The information with regard to units sold and distribution loss provided in the annual report is inclusive of AEML and ASL.



60%

Energy mix from renewables  
by FY 2026-27



3.2 MN

AEML's customers



60%

Reduction in GHG Emissions Intensity  
by FY 28-29 (Baseline: FY 18-19)



12 MN

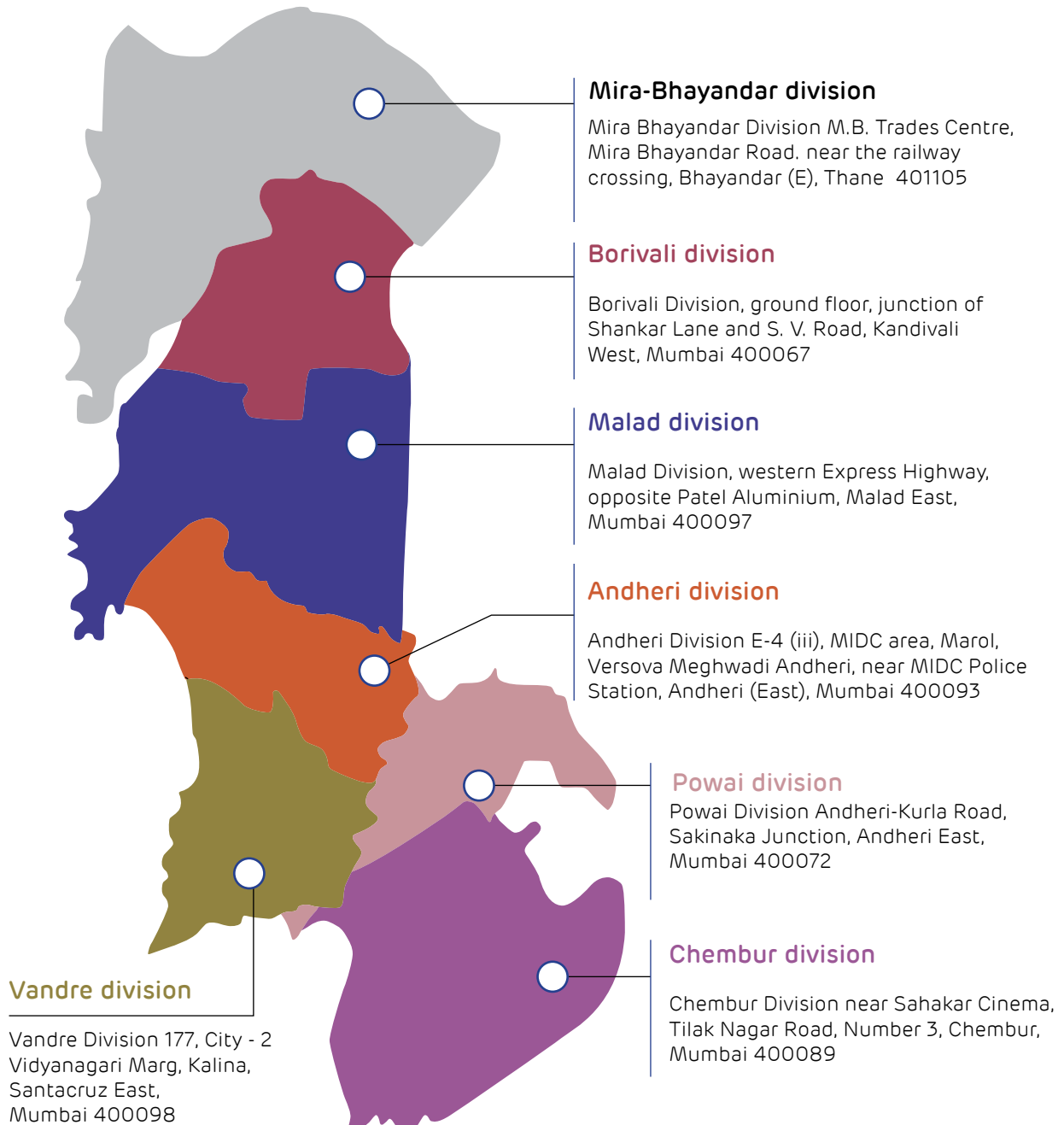
Serving  
households covering 85% of  
Mumbai's geography



## OUR BIGGEST ACHIEVEMENT

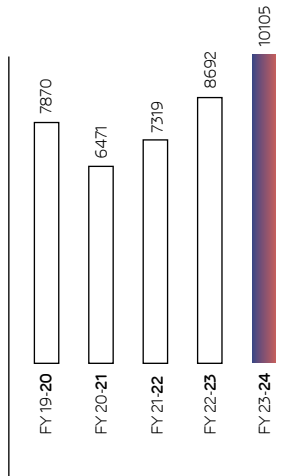
**AEML has been  
recognized as  
the number one  
power utility  
company for  
the second  
consecutive year  
in FY2023-24.**

# OUR GEOGRAPHIC FOOTPRINT



# OUR PERFORMANCE OVER THE YEARS

## Revenue from operations (Rs. crore)



### Definition

Revenue from operation indicates revenue from operations net of taxes

### Why this is measured

This is an index that showcases the Company's ability to maximise revenues, which provides a basis against which the Company's performance can be compared with sectorial peers.

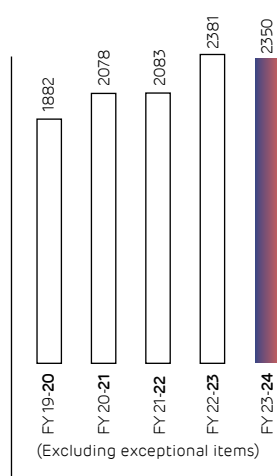
### What this means

Aggregate revenue from operations increased by 16.60% due to an increase in sales volume.

### Value impact

The Company's performance was better compared with the sectorial average.

## EBITDA (Rs. crore)



### Definition

Earnings before the deduction of interest, tax, depreciation, amortisation and exceptional items.

### Why this is measured

This is an index that showcases the Company's ability to generate a surplus after operating costs, creating a basis for comparison with sectorial peers.

### What this means

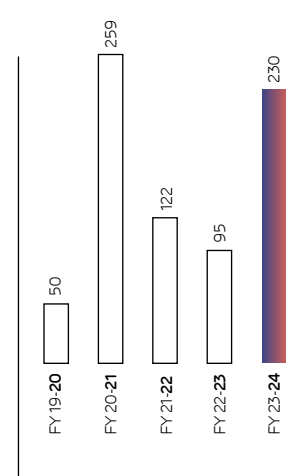
The Company reported an -1.30% growth in EBITDA in FY2023-24 despite growing revenues and cost optimization measures because the

company had recognized net income of Rs 242.76 crores during the year ended 31 March 2023 based on Maharashtra Electricity Regulatory Commission (MERC) order dated 31 March 2023, wherein the Truing-up of Annual Revenue Requirement (ARR) for FY 2019-20 to FY 2021-22, Provisional Truing-up of ARR for FY 2022-23 was approved.

### Value impact

The Company's performance was better compared with the sectorial average.

## Net profit (Rs. crore)



### Definition

Profit earned during the year after deducting all expenses.

### Why this is measured

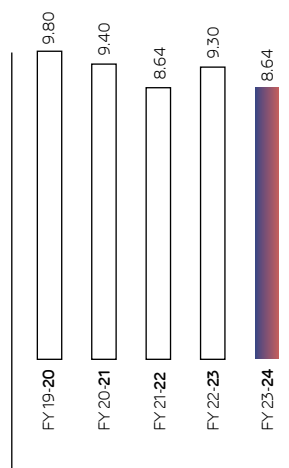
This measure highlights the strength of the business model in enhancing shareholder value.

### What this means

The company reported 142% increase in net profit in FY 2023-24 on account of reduction in finance cost as a result of superior resource management.

### Value impact

Ensure an adequate surplus is available for distribution to shareholders and reinvestment in the business.

**RoCE (PBIT) of the core business (%)****Definition**

This financial ratio measures efficiency with which capital is employed in the business.

**Why this is measured**

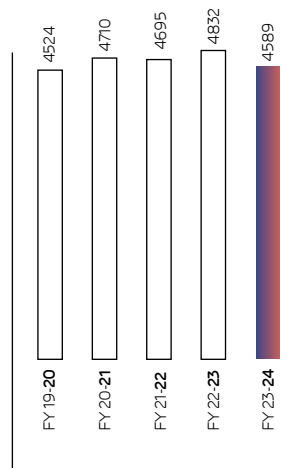
ROCE is an insightful metric to compare profitability across companies based on their capital efficiency.

**What this means**

The Company reported a 66 bps decline in ROCE in FY2023-24 because of a decrease in EBITDA.

**Value impact**

Enhanced ROCE can potentially drive valuations and market perception.

**Net worth (Rs. crore)****Definition**

This is derived through the accretion of shareholder owned funds.

**Why this is measured**

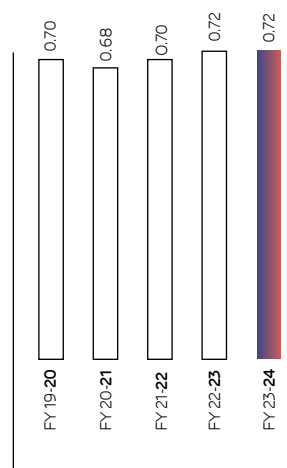
Net worth indicates the financial soundness of the Company – the higher the better.

**What this means**

The Company's net worth reduced by -5% during the year under review because of payment of dividends.

**Value impact**

This indicates the borrowing capacity of the Company that influences gearing (which, in turn, influences the cost at which the Company can mobilise debt)

**Gearing (x)****Definition**

This is derived through the ratio of debt to net worth, less revaluation reserves.

**Why this is measured**

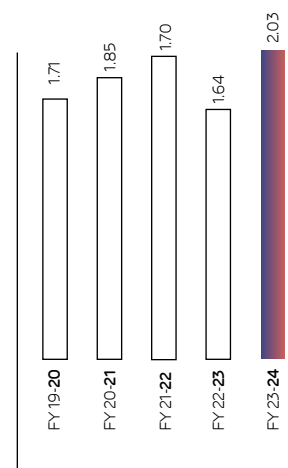
This is one of the defining measures of a company's financial solvency.

**What this means**

The Company's gearing was maintained largely around the same level, despite challenges.

**Value impact**

This measure increases the perception of the borrowing room within the Company, the lower the gearing the better.

**Interest cover (x)****Definition**

This is derived through the division of EBITDA (excluding exceptional items) by interest outflow.

**Why this is measured**

Interest cover indicates the Company's comfort in servicing the finance cost - the higher the better.

**What this means**

The Company's interest cover improved by 39 bps during the year under review due to a decrease in finance cost.

**Value impact**

A company's ability to meet its interest obligations, an aspect of its solvency, is one of the most important factors in assuring attractive returns to shareholders.

## THE ADANI PORTFOLIO OF COMPANIES

# Portfolio of Progress

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

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

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

## Vision



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

## Values



### Courage

We shall embrace new ideas and businesses

### Trust

We shall believe in our employees and other stakeholders

### Commitment

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

## Culture



### Passion

Performing with enthusiasm and energy

### Results

Consistently achieving goals

### Integration

Working across functions and businesses to create synergies

### Dedication

Working with commitment in the pursuit of our aims

### Entrepreneurship

Seizing new opportunities with initiatives and ownership

## Core Philosophy



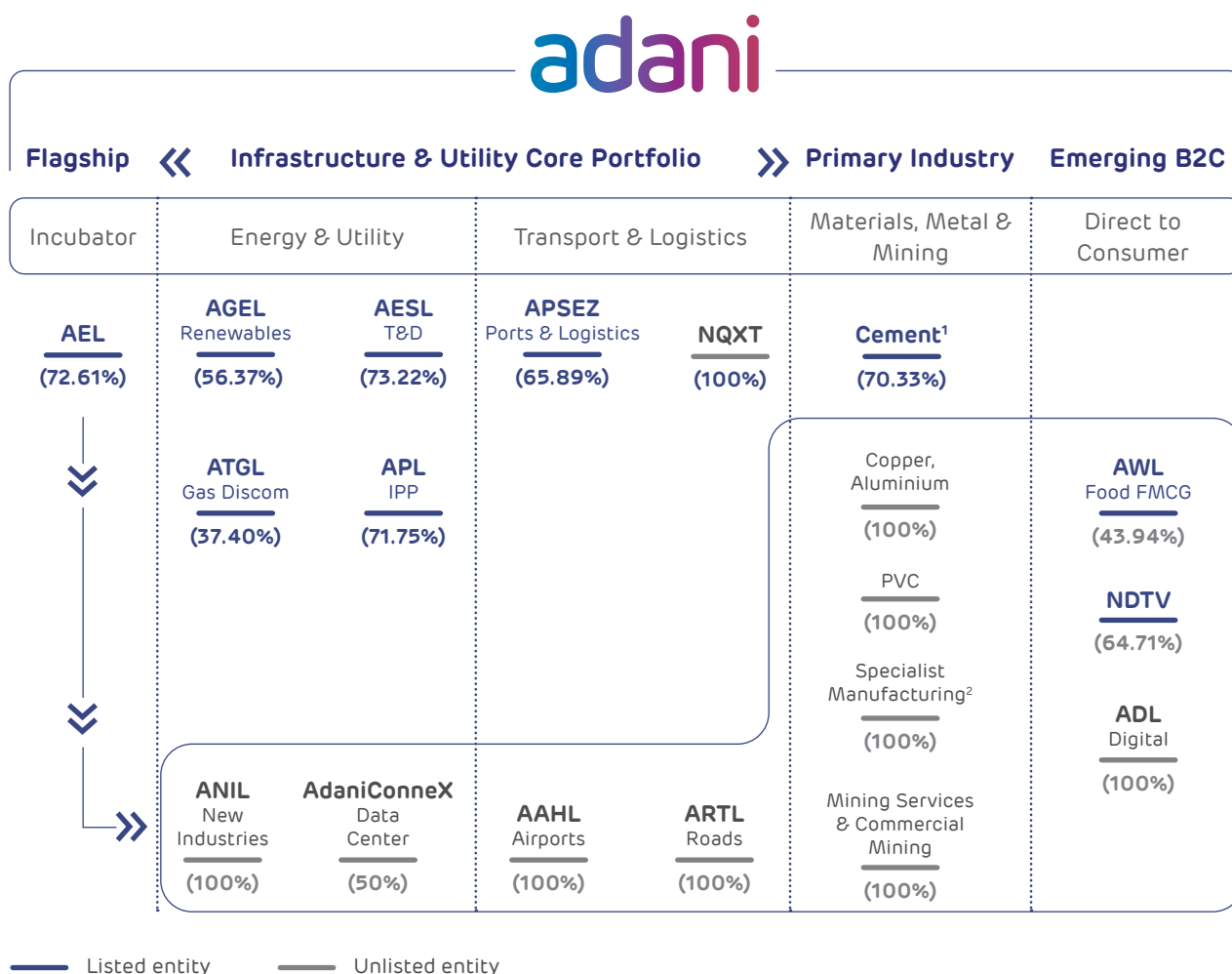
The Adani portfolio of companies is guided by the philosophy of 'Growth with Goodness', which emphasises sustainable and responsible development aligned with national priorities. To this end, ambitious ESG targets, with a focus on decarbonisation, have been set.

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

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

## Portfolio structure

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



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

(%) AEL equity stake

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

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

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

**2** Includes the manufacturing of Defence and Aerospace Equipment

# Committed to a stronger than ever India

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

## Empowering critical sectors of the Indian economy



### Transport and Logistics

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



### Materials, Metals and Mining

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



### Energy and Utility

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



### B2C

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

## Scale and market leadership across businesses

### Adani Ports and Special Economic Zone Limited

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

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

**Highest** margin among peers

**627 MMT** cargo handling capacity

### Adani Green Energy Limited

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

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

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

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

### Adani Energy Solutions Limited

**India's**

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

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

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

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

**34.35%**

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

## Adani Total Gas Limited

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

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

(\*including 19 IOAGPL GA's)

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

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

**Second largest**  
 cement manufacturer in India

**Iconic** cement brand

**78.9 MTPA cement**  
 manufacturing capacity

## Adani Enterprises Limited

**India's largest**  
 business incubation company

**India's largest**  
 airport infrastructure company

**4 GW** module manufacturing

**1.5 GW** wind turbine  
 generator capacity

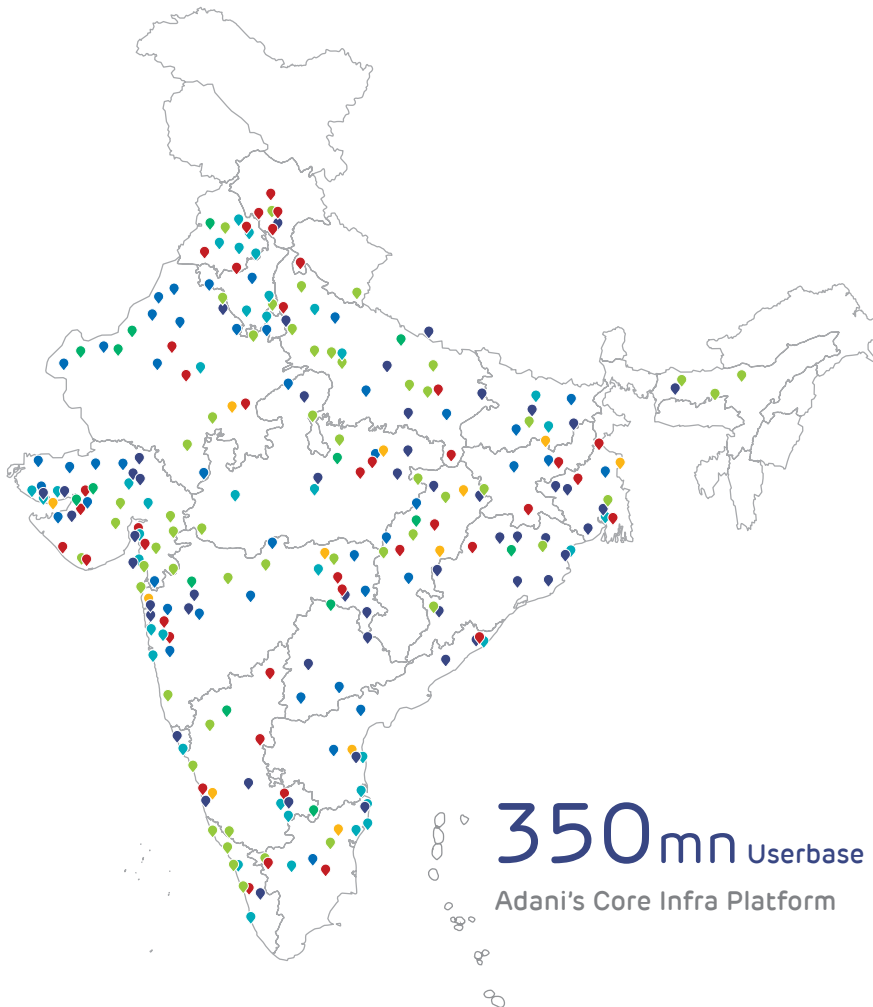
**17 MW** data center capacity

**500 KTPA** Copper Unit at Mundra

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

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

## National footprint with deep penetration



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

Map not to scale and used for representation only.

## Adani Power Limited

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

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

**16.85 GW** of operating and  
 upcoming capacity

## Adani Wilmar Limited

**India's largest**  
 edible oil brand

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

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

**7.2 lakh** retail outlets

## NDTV Limited

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

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

**32.25 million**  
 YouTube subscribers

# Stronger than ever performance

## Industry-leading profitability

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

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

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

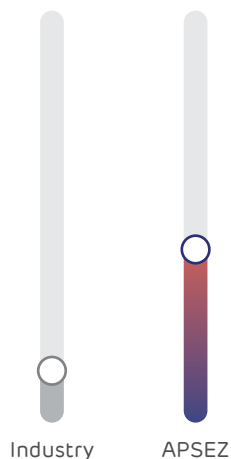
Note 1: Growth pertains to growth in FY 2023-24 vs FY 2022-23

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

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

### Cargo volume growth (MMT)

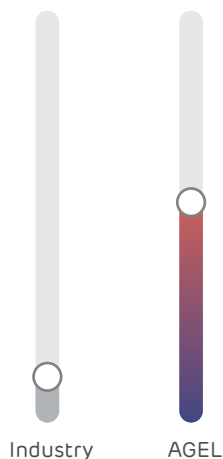
CAGR 5% 14%



	Industry	APSEZ
<b>2014</b>	973	113
<b>2024</b>	1,539	408

### Renewable capacity growth (GW)

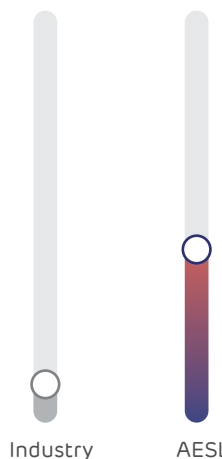
CAGR 15% 57%



	Industry	AGEL
<b>2016</b>	46	0.3
<b>2024</b>	143.6	10.9

### Transmission network growth (ckm)

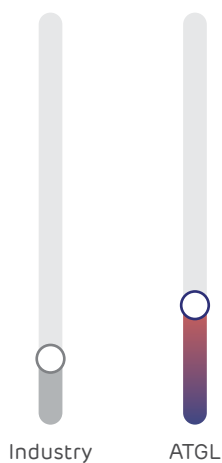
CAGR 4% 14%



	Industry	AESL
<b>2016</b>	3,41,551	6,950
<b>2024</b>	4,85,544	20,509

### City gas distribution Volume (MMSCM)

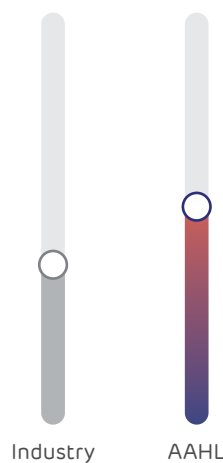
CAGR 6% 10%



	Industry	ATGL
<b>2020</b>	10,883	582
<b>2024</b>	13,491	865

### Passenger traffic (Mn)

CAGR 41% 55%



	Industry	AAHL
<b>2022</b>	189*	36.9*
<b>2024</b>	376.4	88.6

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

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

## Message from the Chairman



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

## Dear Shareholder,

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



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



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

## From Trials to Triumph

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

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

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

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

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

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

**2.2x**Portfolio-level  
Net Debt to EBITDA ratio  
in FY 2023-24

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

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

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

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



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

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

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

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

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

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

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

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

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

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

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

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

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

## **USD 2 trillion**

**Government of India's  
infrastructure investment  
target by 2030**



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

## 420 MMT

Cargo handled by Adani Ports in FY 2023-24

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

## USD 553 mn

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

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

And we did not stop there.

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



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

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

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

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

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

## Financial Performance: An All-Time Record

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

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

# ₹ 82,917 Cr

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

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

#### APSEZ

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

#### AEL

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

#### AGEL

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

#### APL

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

## 9.1 mn people

Reach of Adani Foundation



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

### AESL

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

### ATGL

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

### Ambuja Cements

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

### NDTV

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Hum Karke Dikhayenge! The best is yet to come.

**Gautam Adani**



# THE MANAGING DIRECTOR AND CEO'S MESSAGE

## Overview

Strategic shifts are transforming the energy landscape the world over, with renewable energy taking center stage.

In India, significant changes are unfolding, marked by a rapid increase in energy demand driven by economic growth. Backed by resilience and a clear vision, AEML is prepared to navigate challenges, seize opportunities, deliver strong growth and create long-term stakeholder value.

Our growth trajectory is 'stronger than ever', supported by an improving power distribution landscape. We offer customers the option to increase their share of green power; our Smart meter deployment will empower the customers to optimise electricity usage and guarantee enhanced demand management.

During the year under review, we won the distribution license to supply power to Santacruz Electronics Export Processing Zone (SEEPZ) SEZ. We are making a significant impact here by guaranteeing power reliability and quality as a service at competitive tariffs.

AEML's annual energy sales reached an impressive 9,916 MU, a significant 9.43% increase over FY 23. The company achieved a notable 8% increase in network sales, a testament to robust strategies and tireless implementation.

In what was a proud moment for the company, AEML was

ranked number one for the second consecutive time among 55+ Indian power distribution utilities by the Ministry of Power, reinforcing our position as a leading power distribution utility. This award validated our commitment to excellence over size.

This was also a validation of seeking to perpetually raise operational standards, improve responsiveness to unforeseen market dynamics, identify internal inefficiencies, improve operations, and streamline complex process. During the fiscal year under review, the company achieved its best reliability parameters. The company's Average System Availability Index achieved exceptional outcomes. With SAIDI at 21.54 minutes per consumer and SAIFI at 0.70 interruptions per consumer, the company set new service reliability benchmarks.

The company launched the Sampark program to foster stronger customer relationships through active listening and service adaptation to address evolving customer needs. The company extended to personalized interactions, ensuring that every customer felt valued and heard. Additionally, the company introduced the Samvaad program, empowering frontline workers to engage with the senior management, resolving pain points.

The core of Adani demands a bold identity. Our corporate vision of becoming a distinguished leader

drives innovative approaches and industry benchmarks. We are unfolding a new era of boundless potential, underpinned by our commitment to innovation and adaptability leading to responsible nation building.

The company launched the country's first state-of-the-art SCADA system, a groundbreaking achievement. This was directed to enhance the consumer experience by reducing outages and shrinking power restoration tenures. This represents a milestone towards technological excellence and digitalization, underscoring our responsiveness to embrace emerging opportunities in a fast-changing world.

These realities became possible due to our team's dedicated efforts, which were recognised through prestigious National Convention in Quality Concepts (NCQC) and Gold awards at the International Convention on Quality Control Circles (ICQCC). To generate faster operational upsides, AEML focused on targeted capital expenditure, which yielded superior value. Following these investments, the incidence of faults declined, and systemic stability increased.

## ESG commitment

ESG remained a focus area at the Company, underscoring our commitment to sustainability and responsible citizenship. The company is proud of its safety performance, maintaining a zero fatalities track record

across its operations. AEML made a significant leap in its renewable energy mix to a remarkable 34.35% in FY24 compared to just 3% in FY19. This increase underscored the company's commitment to Sustainability Linked Bonds. The company aims to achieve a 60% renewable energy mix by FY 2027, diversifying its energy portfolio and investing in renewable sources.

Additionally, the company achieved an impressive 41.9% reduction in emissions by FY24 compared to the baseline year of FY19. This substantial decrease was a testament to the company's relentless efforts in adopting cleaner technologies and improving operational efficiencies. On the auspicious occasion of Diwali 2023, the company supplied 100% renewable energy to all consumers for four hours, highlighting the capability to aggregate and distribute renewable resources and aligning with the Adani Group's commitment to 'Growth with Goodness'.

To promote electric vehicles within Mumbai, AEML expedited the installation of EV chargers through its Demand Side Management (DSM) program, contributing to the growth in electric mobility.

### Business excellence

Business excellence is embedded in AEML's culture, a crucial element of the strategic vision to build infrastructure through sustainable value creation. The company consistently reinforced and strengthened a commitment to this ideal. In line with the

dedication, AEML established a foundation of excellence by adhering to world-class standards; it achieved certification for 10 management system standards. AEML remained formally certified and compliant with the Management of Single-Use Plastic and was recognized as a Zero Waste to Landfill organization.

### Digital landscape

AEML remained committed to enhance the customer experience and make services accessible and convenient through digitalization. Customer satisfaction remained central to the mission; the company is driven to ensure a seamless and secure experience across all customer touchpoints, enhancing reliability and trust.

AEML deployed a Chat BOT that empowered consumers to avail services from their residences. The company launched the industry's first virtual customer care centre to deepen consumer engagement through divisional tele-calling and SMS broadcast activities. The company offered customers the flexibility to make payments from the comfort of their homes. It installed a kiosk across divisions with mobile kiosks to smoothen the customer payment experience. It helped improve collection efficiency and finished the year under review with 85% digital payment.

AEML transitioned to data-driven decision-making through the prudent use of dashboards, PowerBI, and Business Intelligence tools. The company implemented an Auto Work Allocation system with centralized and automated fleet management. AEML deployed

**AEML was ranked number one among 55+ power distribution utilities across India by the Ministry of Power for the second consecutive time, reinforcing its position as a leading power distribution utility.**

AEML is engaged in a mission to digitally enhance operations, optimise productivity and elevate employee well-being. By leveraging technology, the company is also advancing its commitment to achieve Sustainable Development Goals.

the KRONOS system that was integrated seamlessly with the Work Management System to enhance workforce productivity. AEML embarked on a Business Process Re-engineering initiative, targeting a 35% reduction in non-value-added activities, and maximizing digitalization across processes. End-to-end automation and the improved integration of all field operating systems translated into smooth operations, increased efficiency, and enhanced governance.

### Future-readiness through digitalisation

AEML is engaged in a mission to digitally enhance operations, optimise productivity and elevate employee well-being. By leveraging technology, the company is also advancing its commitment to achieve Sustainable Development Goals. Artificial Intelligence and Machine Learning were deployed to streamline bill verification; personalized bills were provided on recycled paper. The company created a dedicated employee platform to incubate innovative ideas. To improve visibility and enhance coordination, AEML implemented an Integrated Project Management System.

A fundamental initiative was the creation of a strong leadership pipeline - not merely to address succession planning but also to assemble teams of committed and capable professionals comprising a robust cadre. This engagement provided young minds with the confidence to assume significant responsibilities and enhance oversight across the

service footprint. The company implemented several programs aimed at the middle and top management (Takshashila, Fulcrum, and A-Marvels), designed to enhance leadership capabilities, strategic thinking, and operational excellence.

With the support of seasoned experts and dynamic young talent, the company made proactive investments in expanding capacities and developing leadership. These efforts empowered the company with the competencies to deliver customized solutions and support organizational and national growth. This renewed positioning enhanced consumer relevance; it equipped the company to address individual, commercial, and national energy requirements effectively, affordably, and sustainably.

The AEML team is focused on converting challenges into opportunities to address the vision of nation building. I must express my gratitude to all stakeholders for their trust and belief and also to our employees for their unwavering cooperation.

Looking ahead, the company is enthusiastic about deepening the resilience of its business model through sustainable practices aiming to contribute to local, national, and global environmental sustenance. In doing so, the Company is committed to create an enduringly positive impact on its industry and society.

**Kandarp Patel**  
Managing Director & CEO, AEML



**Kapil Sharma**  
Chief Executive Officer AEML

## Operational review

# CEO'S MESSAGE

### Aspiring to be the world's leading utility

As we look back on another year of remarkable achievements, it is evident that our unwavering commitment to customer centricity, digital transformation, and operational excellence continues to drive our success. During the year, our vision to become the #1 global utility company took a significant leap forward. As a testament to our dedication, we were again recognized as the number one utility company in the country by the Ministry of Power. This accolade underscored our relentless pursuit of excellence in service delivery and our mission to enhance the quality of life for our customers. Our pride lies in achieving unparalleled customer affection, who with just a tap can get all their requests resolved by us with-in a remarkable turnaround time. The fact that other operators choose to utilize our network speaks volume about the strength and reliability of our infrastructure, enabling Mumbai's dynamic and demanding environment to run smoothly.

### Powering Mumbai, a city that never sleeps, with excellence and innovation

Our operational efficiency was unmatched, amongst the lowest distribution losses in the country at 5.3%. Despite challenges, we maintained an extraordinary distribution reliability at 99.996%. This is a reflection of our commitment to deliver uninterrupted power supply even in the most demanding situations.

Our ability to serve a majority of customers in our licensed area using legacy assets showcases our innovative approach in reinventing the workings of a public utility. Despite RoW obstacles, we took initiatives to enhance energy transmission & distribution effectiveness in Mumbai and continue to seek innovative solutions for expanding our CSS/DSS and underground lines. Safety reinforced our priority, and we continued to maintain zero-tolerance against any deviations. Our comprehensive safety protocols ensured that our operations were conducted in the safest possible manner, protecting our employees, customers, and the communities we served. Our commitment to safety was reflected in our excellent safety records as AEML received two awards one for 'Excellence in Safety-Innovation & Technology' and the other for 'Excellence in Road Safety' at OSH India awards.

### Delivering strong financials

Our financial performance remained robust, with operational revenues for FY 23-24 reaching Rs 9748 Crore at a YoY growth rate of ~17% and EBITDA touching Rs 2,350 Crore, demonstrating our strong financial position and ability to deliver sustained growth. The increase in revenue was driven by higher energy consumption with energy sales standing at 9916 MUs (AEML 9873 MU, ASL 43 MU), 9% higher than FY 22-23. Our promising results contributed to an AA+/Stable rating from CRISIL. These

ratings reaffirmed our financial strength and consistency.

### Putting customers at the heart of our operations

On the customer engagement front, we launched the 'SAMPARK' program, our flagship initiative designed to foster stronger relationships with customers. This program was built on the principle of active listening, where we engaged with customers to understand their evolving needs and adapt our services. By putting our customers first, we ensured that their satisfaction remained at the heart of our operations. This year, we expanded 'SAMPARK' to include more personalized interactions, ensuring that every customer felt valued and heard. We also launched the 'SAMVAAD' program, enabling our frontline workers and serve as the primary touchpoints with our customers, who bring deep insights, to engage directly with the senior management team of our organization and help us address the crucial pain points of customers.

### Leading the digital transformation in utilities

We continue to invest in cutting-edge technologies to enhance our customer delight. The world's first Virtual Contact Center, advanced self-help kiosks, and our AI-powered chatbot 'Elektra' exemplified our commitment to leveraging technology for superior customer experiences. We deployed 'Genius Pay' – a self-help recycler kiosk to assist our customers. These efforts

resulted in AEML achieving 85% digital payments in FY24. The implementation of a smart metering ecosystem empowered our customers to manage their energy consumption effectively with real-time meter reading, prepaid metering, and remote disconnection/connection on request. We made significant strides in digitalization, reducing turnaround times, and improving customer interactions. Our Advanced Distribution Management System, supported by strategic capex investments, ensured that we remained responsive to supply and demand fluctuations.

### Environment: Committed to a greener future

Sustainability remained at the core of our operations. We made significant progress in reducing GHG emissions intensity to 1309.4 tco2/ Cr EBITDA, a ~6% improvement over FY23 (FY24 GHG emission intensity @ AEML ~42% < FY19 baseline). We increased our renewable energy mix to 34.35% and made a sale of ~295 MUs to our customers opting for green tariff certification. On the occasion of Diwali, we ensured 100% renewable energy supply to all consumers. We initiated a campaign encouraging our customers to opt paperless bills and are happy to announce that as of March 2024 ~33% of our customers supported this initiative. The ADTPS (Adani Dahanu Thermal Power Station) remained one of the best thermal plants in the country, contributing significantly to our load factor control and overall energy efficiency. ADTPS received an award as 'Excellent Energy Efficient Unit' in the '24<sup>th</sup> National Award for Excellence in Energy Management 2023' from CII (highest-ranking category

of award in the thermal power plant category). Our initiatives related to Dahanu horticulture and achieve Zero Waste to Landfill (ZWTL) and Single Use Plastic (SUP) certifications highlighted our commitment to environmental stewardship.

### Social: Making a difference in our communities

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

### Governance: Upholding the highest standards of integrity and accountability

At Adani Electricity Mumbai Ltd. (AEML), strong governance represents the bedrock of our success. We remained committed to the highest standards of



**Highlight: Our operational efficiency was unmatched, amongst the lowest distribution losses in the country at 5.3%.**

**Despite the challenges, we maintained an extraordinary distribution reliability at 99.996%.**

**Our journey towards becoming the world's leading utility is marked by innovation, integrity, and a relentless pursuit of customer excellence.**

corporate governance, ensuring integrity, transparency, and accountability in our operations. Our robust governance framework, guided by a seasoned Board of Directors, ensured compliance with regulatory standards and best practices. We implemented stringent risk management systems, internal controls, and audit mechanisms to enhance operational efficiency and prevent malpractices. Transparency was key, with timely and accurate disclosures fostering trust with stakeholders. Ethical conduct was embedded in our corporate culture through comprehensive policies and regular training. By integrating environmental, social, and governance (ESG) into our decision-making, we aligned our operations with global sustainability standards. Recognized for governance excellence, AEML remained committed to maintaining exemplary standards, ensuring sustainable growth and stakeholder trust.

### Engaging & empowering our workforce

Our focus on nurturing young talent from top management and technology institutes brought fresh perspectives and innovative solutions to our operations. We are proud to announce that we recruited 343 GETs, 21 MTs and 19 AALPs as young talents this year, reinforcing our commitment to a dynamic, diverse, and forward-thinking workforce. We enabled our employees to be apart of programmes like A-Marvels, Takshashila, and Fulcrum designed at the Adani Group level that shape them into leaders of tomorrow, empowering them to drive innovation, steer

progress, and uphold our values. These programs provide our employees with the training and development opportunities they needed to excel in their roles and contribute to our continued success. Validating our hard work, we received the 'Best Innovative Leadership Development Programme' award by Economic Times HR World.

### Recognized for excellence & Innovation

AEML was honoured with prestigious awards that affirmed our dedication to pioneer solutions in the power distribution sector and our relentless pursuit of innovation and quality. We received the 'Emerging Company of the Year' at the ET Awards for Corporate Excellence and the 'Platinum Award' for Occupational Health and Safety. As a testament to our innovation, AEML won Asian Power Awards 2023 in 2 categories – 'Power Utility of the Year' & 'Innovative Power Technology of the Year' underscoring our growth, sustainability, and business excellence.

Our journey has been marked by remarkable achievements, thanks to the unwavering support of our employees, customers, shareholders, and partners. Our vision is to be #1 utility in the world. Together, we will continue to drive innovation, enhance our services, and set new benchmarks, striving for even greater successes in the years to come.

Warm regards,

**Kapil Sharma**

Chief Executive Officer AEML

**ADTPS received an award as 'Excellent Energy Efficient Unit' in the '24th National Award for Excellence in Energy Management 2023' from the CII (highest-ranking category of award in the thermal power plant category).**

# MESSAGE FROM CHIEF FINANCIAL OFFICER

*Dear Stakeholders,*

Adani Electricity Mumbai Limited is pleased to establish a solid foundation that provides confidence of continued operations and improved performance in the near future. In its pursuit of operational excellence, the company reported one of the lowest distribution losses at 5.29% and maintained a supply reliability of 99.99%. During the year, the company achieved 101% collection efficiency and achieved digital penetration of 79.6% as a percentage of total collection. Adani Electricity Mumbai with a score of 99.9 ranked #1 utility (second year in a row) for 2023 in the 12<sup>th</sup> edition of Integrate Rating of DISCOMs (a joint study by the Ministry of Power, McKinsey, PFC) and its renewable share of 35% in power mix at the end of FY24 elevates Mumbai among top megacities in the world for RE share in power mix. During the fiscal year under review, the company has strengthened its financial structure by ensuring capital adequacy and focused capital allocation towards business growth thereby

improving financial sustainability of the company.

AEML, as a result of superior resource management, incurred a capital expenditure of Rs. 1,334 crores. during the year without mobilizing any long-term debt.; the company's entire capital expenditure was funded through internal accruals. The company has achieved more than a 50% increase in its Regulated Asset Base in last 6 years to Rs. 8,485 crores.

As a testament to our financial discipline and robust business model, all three international rating agencies viz. S&P, Moody's and Fitch have reaffirmed Investment Grade (IG) rating with stable outlook, capped at the sovereign level.

During the year under review, the company also completed a bond buyback of Rs 855 crore (US\$ 120 million), reducing its total long-term outstanding debt to Rs 9,842 crore (USD 1,180 million). In doing so, the company funded the growth led by strong cash flow generation without increasing the

capital employed, highlighting the overall capital efficiency.

Underpinned by robust power demand, competitiveness, and supply reliability, AEML during the year saw sales volume increased by 8.6% to 9,916 MUs in FY24 from 9,062 MUs in FY 23. On account of strong sales, the reported revenue increased by 17%. The increase in the revenue and due to better cost management, the higher revenue translated into an EBITDA of Rs. 2,350 crores during the year.

On the back of robust performance and lower finance cost, the company reported a 142% increase in the net profit.

In the light of the enhanced liquidity and surplus cash generation, the management proposed a dividend of Rs 342 crores for FY24 first time since the acquisition by AESL. We remain committed to create value for all stakeholders and further strengthen our financial position.

**Kunjali Mehta**  
Chief Financial Officer



## Report profile

# APPROACH TO INTEGRATED REPORTING

In this year's Integrated Report, we showcase how AEML enhances value for its stakeholders. Through this Report, the Company has disclosed related financial and non-financial performance, coupled with insights into governance, strategy, performance and outlook. The key non-financial aspects include the Company's operations and its Environmental, Social and Governance (ESG) commitment.

The statutory section of the report is an account of the financial, risk and capital management disclosures supported by the annual financial performance of material subsidiaries and consolidated structured entities. The ESG section provides information regarding stakeholder relationships, material matters, risks, opportunities and forward-looking strategy.

### Standards and Framework

The narrative sections of the Report adhere to the guidelines set by the International Integrated Reporting Council (IIRC). These sections provide a comprehensive overview of the company's performance and activities. The statutory sections, including the Directors' Report and its annexures such as the Management Discussion and Analysis (MDA), along with the Corporate Governance Report, are prepared in accordance with the Companies Act of 2013 and its associated rules, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations of 2015, and the revised Secretarial Standards issued by The Institute of Company Secretaries of India.

The financial statements presented in the Report are prepared following the Indian Accounting Standards. These standards provide a framework for the recording, measurement, and presentation of financial

information in a consistent and transparent manner. By adhering to these standards, the company ensures that its financial statements accurately reflect its financial position, performance, and cash flows.

### Boundary

The Report covers relevant information about Adani Electricity Mumbai Limited (AEML), providing comprehensive insights into AEML's distribution activities, operations and related information.

### Materiality

Our ability to generate value in the near, medium, and long-term is influenced by various factors - external factors like the operating environment, proactive approach to risks and opportunities, and strategic choices. This Report provides a comprehensive understanding of the key issues considered significant, offering valuable context surrounding material topics. By addressing these material topics, we aim

to enhance transparency and facilitate a better understanding of our business and its impact on value creation.

### Board and management assurance

We implemented a comprehensive approach to assurance, based on assessing risks, to ensure the accuracy and reliability of our operations. This includes internal controls, management assurance, compliance reviews, internal audits, and the engagement of external service providers. These measures collectively support the integrity and correctness of the information disclosed in our published reports.

To fulfill their respective responsibilities, various committees, including Audit, Stakeholder Relationship, Risk, CSR & Sustainability, Remuneration & Nomination, and Securities Transfer, review specific reports and recommend them for approval by the Board. For the financial year 2024, TUV India Private Limited



conducted assurance on selected environmental, social, and governance indicators to validate their accuracy.

The Board of Directors and management team acknowledge their responsibility for ensuring the credibility of this Report. The Board have actively engaged in a thorough review process, demonstrating a commitment to address all significant matters and present a comprehensive and unbiased overview of the Company's performance and its effects. The Board collectively believes that the Report accurately represents the integrated performance of the Company and its impact.

Stakeholders are encouraged to examine the report and offer valuable feedback. We value stakeholder input and consider it integral to our commitment to transparency and continuous improvement. To provide

feedback, stakeholders can reach [jaladhi.shukla@adani.com](mailto:jaladhi.shukla@adani.com). We welcome and appreciate the engagement of our stakeholders in shaping our reporting practices.

### Capitals and Value Creation

As an integrated electric utility, our company holds a significant responsibility in the nation's development, the well-being of its people, and the growth of our businesses. We recognize the importance of nurturing relationships with stakeholders. Our overarching objective is to create a positive impact on society while generating value for our shareholders.

To ensure responsible and sustainable business practices, we closely monitor the impact and outcomes of our operations on the seven key capitals: financial, manufactured, intellectual, human, social and relationship,

brand and natural. This monitoring process involves active stakeholder engagement and comprehensive risk evaluation. By engaging with our stakeholders and evaluating risks, we gain valuable insights into the effects of our business activities on these capital resources.

We understand that our ability to create long-term value is intricately linked to the availability and efficient utilization of these capitals. These capitals serve as inputs for our value-adding activities, and the outcomes we achieve are measured by the value we generate and the positive impacts we create. By recognizing and optimizing the interdependencies between these capitals and our operations, we strive to achieve sustainable value creation while meeting the needs and expectations of our stakeholders.

Direction

# HOW AEML'S STRATEGIC ROADMAP IS DIRECTED TO TAKE THE COMPANY AHEAD

**AEML's strategic roadmap for capitalizing on the growth potential in the power distribution business involves key initiatives.**

AEML's strategic roadmap aims to capitalize on growth opportunities in the power distribution sector by investing in infrastructure and technology, prioritizing customer satisfaction, and maintaining regulatory compliance.

**Locational spread:** Targeting specific geographic regions and market segments for expansion. These areas are chosen based on factors such as emerging market potential, urban and industrial activity, favorable regulatory environments, customer needs, and technological readiness. The aim is to maximize growth opportunities and provide tailored energy solutions to meet the evolving demands of customers. After conducting thorough market research and considering factors such as customer demand and regional dynamics.

**Investment in infrastructure:**

Allocating resources for the development of distribution infrastructure, including substations, transmission lines, and distribution networks, to support the increased demand for electricity.

**Technological innovation:** Leveraging digital technologies and smart grid solutions to enhance operational efficiency, improve service quality, and meet the evolving needs of consumers.

**Customer-centric approach:** Focusing on delivering exceptional customer service, offering value-added services, and ensuring consumer satisfaction to retain existing customers and attract new ones.

**Regulatory compliance:** Adhering to regulatory requirements, staying updated with industry standards, and actively participating in regulatory proceedings to ensure compliance and foster a favorable business environment.

## Pedigree and personality

# HOW WE HAVE CREATED AN ATTRACTIVE TRANSFORMATION TRACK RECORD IN JUST SIX YEARS

### Overview

The Adani Group acquired Mumbai's power business from Reliance Infrastructure in 2018. In what was often dismissed as a boring utilities company, the management made significant investments and advancements to transform into one of the most exciting power distribution companies in India, marked by service digitalisation and responsiveness.

Most importantly, the new management infused new vigour into the company's

electricity transmission and distribution infrastructure through timely investments. AEML's Regulatory Asset Base increased to Rs. 8485 crs (AEML Rs. 8441 crs, ASL Rs. 44 crs) till March 2024, primarily driven by new substations, transmission lines, and cables. AEML also undertook extensive infrastructure replacement and modernization aimed at reducing transmission cum distribution losses, enhancing the customer experience, implementing smart metering,

and increasing systemic reliability. These initiatives led to improvements in product and service delivery efficiency, customer satisfaction, and delight.

AEML's efforts in infrastructure modernization and efficiency enhancement resulted in its recognition as the best-performing utility by the Ministry of Power for two years running, a validation of its extensive investments and new found spirit.

### Key performance indicators

At AEML, various performance indicators are monitored to assess business performance and customer satisfaction. Collection efficiency is a key indicator used to ascertain bill collection; this rate is an impressive 100%. Another important metric is

distribution losses, monitored to track electricity losses within the network that can occur due to suboptimal network utilization, transmission constraints and electricity theft.

To gain insights into customer satisfaction, the company deployed parameters like SAIDI, SAIFI, ASAI, and CSAT,

empowering the company to measure performance against targets of reliability and customer satisfaction on the one hand and identify improvement areas on the other. By continuously monitoring and analyzing indicators, the company strives to optimize operations and enhance customer experience.

## Industry landscape

The 'One Nation One Grid' initiative and multiple HVDC projects influence AEML's transmission landscape. The initiative integrates regional grids into a national grid, enhancing stability while reducing a dependence on local generation. HVDC projects facilitate efficient long-distance transmission, improving grid resilience and reducing transmission bottlenecks. Overall, these initiatives ensure reliable and uninterrupted electricity supply to Mumbai consumers.

AEML represents a dynamic interplay of regulatory frameworks, technological advancements, market competition, and evolving consumer needs. Compliance with regulatory standards set

by agencies like Maharashtra Electricity Regulatory Commission (MERC) is crucial for operational efficiency and service quality. Technological innovations in smart grid infrastructure and renewable energy integration are driving transformative changes, while market competition necessitates AEML's adaptation and innovation to maintain its position. Consumer preferences for reliable, affordable, and digitally-enabled electricity services shape AEML's strategies and initiatives, driving continuous evolution and innovation.

AEML's commitment to green energy is reflected in its achievement of significant milestones in renewable energy consumption and greenhouse gas reduction. AEML reached a

milestone of 34.35% renewable energy mix during the year under review, underscoring the company's proactive approach in transitioning to cleaner and sustainable energy sources (wind, solar, and hydroelectric).

The company targeted 60% renewable energy mix by FY 2027 and a GHG reduction target of 40% by FY 2025. AEML achieved an impressive 41.9% reduction in emissions by FY24 compared to the baseline year of FY19. These targets highlight AEML's dedication to mitigate its carbon footprint and countering climate change. By prioritizing green energy initiatives and exceeding sustainability targets, AEML set a positive example for the Indian energy industry.

## Adaptable to changes

AEML demonstrated a commitment to adapt to changes in business and regulatory environments through the monitoring of industry trends and regulatory updates. The company fostered innovation, maintains operational flexibility, and engages with stakeholders. These measures empowered AEML to respond to evolving conditions while ensuring reliable services. AEML operated in Mumbai, the sole Indian city with a competing (non-exclusive) utility landscape. AEML employed various strategies to moderate tariff, seeking to position itself as a preferred utility.

AEML's adoption of ADMS (Advanced Distribution Management System) ensured that consumers experienced fewer outages and faster restoration. Real-time updates provided transparency on service disruptions, keeping consumers informed. ADMS

supported the integration of cleaner energy, aligning with consumer preference for sustainability. AEML's implementation of ADMS promised a reliable, transparent, and sustainable electricity service.

At AEML, Video Contact Center empowered customers to connect with customer service representatives through video calls, using mobile devices, enabling face-to-face interactions for issues resolution. This enhanced the customer service experience and ensured personalized support, contributing to improved satisfaction and efficient query resolution.

AEML's smart meters modernized metering infrastructure and real-time energy consumption and monitoring. They facilitated accurate billing, enhanced energy management, and empowered consumers with insights into use patterns.

AEML leveraged smart meters to improve operational efficiency and deliver better services to consumers in Mumbai.

Ariba was a procurement software utilized by AEML to automate purchasing processes and manage supplier relationships. It enhanced efficiency, reduced costs, and ensures compliance with procurement policies. Through Ariba, AEML gained a visibility into spending patterns and supplier performance, enabling informed decision-making.

AEML employed a data lake to centralize and manage extensive data from diverse sources within the organization. This repository enabled seamless integration and analysis of structured and unstructured data, empowering AEML to derive insights for enhancing grid efficiency, customer service, and operational optimization through data-driven decision-making and innovation.

## Customer engagement

AEML remained committed to surpass customer expectations and deliver unparalleled service. Being in B2B as well as B2C domain, the company's approach towards building enduring relationships with customers hinged around listening to them, providing exceptional service and fostering loyalty. Effective communication and timely responsiveness represented the key to customer delight. This commitment to exceptional customer service directed our endeavours to serve customers.

AEML's comprehensive approach to assess customer relationship management practices comprise the capacity to not only compare itself with industry players but also look at consumer experiences across various sectors. This approach allowed the company to identify best practices and potential areas for improvement

beyond immediate competitors and successfully addressing customer expectations.

The company remained committed to continuous improvement in customer-facing interactions and process efficiency. By leveraging digitalization, automation, and personalization, AEML raised the bar on enhancing customer relationships. This strategy aligned with the evolving expectations of customers, who increasingly value seamless and personalized experience.

AEML's recognition as India's number one power utility indicated that its efforts in area of customer relationship management are yielding results. This accolade from the Ministry of Power, endorsed by McKinsey and Co., underscored industry leadership and a commitment to excellence.

By leveraging digitalization, automation, and personalization, AEML raised the bar on enhancing customer relationships. This strategy aligned with the evolving expectations of customers, who increasingly value seamless and personalized experience.

### Linkage with UNSDGs



### Capitals Impacted



### Material Topics Impacted

- Customer Orientation and Satisfaction
- Digitisation
- Access and Affordability

### Commitments and Targets

We are committed to enhance customer satisfaction through supply reliability and top-quality customer service.

#### Target

~100% supply reliability for 12 Mn+ Mumbai customers

### Strategic Priorities

- Execution Capabilities
- Portfolio of Efficient
- Operating Assets
- Business Excellence

## Customer satisfaction

AEML measured customer satisfaction and gathered feedback. The company employed the use of reputed third-party agencies to measure Net Promoter Score, which helped assess and monitor the strength of customer relationships. The

company utilized close-looping messages to capture immediate consumer feedback. Online social media channels also served as a platform for customers to share opinions and experiences.

Customer interactions related to supply restoration, application processing, bill delivery, and other services-whether inquiries, requests, or complaints-were regularly evaluated through customer feedback, identifying improvement areas.

## Managing customer relationships

AEML employed tools and techniques to manage customer relationships and foster long-term loyalty. One initiative was the customer newsletter, which kept the customer base informed about developments and innovations within the company.

To cater to high-value customers, Adani Electricity assigned key account managers (KAMs) who served as single contact points for all needs. The company also ensured round-the-clock availability through multiple channels such as the Elektra Chatbot, WhatsApp, missed call service, in addition to its call center service.

Leveraging technology to streamline consumer experiences, AEML empowered customers with

self-care options available on the web and through their app. The Video Contact Centre was well-received, allowing customers to interact with agents from their homes while protecting the effectiveness associated with in-person interactions.

AEML ran a Customer Outreach Program, a platform to listen to customer needs, experiences, and expectations. These comprehensive efforts proved effective in building long-term customer loyalty.

AEML adopted digital platforms like customer communication module, dynamic website with self-logins, smart meters, self-help kiosk, video contact center, customer relationship management and social

media engagement, whereby personalized emails and messages (in addition to providing customised content based on their requirements) were addressed.

To enhance personalization in service, Key Premium Accounts were mapped to KAMs, so that deep relationships could be built with major customers or prospects and customer requirements were handled with priority. The one point contact for all queries provided customers a hassle-free experience.

The company proposed personalized treatment through Gold accounts to shrink turnaround times related to customer service and job execution.

## Facilitating quality management through CRM

Customer Relationship Management (CRM) is crucial for enhancing customer interactions and satisfaction. This proposal aims to elevate CRM capabilities, including the migration of legacy data from MS Dynamics CRM. The objective is to create a unified interface for all call center and customer care operations, providing a comprehensive 360-degree view of customer needs and preferences.

The integration with platforms such as SAP, AVAYA, Outlook, social media, Chatbot, GIS & OMS, and Power BI was prioritized to streamline operations. This project offered a holistic approach to customer engagement, operational efficiency, and data-driven insights for decision-making. Key features included:

- Case and interaction management
  - Lead and opportunity management
  - GIS-based mobility solution for the sales team
  - Appointment planner
  - Competitor and prospect consumer mapping
  - Robust reporting and dashboard functionalities
- The introduction of the new advanced SAP Sales Cloud (CRM tool) in AEML will provide significant benefits:
- **360-degree customer view:** Access complete customer history and interactions.
  - **Analytics and reporting:** Generate detailed reports and dashboards for better lead conversions and faster executions.
  - **Tailored campaigns:** Use customer preferences and past behavior to create personalized marketing messages.
  - **Location-based targeting and festive-based personalization:** It will enable Adani Electric to deliver tailored marketing campaigns and service notifications, enhancing customer engagement and satisfaction by addressing regional and seasonal preferences.

- **Cross-departmental collaboration:** Foster robust data sharing across departments.
- **CRM as scheduler:** Utilize CRM calendarization to create tasks, set reminders, and assist users effectively.

The capabilities of the new CRM tool are expected to lead to increased efficiency, better customer experience, and higher revenue. The company will focus on enhancing customer centricity by exploring methods for improved communication, outage management, load disruption notifications, and timely payment reminders. For critical or multiple projects in specific areas, advanced network layouts will be planned, adhering to regulations and anticipating future demands. This advanced footprint will provide a competitive edge.

## Customer service touchpoints

Recognising the significance of resolving customer pain points, the company established customer service touchpoints to voice concerns. Consumers can register their complaints and track redressal in a structured manner. Complaints registered from any touch point can be tracked uniformly on the website, mobile app or other touch points.

### Digital & social media platforms

**Mobile App:** Adani Electricity Mobile App

**Elektra:** Digital Assistant on Website, Facebook Messenger and WhatsApp

**WhatsApp:** 9594519122 and say 'Hi'

On Twitter @adani\_elec\_MUM  
On Facebook @AdaniElectricityMumbai  
On LinkedIn as /adanielectricity  
On Instagram @adanielectricitymumbai  
On You Tube /AdaniElectricityMumbaiLimited

### Online platforms

**Website:** www.adanielectricity.com

**Email:** consumercare@aeml.com

### Call, SMS and Email

**Missed call:** 1800532 9998

**Call us 24 x 7 Toll Free Call Centre (help line) number:** 19122

Genius Pay Self Help Kiosks  
Virtual Customer Care Centres (interaction through video call facility)

**SMS service:** Send Power to 7065313030

## Redressal of grievances

At AEML, we engage with customers through feedbacks and surveys to exceed their expectations and build lasting relationships. Our focus is to listen to customers and understand their needs.

Complaints were handled with priority, acknowledged promptly across multiple channels, and resolved within defined timelines. Customers reported concerns via our 24x7 IVR, chatbot, website, and other self-help channels. The grievance portal on our

website allowed consumers to lodge complaints and track their status, ensuring transparency and accountability. Following every interaction, we sought consumer feedback to drive process improvements.

### Grievance Redressal Forum and Ombudsman

The government's web-enabled grievance redressal mechanism (ICRS) allowed customers to escalate issues to higher authorities within the organization. Grievances

could be logged into the web portal by filling in the necessary information. A unique tracking number was generated for each complaint, enabling customers to monitor the status. If dissatisfied with the CGRF decision, consumers could appeal to the Electricity Ombudsman within a specified timeframe. If the decision favored the consumer, the distribution company was directed to resolve the complaint accordingly.

### Minimal churn of C&I customers

- Fast tracking jobs at the customer and AEML's end for faster delivery.
- Better understanding of customer plan of expansion
- Testimonies from customers create a good word of mouth and goodwill, expanding the service footprint

Taking the business ahead

# AEML'S CUSTOMER-CENTRIC INITIATIVES IN FY 2023-24

## Sampark: A comprehensive customer outreach programme



As a part of this initiative, AEML's Managing Director & CEO Kandarp Patel made an unannounced visit to the Genius Pay Customer Kiosks Centre to derive a first-hand insight into customer experience

This organisation wide customer-centric programme was implemented across all levels to foster customer empathy among employees and amplify the 'Voice of Customer'.

The programme emphasised building customer-centric capabilities across different employee categories:

- Develop senior management capabilities through an effective focus on business-to-business interactions
- Engage the middle management in business-to-customer interactions
- Draw participation from the junior management in call listening sessions

**Some 600+** employees engaged with 1354 customers, contributing to 584 MUs annually. This fostered a positive atmosphere to forge lasting customer relationships.

## Samvaad: Listening to our frontline staff

Samvaad is focused on listening to the frontline staff to address the customer needs and preferences more effectively.

The interventions comprised the following:

- Foster direct communication between the CXO and the frontline staff
- Ensure close ear-to-the-ground and effective in-person interactions
- Empower the frontline team to improve the customer experience
- Enhance alignment and trust

The outcomes comprised two Samvaad sessions covering security team members and acquisition team members.

## Customer data protection

Stringent access controls, encryption protocols and regular security audits remained in place to prevent unauthorised access or data breaches. Our comprehensive Information Security Policy guided actions towards cybersecurity and customer data protection. Data privacy system was embedded in our risk management and data protection. We took initiatives to create awareness among customers on data use, including the nature and purpose of customer information captured and the protection of data and information.

In events of data breach, there were set protocols to ensure strict disciplinary actions, as

deemed appropriate. Customers reinforced the choice to decide on how private data was collected including data deletion, correction, access to data held by the Company and request for data transfer to other service providers. Our initiatives to create cybersecurity awareness comprised the following:

- Flyers were circulated through email to educate customers on cyber threats through Phishing, Vishing and SMShing
- A video clip was circulated regarding the security measures to be taken by customer against cyber threats
- Text messages were sent to customers through WhatsApp, SMS to strengthen cyber security awareness.

## Customer safety initiatives

As an essential service provider, we took proactive initiatives to educate consumers to ensure their safety during the monsoon season. We ran energy efficiency programmes through emails, SMS, roadshows, kiosks for energy efficient products and appliances. We displayed the enunciated policy across AEML locations and ensured it was articulated to all stakeholders. Safety awareness building / communication sessions for internal and external stakeholders were conducted at regular intervals through webinars, radio safety messages, school safety programmes and slum awareness programmes.

## Key performance highlights, FY 24



12

Million, customer base in Mumbai



46,000

Industrial and commercial customers



0

Instances of customer data breach

## Key risks and opportunities addressed

The company addressed Reputation Risk, Cybersecurity Risk and Emerging Risk (failure of climate change adaptation). The focus areas comprised enhanced customer satisfaction through exceptional service, strong communication and customer data privacy.

## Commitment to excellence

- AEML delivered 24x7 uninterrupted power supply of 24 hours per day, exceeding the national average of 23.59 hours per day, benefitting 31.8 lakh customers.
- The incidence of minimal outage outperformed peers with

an Interruption Index of 0.20 against the national average of 200.15.

- The company provided speedy connections through 100% swift online processing surpassing the national average of 82%.
- The company provided accurate billing with 100% bills based on actual meter readings, exceeding the national average.
- Convenient consumer communication was ensured with 94% receiving bill alerts.
- Prompt grievance redressal in 89% less time than what was committed was delivered for call centre complaints.

## Clean energy solutions

The Company increased the renewable energy mix from

30.04% to 34.35% in the distribution network in FY 2023-24. We aim to provide clean energy and environment-friendly solutions to our customers at an optimal cost. This is evident from the fact that during FY 2023-24, we observed a mere 2.5% increase in our tariff, which was almost 5 times less than our key competitor.

## Solutions

The objective is to capitalise on the growth opportunities and deliver tailored energy solutions to address the evolving demands of customers, following extensive market research and considering factors such as customer demand and regional dynamics.

## Case study

**Enhancing power reliability and customer-centricity through digitalization**

At Adani Electricity Mumbai Limited (AEML), we prioritize power distribution reliability and efficiency.

To reinforce this, we implemented N-1 redundancy for our 11 kV, 22 kV, and 33 kV high tension network. At the distribution substation level, we equipped substations with two or more power transformers, reinforcing redundancy and empowering us to swiftly restore supply using an alternate transformer in the event of a supply interruption. This infrastructure empowers us to operate equipment across 220 kV, 33 kV, 22 kV

and 11 kV from a remote location using SCADA technology.

On July 21, 2023, at 22:20 hours, the Gorai EHV 125 MVA-2 Power Transformer tripped, affecting seven power transformers; this interrupted supply to 158,251 consumers in Borivali West, Kandivali West, and Dahisar. The AEML team received a real-time update of supply interruption through SCADA, strengthening responsiveness. This was the result: 61% customer supply was restored within a minute and the remaining supply in the next two minutes.

That affected customers' power supply was restored within three minutes classified this as a momentary interruption (less than five minutes) with consumer hour loss placed at zero. Had the restoration been manual, the delay would have been around 30 minutes.

The swift restoration validated AEML's dedication to reliability, efficiency, and consumer satisfaction. The instance validated impact of digitalisation on transforming customer engagement to customer delight.

The moral of this story is that AEML has empowered its customers to emerge stronger and, in doing so, emerged stronger as well.

**Win-win.**

**How AEML's digitalization enhanced consumer trust**

**Consumer-first approach:** We prioritized consumer needs, aiming to provide uninterrupted service and address with speed any interruptions.

**Advanced technology:** Our eagerness to adopt and utilize advanced technology

ensured that we responded to and managed any irregularity - swiftly and effectively.

**Right technology use:** By leveraging SCADA at the right moment, we minimized downtime and enhanced service reliability.

**Trained manpower:** Our team remained trained to operate advanced systems, ensuring a seamless technology integration into operational processes.

Business segment review

# OUR DISTRIBUTION BUSINESS



## Delivering dependable power for sustainable growth

We are revolutionising India's energy landscape, consistently raising the bar for operational efficiency and customer services. With our state-of-the-art infrastructure,

advanced technology, digitisation and customer-centric approach, we have become a trusted provider of reliable, dependable and affordable electricity suppliers to millions in

Mumbai. We are also driving grid decarbonisation by enhancing our renewable energy share, leading the way towards a cleaner and greener future for our communities.

## Key highlights, FY 24

Units sold		Supply reliability (ASAI) (%)	
FY23	FY24	FY23	FY24
9,062	9916 (AEML 9873, ASL 43)	99.99	99.99

## SAIDI (minutes), (SAIFI) (nos.) and CAIDI (minutes)

FY2022-23			FY2023-24		
SAIDI	SAIFI	CAIDI	SAIDI	SAIFI	CAIDI
22.35	0.70	31.74	21.26	0.69	30.63

Transmission availability (%)		Plant availability factor - ADTPS (%)		Customer base (million)	
FY23	FY24	FY23	FY24	FY23	FY24
99.77	99.79	95.82	92.09	3.13	3.18

Distribution loss (%) (1)		E-payment (% of total collection) (%)	
FY23	FY24	FY23	FY24
5.93	5.30	75.00	79.57

Collection efficiency (%)		Number of complaints	
FY23	FY24	FY23	FY24
100.68	101.01	472,593	483,218

SAIDI: System Average Interruption Duration Index indicates the average outage duration for each customer served; SAIFI: System Average Interruption Frequency Index indicates an average number of interruptions; CAIDI: Customer Average Interruption Duration Index indicates the average time required to restore service during a predefined period. (For all 3 parameters, lower is better)

**Business overview**

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

Our portfolio comprises assets operated by AEML. Their total

regulatory asset base (RAB) increased from Rs 5,532 crore at the time of acquisition in 2018 to Rs. 8485 crs (AEML Rs. 8441 crs, ASL Rs. 44 crs) till 31<sup>st</sup> March 2024.

AEML's operations comprise power generation from its 500 MW coal-based thermal power plant at Dahanu, along with sustainable and steady transmission and distribution network to supply

power to financial capital of India Mumbai. Rated India's largest and #1 integrated power utility, it maintains a high average system availability of over 99.6%. Endowed with a 25-year license granted by MERC in 2011, the company has been empowered to serve all customers across a 400 sq. km licensed region. It presently serves 3.2 million customers in Mumbai.

**AEML ranks as India's #1 power utility**

AEML stands out as Mumbai's primary and most preferred power utility, securing the coveted title as India's number one power utility. The ranking was as per the

Ministry of Power's 12<sup>th</sup> Annual Integrated Rating and Ranking for Power Distribution, a report prepared by McKinsey & Company and PFC (the nodal agency).

**Industry opportunity**

Power distribution is one of the largest consumer-facing sectors in India, with 96.7% of ~270 million households connected to the grid, primarily owned and operated by state governments. Our distribution platform operating in Mumbai positions

us as the electricity supplier of choice, with significant upside potential.

Mumbai is the world's 8<sup>th</sup> most populous city and 25<sup>th</sup> richest city (based on GDP). The electricity demand in Mumbai increased 8% in FY 2023-24, with an average electricity

bill of Rs 36,000 accounting for ~6% of per capita income. With a growing economy and domestic consumption, electricity consumption and average bills are set to rise.

(Source: *Source: India Residential Energy Survey - IRES 2020*)

**FY 2023-24 developments**

- Grown energy demand 8% (units sold) from 9,062 million units in FY 2022-23 to 9,873 million units
- Added 60,000 customers increasing the total base from 3.13 million in FY 2022-23 to 3.2 Mn in FY 2023-24
- Committed a capital expenditure of over Rs. 1328 crores with a focus on bulk customer applications, safeguarding assets, loss mitigation, ensuring continuity of electric supply and maintaining reliability,
- smart metering and ensuring public safety compliance
- Reduced long-term debt by Rs. 855 crores through a bond buyback program



### Adani Electricity ushers a new power reliability era in Mumbai

Adani Electricity inaugurated a Network Operations Center (NOC) to ensure reliable power supply to over 31.5 lakh households and establishments in Mumbai. The NOC, equipped with the latest Supervisory Control and Data Acquisition (SCADA) system, was powered by India's first fully functional Advanced Distribution Management System (ADMS).

This hub represents a significant leap in redefining how Mumbai experiences electricity, a futuristic solution to power management. The NOC (powered by ADMS) represents a new

technology that is expected to revolutionise Mumbai's power distribution. The technology converges data from a network of sensors, analysed in real-time to provide a complete picture of the city's electricity infrastructure.

The system provides a proactive approach to power distribution as probable problems can be detected and addressed before they become significant. ADMS can predict and prevent outages, accelerate line restoration, optimise network efficiency, and deepen network sustainability.

## Competitive edge

### Reliability and cost-effectiveness:

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

### Long-term visibility and security:

We have access to a pool of over 12 million consumers, with a long-term vision and strategy in

place to tap into this consumer base with tariff stability and scaling renewable energy supply. Additionally, we achieved financial closure for all capital investments planned until 2030, enhancing directional visibility and security necessary for a large public utility.

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

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

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

## Technology for improving productivity

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

### Automation

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

### Driving cost optimisation

- Implemented technology solutions such as Transport Management System to optimise vehicles, paperless

billing to reduce printing cost, video conferencing, remote disconnection/ reconnection and AI chatbot for minimising call volume at customer centres.

- Executed high-reinstatement jobs in coordination with MBMC/ MCGM's road infrastructure team to reduce excavation charges.

### Work Management System (WMS)

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

### Transportation Management System (TMS)

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

### Workforce Management System

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

### Smart metering

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

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

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

## Debottlenecking distribution network

- Developed an improvement plan to strengthen the network, including augmenting existing or adding new sources to alleviate congestion or limitations
- Regular meetings with vendors to assess their

performance and provide handholding to meet desired results

- Streamlined network management outsourcing by centralising activities and focusing on single vendor appointments, enhancing control and oversight for improved performance and reliability

- Introduced twin ferrule jointing kits to enhance infrastructure and service delivery and streamline installation processes, minimising leaks and enhancing overall system integrity, for a better distribution network performance

## Addressing challenges

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

The increased road infrastructure work in Mumbai, driven by the Maharashtra government's road concretisation plan, has been disrupting our underground assets and impacting power supply continuity. To address this, AEML implemented a dedicated asset care structure to protect assets and coordinate with MCGM using GIS technology for continuous asset supervision and relocation.

### Replacing aged assets

Older network and distribution assets weaken our network strength and can affect power supply reliability. AEML invests in replacing old equipment such as high-tension (HT) and low-tension (LT) cables and transformers to ensure network robustness and reliable power supply.

### Rising power demand

Rapid infrastructure expansion and weather conditions in Mumbai, such as extended summers and delayed monsoons, are driving increased power demand. AEML leverages its state-of-the-art SCADA system to provide real-time, in-depth network performance statistics, optimizing distribution asset capacity and preventing load shedding in the vicinity.

### Trenching policy revision

MCGM's revised trenching policy has raised reinstatement charges by 28% to 97%, impacting our finances and new asset deployment. AEML has aligned its investment strategy to maintain electric supply continuity and current reliability.

### Space constraints

Limited space for commissioning new assets in densely populated network pockets is a challenge. AEML is optimizing LT network usage to release supply and create room for new assets. Additionally, we are exploring options for additional Customer Service Stations (CSS) to handle customer demands more effectively.

## Investing in sustainability

AEML is one of India's most sustainable utilities, maintaining significantly low levels of Sulphur Oxides (SO<sub>x</sub>), Nitrogen Oxides (NO<sub>x</sub>), and suspended particulate matter emissions, all well below the limits set by the Maharashtra

Electricity Regulatory Commission.

In our commitment to grid decarbonization, AEML increased the renewable energy share in the overall electricity mix to 34.35%. This achievement positions Mumbai

as one of the world's highest procurers of renewable power (solar and wind) in its total energy mix. We aim to increase this share to 60% by FY 2026-27, coupled with ongoing efforts to enhance Mumbai's power infrastructure.



## Illuminating Mumbai with 100% renewable energy

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

# CAPITALS AND THEIR IMPACT

The various Capitals influencing our business and their impact



	Financial Capital	Manufactured Capital	Intellectual Capital
<b>What it is</b>	Financial resources that the Company already has or obtains through financing	The Company's tangible and intangible infrastructure used for value creation through business activities	Intangible property that support the productivity and efficiency and relationships of the organization
<b>Management approach</b>	Create value for shareholders through sustainable growth	Resilient assets and equipment to deliver services to customers	Consider innovation as a strategic element of the Company
<b>Significant aspects</b>	<ul style="list-style-type: none"> <li>▪ Balanced and diversified growth</li> <li>▪ Sound financial structure</li> <li>▪ Operational excellence</li> <li>▪ Sustainable outcomes and dividends</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of products and brands</li> <li>▪ Network assets</li> </ul>	<ul style="list-style-type: none"> <li>▪ Digitalisation for efficiency</li> <li>▪ Disruptive technology and business models</li> <li>▪ Collaborate with partners for innovative business solutions</li> </ul>



### Human Capital

### Natural Capital

### Brand Capital

### Social and Relationship Capital

Soul of the company, comprising employee knowledge, skills, experience and motivation

Natural resources impacted by the Company's activities

Enhanced trust in efficacy, consistency, availability and affordability

Ability to share, relate and collaborate with stakeholders, promoting community development and wellbeing

- Availability of a committed and qualified workforce offers an inclusive and balanced work environment

- Ensure sustainable use of natural resources and contribute to combating climate change

- Creating brands from scratch and sustaining them over time
- Unique value proposition
- Anytime product availability

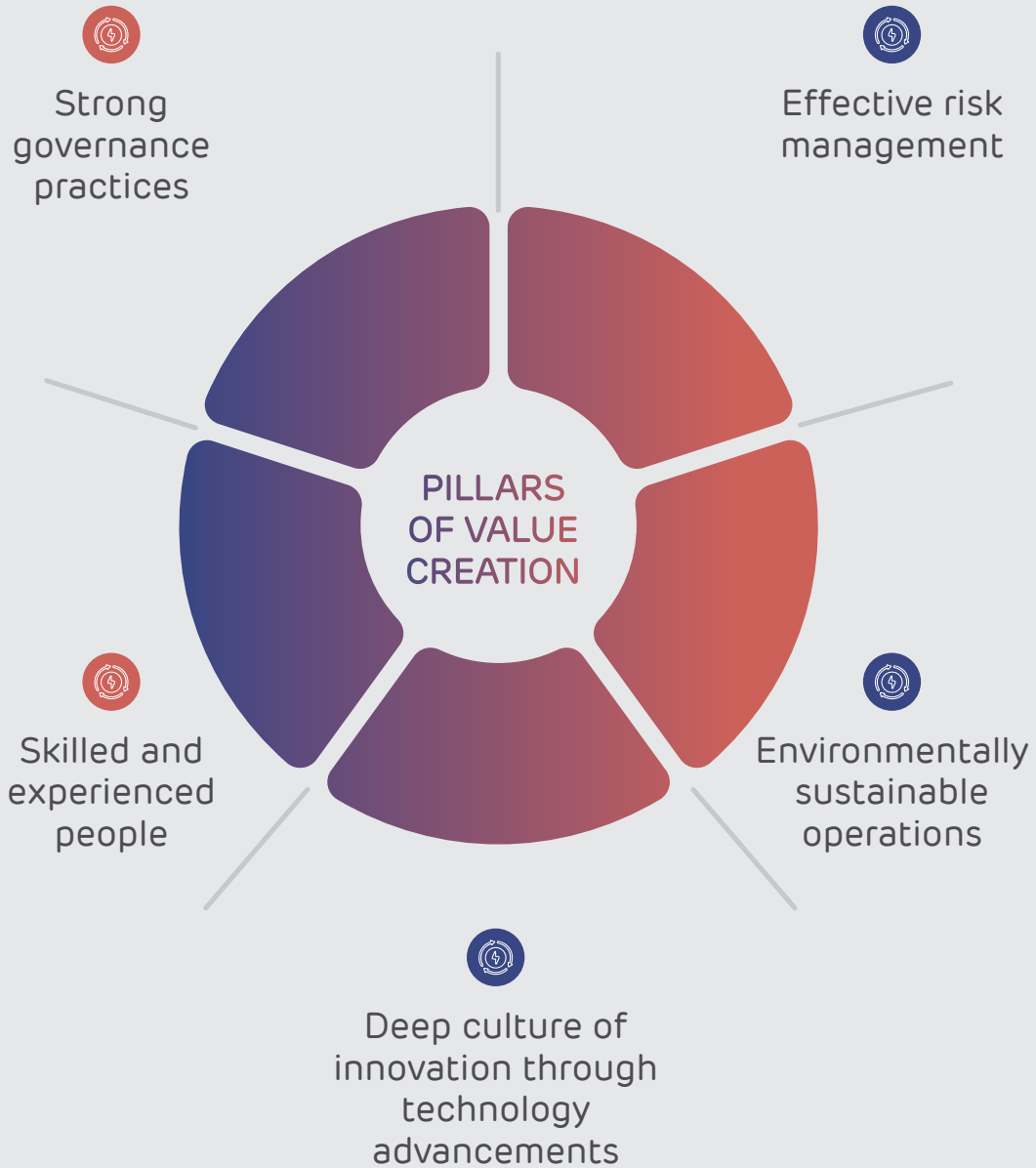
- Promote trust with stakeholders, improving the quality of life of people in areas of presence
- Well-being of the workers and dignity of workers
- Zero incident programme

- Employee well-being
- Talent management
- Diversity and equal opportunity
- Learning and development

- Climate change
- Preservation of biodiversity
- Management of environmental footprint
- Operational excellence and energy efficiency

- Brand and brand extensions
- Strong recall

- Stakeholder engagement
- Community support programmes
- Human rights
- Brand management
- Transparency and good governance
- Corporate reputation



# AEML'S GROWTH PLATFORM

## Financial capital

### EBIDTA

Rs. **2350** crore

### ROCE

**8.64** %

### Repayment of borrowings

Rs **855** crore

## Manufactured capital

### Operational transmission lines

**573** ckm

### Generation capacity

**500** MW

### Distribution area

**400** sq. km

### Consumers

**3.18** Mn

## Intellectual capital

### Strong brand presence

Business processes: Agile and transparent

### Operational excellence

Digital First

## Human capital

### Employees

**4368**

### Age profile

**31%** less <45 years

### Training

**1.53 L** person-hours

## Natural capital –

### Significant investment in eco-friendly technologies

### Recycled quantum

**100%** of all water consumed

### Afforestation

**4.04** hectares

## Social and Relationship capital

### Vendors

**1441+**

### Community lives touched

**12 Mn+**

### Customer centric initiative

**Sampark**

### Voice of front-line employees

**Samvaad**

## Outputs

**Financial capital:** Responsible financial growth and shared profitability

### Intellectual capital:

Differentiating solutions through responsible innovation

**Human capital:** Recruiting, developing and caring for diverse and inclusive workforce

**Natural capital:** Preserving biodiversity and renewable resources, reducing water and energy consumption, emissions and waste

### Manufactured capital:

Acquisitions, sustainable expansion and development of infrastructure, Optimization

**Social and relationship capital:** Livelihood development, climate action, social infrastructure, Supplier Networks, Strategic Partnerships

# HOW WE ENGAGE WITH OUR STAKEHOLDERS

## Overview

We take an inclusive, collaborative and responsive approach to developing stakeholder relationships, while empowering our businesses to deliver local engagement in a transparent way. Regular engagement with our stakeholders enables us to

build trust and respond to the opportunities and challenges the markets throw up while carrying out requisite changes in our internal processes and systems. Our active engagement with stakeholders to understand their requirements and address them, are based on our commitment

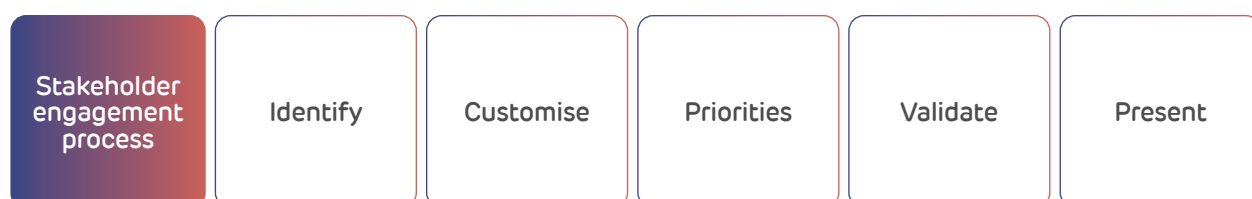
to sustainable value creation. A planned system of engagement ensures timely communication of precise and relevant information to, and interaction with, each stakeholder group in a consistent manner.

Stakeholder group	Why they are important	Their interests	Mode and frequency	Topics of engagement	Activities
<b>Employees</b>	Our employees are at the center of all our operations. Their collaborative skill and expertise are essential for our growth	<ul style="list-style-type: none"> <li>An inclusive work culture</li> <li>A spirit of innovation while interacting with a unique set of markets and customers</li> <li>Enriching career and development opportunities</li> </ul>	<ul style="list-style-type: none"> <li>Periodic engagement with the CEO Senior management interactions</li> <li>Quarterly review discussions</li> <li>Performance Management System</li> <li>Sustainability Portal</li> <li>Intranet</li> <li>Online issues resolution</li> <li>Direct communication with senior leaders</li> <li>Grievance mechanism</li> <li>Whistleblower (Integrity cases)</li> <li>Virtual Engagement initiatives</li> <li><b>Health initiatives:</b> Physical and mental               <ul style="list-style-type: none"> <li>Health portals</li> <li>Project linked engagement surveys</li> <li>Recognitions through the portal</li> <li>Regular interactions with the red and yellow category cases based on health check reports</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Local employment generation</li> <li>Happy and productive employees</li> <li>Employee growth and development</li> <li>Human rights</li> <li>Safety</li> <li>Diversity and equal opportunity</li> <li>Community initiatives</li> </ul>	<p>Engagement is fostered through Regular interactions between the senior management and employees. We conduct various programs to develop the skills of our employees. We focus on employee welfare by gauging expectations and conduct specific engagement events.</p> <p>The company adopted an open-door policy where any employee has access to the Company's leadership</p>



Stakeholder group	Why they are important	Their interests	Mode and frequency	Topics of engagement	Activities
<b>Partners and suppliers</b>	Our operations are closely linked with the timely availability of services that we source. These, in turn, have a material impact on the efficiency of our service delivery	<ul style="list-style-type: none"> <li>Open, transparent and consistent process</li> <li>Willingness to adopt supplier-driven innovation</li> </ul>	<ul style="list-style-type: none"> <li>Operational review –</li> <li>Vendor Engagement forums</li> <li>Specific category and service partner meet</li> <li>Bi-annual Supplier Satisfaction Survey</li> <li>New supplier portal</li> </ul>	<ul style="list-style-type: none"> <li>Brand &gt;Supplier engagement and development</li> <li>Compliance with regulatory/statutory requirements</li> </ul>	To ensure quality and compliance with applicable environmental, social and governance standards, we engage closely with our suppliers for audits, training and knowledge exchange
<b>Investors and shareholders</b>	As providers of capital, they are key to our growth and expansion plans	<ul style="list-style-type: none"> <li>Safe, strong and sustainable financial performance</li> <li>Progress on environment, social and governance matters</li> </ul>	<ul style="list-style-type: none"> <li>Quarterly investor discussions</li> <li>Annual General Meeting</li> <li>Integrated Annual Report</li> <li>Annual Sustainability Report</li> </ul>	<ul style="list-style-type: none"> <li>Credit rating</li> <li>Sustainable business model</li> <li>Corporate Governance</li> <li>Return on net worth/ Earnings per share</li> <li>Communication with investors</li> </ul>	We strive to maintain profitability with cost management efforts for better efficiency and sustainable growth

Stakeholder group	Why they are important	Their interests	Mode and frequency	Topics of engagement	Activities
<b>Regulators and policymakers</b>	Key for ensuring compliance, interpretation of regulations and uninterrupted operations	<ul style="list-style-type: none"> <li>Strong capital base and liquidity position</li> <li>Robust standard of conduct</li> <li>Positive sustainable development, both environmental and social</li> </ul>	<ul style="list-style-type: none"> <li>Continued engagement and representation</li> <li>Quarterly and Annual Compliance Reports</li> <li>Performance reports shared with the Securities and Exchange</li> <li>Workshops</li> <li>Panel discussions with nodal industry bodies and industry associations</li> <li>Steering Committees</li> </ul>	<ul style="list-style-type: none"> <li>Credit rating</li> <li>Governance</li> <li>Transparency and disclosures</li> <li>Investor security</li> <li>Representation with regulators</li> <li>ESG aspects</li> </ul>	We focus on creating a business-friendly environment that supports overall industry growth
<b>Customers</b>	Customer feedback, or as we call it, the Voice of Customer, is key to process improvements, quality enhancement, service performance and cost optimization	<ul style="list-style-type: none"> <li>Differentiated service offering</li> <li>Digitally enabled and positive experience</li> </ul>	<ul style="list-style-type: none"> <li>Project feedback through surveys – Operational and mid-level contacts – Quarterly</li> <li>Customer experience survey – CXO and senior level contacts – Annual</li> <li>Customer visits</li> <li>Steering Committee meetings for big customers – Quarterly</li> </ul>	<ul style="list-style-type: none"> <li>Digital disruption</li> <li>Customer need identification and satisfaction</li> <li>Brand presence</li> <li>Customer privacy</li> <li>Product portfolio</li> </ul>	Our endeavour is to provide our customers value-added and competitive solutions tailored to the present and future needs of their end users
<b>Communities and NGOs</b>	A harmonious relationship with the communities where we operate is key to our social license to operate; they are our partners in progress	<ul style="list-style-type: none"> <li>Positive, social and economic contribution</li> <li>Long-term impact activities</li> <li>Climate change and environmental issues</li> </ul>	<ul style="list-style-type: none"> <li>Various CSR initiatives</li> <li>Volunteering activities</li> <li>Community need identification – ongoing as per CSR project requirements</li> <li>Community engagement initiatives</li> <li>Impact assessment studies</li> </ul>	<ul style="list-style-type: none"> <li>Local employment generation</li> <li>Gender equality</li> <li>GHG emissions</li> <li>Waste management</li> </ul>	We believe in developing and steering long-term relationships with our local stakeholders across the globe. The company spearheads all activities related to its contribution to society



# HOW WE PERFORMED IN OUR TRANSMISSION & DISTRIBUTION BUSINESS SEGMENTS





# OUR COMMERCIAL MANAGEMENT

## Overview

AEML has undertaken extensive business process reengineering across various commercial processes to ensure customer delight. By analyzing and redesigning workflows, AEML has streamlined operations to enhance efficiency and responsiveness. Key initiatives include the integration of advanced technologies like smart meters and AMI for accurate and real-time meter reading, ensuring precise billing and reducing errors. The establishment of a pioneering video contact center

provides personalized customer support, enhancing engagement and satisfaction. The deployment of self-help kiosks allows for seamless bill payments, offering convenience and efficiency.

AEML revamped the new connection process, making it faster and more user-friendly, ensuring a smooth and hassle-free experience for new customers. AEML's dedication to operational excellence led to a significant reduction in distribution losses to 5.3%. Despite increases in coal prices, inflation, and higher power purchase costs in the energy

exchange market, AEML's tariff rose by just 2.5%, compared to the 12.5% to 15% increases reported by other discoms.

These reasons empowered AEML to secure the first rank among all discoms for two consecutive years in the Annual Integrated Rating and Ranking for Power Distribution Utilities by the Power Ministry. AEML received an A rating in the Consumer Service Rating of Discoms (CSR), highlighting its commitment to customer service.

## Top performance

**Annual integrated rating of discoms:** AEML was honored as the top utility company in India by the Ministry of Power. In the 11th and 12th Annual Integrated Rating and Ranking for Power Distribution Utilities, AEML secured the highest rank with Grade A+ and achieved an impressive integrated score of 99.9 out of 100.

**Unmatched performance:** Adani Electricity demonstrated exceptional performance with a near perfect score of 99.9 out of 100, outperforming 54 electricity distribution companies across the nation.

**Financial strength:** AEML achieved a perfect score (75/75) in financial sustainability, reflecting its prudent cash management and robust debt metrics.

**Customer focus:** AEML earned top marks for performance excellence (13/13), underscoring its commitment to reliable service, efficient billing, and significantly reduced distribution losses.

**Community partnership:** AEML prioritized social responsibility, attaining a perfect score in the external environment category (12/12), showcasing relationships with stakeholders and local communities.

## Enhancing collection efficiency and customer engagement

In addressing challenges, AEML focused on improving collection efficiency to 101% YTM, moderating power distribution loss, and enhancing face-to-face customer support. AEML successfully reduced

its distribution loss to 5.3%, compared to the national average of 12-15%, demonstrating a commitment to efficiency and sustainable energy management.

### Key initiatives include:

- Video Contact Center: Launch of India's first pioneering video contact center, offering

personalized, face-to-face customer support to improve service engagement.

- Advanced Chatbot System: Implementation of an advanced chatbot system to provide instant support, streamline communication, and enhance service efficiency.

## Strengths

AEML's business is built around four pillars:

**Operational excellence:** Ensuring reliable and efficient service delivery, AEML focuses on maintaining high standards of commercial processes. Auto work allocation improved efficiency and transparency in field work. Continuous improvement and stringent performance metrics helped achieve consistently dependable operations.

**Customer centricity:** Prioritizing customer needs and satisfaction, AEML engaged with customers to understand their expectations. The company implemented user-friendly services such as the website, mobile app, chatbot, selfhelp kiosk and robust customer support systems such as IVR and Video Contact Center to enhance the overall customer experience.

**Productivity:** Optimizing resources and processes, AEML employed best practices and innovative solutions to maximize efficiency. The company remained dedicated to enhancing transparency through advanced monitoring solutions, which helped identify and resolve productivity challenges. Streamlined operations and effective resource

management significantly contributed to higher productivity and cost effectiveness.

### Smart meters and AMI

The installation of smart meters and the implementation of AMI revolutionized the way AEML managed and monitored electricity distribution. Smart meters ensured accurate and real-time billing, eliminating estimation errors and providing customers with precise consumption data. This transparency allowed customers to manage their energy usage more effectively and reduce their bills.

For the utility, AMI enabled remote monitoring and management, reducing operational costs, enhancing load management, and significantly decreasing distribution losses.

### Service self-help kiosks for bill payments

The introduction of self-help kiosks for bill payments provided customers with a convenient and efficient way to manage their accounts. These kiosks, located at strategic points, allowed customers to pay bills quickly and easily without the need for human intervention. This not only reduced wait times but also empowered customers to manage their transactions at

their convenience, improving their overall experience with AEML.

## Impact

### Enhanced customer satisfaction:

Through accurate billing, real-time data access, personalized support, and convenient payment options, customers experienced greater satisfaction and trust in AEML's services.

**Operational efficiency:** Digital investments streamlined operations, reduce manual interventions, and lowered operational costs, contributing to overall efficiency.

**Improved responsiveness:** The combination of smart meters, AMI, video contact centers, and self-help kiosks ensured that customer issues were resolved quickly and effectively, enhancing the department's responsiveness.

### Transparency and control:

Customers gained a better control over their energy usage and billing, leading to more informed decisions and potential cost savings.

AEML's commitment to digital transformation in the commercial department underscores its dedication to providing cutting-edge, customer-centric services while optimizing operational efficiencies.

## Innovative approach

AEML's success was built on an innovative approach to power distribution:

**Loss reduction:** Through the prudent use of analytics and vigilant monitoring, distribution losses were reduced to 5.3% in six years.

**Financial excellence:** Strong working capital management practices ensured optimal liquidity and reduce the interest burden on customers.

### Digital transformation

The implementation of the Video Contact Centre and Field Force automation eased the customer experience and improved operational productivity. AEML leveraged its data lake to make data-driven decisions, accurately forecast future complaints, and identify potential defaulters.

### Driving innovation and modernizing service offerings

AEML employed advanced technologies to enhance its

operations, driving innovation and modernizing service offerings. Key initiatives included:

- **Smart meters and digital billing:** Implemented to provide cutting-edge services and real-time monitoring.
- **Advanced CRM:** Facilitated a quick resolution of complaints, contributing to a significant reduction in commercial complaints by 17% compared to the previous year.

• **Real-time monitoring:** Ensured operational efficiency and customer satisfaction.

AEML's operational philosophy is centered around customer centricity, with all digital initiatives aligned with business goals. Automation and digital processes drove all commercial operations, and more than 85% of customers paid through online

modes during the year under review.

### Consumer service rating of discoms

AEML was recognized as an A-graded utility in the consumer service rating of discoms (report published by REC India, powered by Ministry of Power of Government of India).

These standards cover aspects that include rights to reliable power, transparent billing, effective grievance redressal, and compensation for service lapses. The evaluation focuses on essential aspects of consumer services, such as operational reliability, connection services, metering, billing, collection services, and fault rectification.

### Outlook

AEML is poised for significant growth and innovation, with initiatives aimed at expanding the commercial business and enhancing service delivery. Following tariff revision, the company will target high-tension and premium low-tension consumers in the Mumbai suburbs not currently on the AEML network. This strategic expansion aims to increase market share and provide superior service to a broader customer base.

To improve operational efficiency, the company aims to achieve 100% remote meter reading downloads through Advanced Metering Infrastructure, which will enhance billing accuracy and reduce assessed readings. This technology-driven approach will ensure precise and timely data collection, leading to better resource management and customer satisfaction.

AEML is also committed to increasing the share of renewable energy in the portfolio. The company raised the proportion of green energy from 30% in FY22-23 to 34.35% in FY23-24, with the goal of reaching 60% by 2027.

The company is focusing on technological interventions like Theft Prevention Pillars and Smart Pillars to reduce energy theft and provide a reliable supply to consumers. These innovations are crucial for maintaining the integrity of distribution network and ensuring consistent service delivery.

AEML received approval from the Maharashtra Electricity Regulatory Commission for the implementation of a Battery Energy Storage System. This system will regulate and store power supplied by renewable energy sources, enhancing grid stability. To maintain its position as the top utility in

India, we are committed to convert all processes to digital formats.

This transformation will streamline operations, improve efficiency, and provide realtime data access, benefiting operations and customers. The company is working towards converting all customers to paperless billing and digital payment systems, moderating the environmental impact and providing customers with convenient, efficient, and secure transaction methods.

AEML's initiatives focus on expanding our customer base, enhancing operational accuracy, increasing renewable energy usage, implementing advanced technologies, and fully embracing digital processes. These efforts will ensure that the company leads the utility sector while providing superior customer service.



## Case study #1

## Video contact centre



AEML's Video Contact Center, the first of its kind in India, revolutionizes customer support by offering personalized, face-to-face interactions that significantly enhance engagement and satisfaction. This innovation bridges the gap between traditional customer service and the digital experience, ensuring superior support and convenience.

AEML's Video Contact Center exemplifies a commitment to service responsiveness and innovation. This facility empowers customers to connect with our service team at their convenience through multiple channels, including our mobile app, website, chatbot, and WhatsApp. Customers have the flexibility to initiate a video call or schedule an appointment by selecting their preferred date, time slot, and agent. Additionally, our agents can schedule calls on behalf of customers, ensuring ease of access for all.

The Video Contact Center is equipped with advanced features such as a whiteboard for visual explanations, a supervisor console for real-time monitoring, silent barge-ins for unobtrusive assistance, and a conference facility for multi-party calls. Calls are recorded for quality assurance, and access control features ensure data security. Informative videos play while customers are on hold, and alerts notify agents of prolonged calls, enhancing efficiency and satisfaction.

This innovative service has been widely embraced by customers, with nearly 500 daily interactions for issue resolution, requirements, and inquiries. This technology not only enhances responsiveness but also sets a new standard for customer interaction, underscoring AEML's dedication to superior service delivery and technological advancement.

## Case study #2

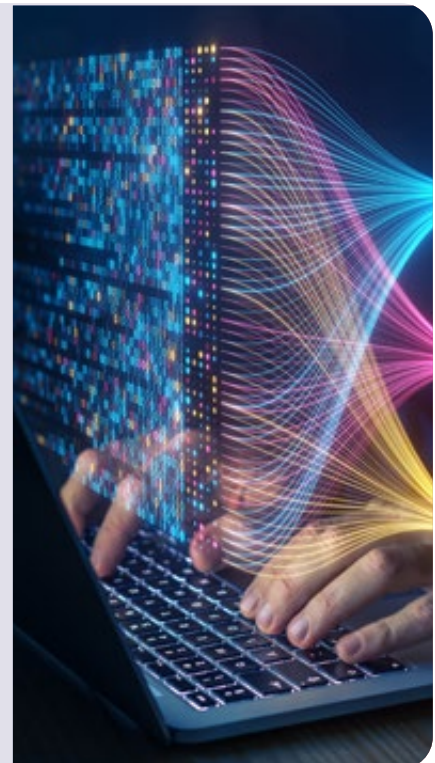
## Use cases of Data Lake analytics

AEML's digital transformation journey exemplifies a commitment to service responsiveness and outperformance. Having lagged in digitalization until 2019, the organization embarked on a transformative journey, resulting in significant progress by 2024.

Armed with comprehensive data collected over the years, we are poised to leverage it effectively in our upcoming data lake project. This project will provide a unified environment for integrating enterprise and sensor data, offering diverse opportunities to support AEML's energy transformation and enhance customer relationships.

The implementation of a data lake for customer data and asset performance analytics marks a significant milestone in our digital journey. This initiative empowers us to harness the power of predictive analytics and informed decision-making, driving operational efficiency and enhancing our responsiveness to customer needs.

Through our commitment to digitalization and innovation, AEML continues to set new standards for service excellence and customer satisfaction in the energy sector.



# OUR NETWORK MANAGEMENT

## Overview

Network management at AEML involves overseeing the infrastructure and systems that ensure the reliable distribution of electricity to consumers. This includes monitoring, maintaining, and optimizing the power grid and

related network infrastructure. Our unwavering commitment to reliability is the cornerstone of our operations. We proudly maintain an exceptional distribution reliability rate exceeding 99.99%. This remarkable achievement reflects our relentless pursuit

of providing uninterrupted power supply to our valued customers, even in the most demanding situations.

Operational efficiency is at the forefront of our endeavors, and we have made significant progress in this area.

## Our competitive strengths

The company's strengths in this area comprised the following:

- Robust and reliable HT and LT network to achieve best-in-class reliability.
- Safety-first approach to ensure world-class safety standards.
- Quality-enhancing initiative like Six Sigma and Quality Controls to increase productivity and efficiency.

## Principal challenge

The principal challenges faced by the company's network management comprised increased RI rate by MCGM (Municipal Corporation of Greater Mumbai), tariff competition and increased road infra work affecting our cables.

The company replaced short-length cables and lay new cables in coordination with road infrastructure work planned by MCGM/ MBMC to optimize the excavation cost, strengthening

the network and helping reduce faults. Also, the principal differentiator was the automation and integration of technology into daily tasks, with digitalization playing a key role in the company's growth.

### Case study #1

**Reality:** On 21 July 2023, the 220 kV tripping spilled to seven power transformers, affecting 95,667 customers.

**Responsiveness:** Average supply restored with the help of SCADA in just one minute.

### Case study #2

**Reality:** On 12th June 2023, a 220 kV trip spilled to six power transformers, affecting 57,901 customers.

**Responsiveness:** Average supply was restored with the help of SCADA in a few minutes.

# CENTRAL VIGILANCE MANAGEMENT

## Overview

The company encountered the following challenges related to Central Vigilance Management:

- **High distribution losses:** Distribution losses stood at 5.93% for FY 2022-23; the goal was to bring this down to 5.5% for FY 2023-24 (actual 5.3% for FY 2023-24).
- **External agency manpower dependence:** There was an over-reliance on an external agency for loss mitigation in the Shivaji Nagar area.
- **Accurate tagging for LMC:** Improving the accuracy of last mile connectivity and single line diagrams was essential for better loss calculation and management.
- **Unauthorized direct connections:** Addressing electricity theft, particularly in slum areas and regions with unauthorized connections, proved to be a significant challenge.
- **Regulatory and legal constraints:** Restrictions due to Coastal Regulation Zones (CRZ) and forest areas impacted supply.

## Principal differentiators

During the year under review, AEML implemented several initiatives:

**Centralized Vigilance Team:** The team centralized resources and focused on high-loss areas, optimizing manpower deployment.

**Strategic cluster management:** Loss clusters were categorized into A, B, C, and D for targeted interventions.

**Theft proof pillars:** These comprised proven technology to curtail direct theft; AEML installed an unprecedented 140 TPPs in critical pockets.

**Technology integration:** Implementation of advanced technologies like SCADA with ADMS, smart meters, and data analytics enhanced operational efficiency.

**Enhanced security measures:** Coordination with Maharashtra Security Force and Local Armed Police helped deploy Theft Prevention Pillars (TPPs) and conduct raids to curb theft.

**Data-driven approaches:** Utilization of analytics to detect anomalies and potential theft led to effective interventions.

## Strengths

**Comprehensive network:** The extensive underground cable network and robust infrastructure support reliable power distribution.

**Focused loss mitigation:** The dedicated CVT ensures systematic and focused loss mitigation efforts.

**Regulatory compliance:** AEML adheres strictly to regulatory frameworks set by MERC and CERC, ensuring operational legality and standards.

**Security enhancements:** Coordinating with MSF and LA Police to secure the distribution network and field employees to prevent theft.

## Digital investments and responsiveness

**SCADA with ADMS System:** Enhanced SCADA with ADMS system covers 33-22/11 kV substations and critical consumer substations. It provides real-time monitoring and control over the distribution network.

**Optical fiber communication:** Laying of optical fiber cables for SCADA with ADMS ensures reliable communication and data transfer.

**Analytics for theft detection:** Data analytics tools are implemented to study consumer behavior and detect theft anomalies. Exploring AI and ML capabilities to analyze various data points and identify leads for anomalies in metered data. Mobile applications: Homegrown mobile applications automate mass raid operations and theft booking processes.

## How we strengthened this function in 2023-24

In 2023-24, AEML undertook the following initiatives to strengthen its operations:

Vigilance operations were consolidated under the CVT for efficient resource allocation;

loss management Identified loss making clusters and implemented strategies based on loss cluster analysis and proactive theft mitigation. High-loss areas like Shivaji Nagar were brought under direct AEML control by removing vendor dependence. Upgraded cable and transformer capacities,

installing smart meters, and replacing aged infrastructure.

**Impact:** Low distribution losses: AEML achieved one of the lowest distribution losses in the country, significantly below the national average and better than what had been targeted.

## Outlook

The outlook for AEML is positive, with several initiatives planned for the next five years, covering the following points:

**Sustainable loss mitigation:** Developing sustainable measures to maintain distribution losses at the targeted 5% level.

**Technological enhancements:** Continued investment in advanced technologies like SCADA with ADMS, smart meters, improvised version of Theft Mitigation Pillars with Low Tension Distribution Management System (Smart Pillar-DMS) and real-time data analytics.

**Regulatory compliance and expansion:** Navigating regulatory challenges while exploring opportunities for expanding the service area and infrastructure.

**Customer engagement and education:** Enhancing customer education programs to reduce unauthorized connections and promote energy conservation. Improving service reliability and reducing unauthorized connections will build customer trust and satisfaction

**Modernizing the distribution network:** Upgradation of the network to reduce technical losses. Improve HT to LT ratio with a provision for the High Voltage Distribution

system. Adopting advanced technologies to enhance network efficiency and reliability.

**Strengthening financial performance:** Reducing distribution losses and improving revenue management will strengthen the financial performance and competitiveness of AEML.

**Reducing operational costs:** Lowering manpower dependence and operational costs through sustainable theft prevention methods.

Development of **AI ML base** analytical tool to pinpoint theft with speed, reducing an excessive reliance on mass raids.



Case study #1

### Sustainable theft reduction in high-loss clusters

**Challenge:** Control on high levels of electricity theft in slum areas and unauthorized direct connections.

**Initiative:** Intensive mass raids and installation of TPPs.

**Outcome:** Significant reduction in theft incidents with significant reduction in losses in identified pockets.

Case study #2

### Improving LMC tagging accuracy

**Challenge:** Inaccurate LMC tagging, affecting loss calculations.

**Initiative:** Power line carrier communication-based last mile connectivity and single line diagram mapping. A digital twin of field network.

**Outcome:** Improved accuracy in loss calculation and a better identification of high-loss areas.





**Share & Charge**

**adani**  
Electricity

**How to use Adani EV Charging Station?**

- 1. Download the Adani EV Charging App on your phone from Google Play Store or App Store
- 2. Sign in using Google, Facebook, email, or phone number
- 3. Recharge your mobile wallet on the app
- 4. Plug in the connector to your Electric Vehicle
- 5. Scan the QR Code on the EV Charger
- 6. Start charging your EV by clicking 'Start' on your mobile app
- 7. Stop charging through the app
- 8. Your wallet will be charged and you will find the amount in your bills.

**Do's and Don'ts**

- Press the emergency button to stop charging in an emergency
- Wait 3 minutes after the charging session to plug out the charging gun
- Place the charging gun in the holder after use
- Do not plug out the charging gun while charging is on
- Contact 1800 for assistance and support
- Always refer to terms and conditions before charging the EV from this charging station
- In case of the emergency kindly contact 911, 999 or 2400000000

Welcome to the **EVolution**  
Electric Vehicle  
Charging Station



## Strengths

AEML provides a safe environment for EV charging stations by following fire brigade norms, procuring ARAI certified devices and following safety precautions while installing the EV charging stations. The tariff for EV charging sessions was designed similar to LTVI tariff (Electric Vehicle Charging Station tariff) costing between Rs 12 to 14 per unit to the customer as per the number of units consumed in a session and time of use. The concessional night tariff helped shift demand to the off-peak period.

## Transformation

The SaaS product of 'Elocity – CPMS' and the mobile app were modified to improve the customer experience, reporting and data consistency. A web page is designed to provide EV charging related information to customers and to register their interest. A web portal is developed to register and process the EV charging station related leads. SMS of free EV charger installation offerings were sent to customers staying in high rise buildings and apartments. AEMLs EV charger offerings were published in the newspapers. Awareness sessions were held with the employees working in divisions and zones.

## Business excellence journey

Aligned with our vision to be a world-class leader and our aspiration to institutionalize a culture of business excellence, the Generation, Transmission & Distribution businesses of AEML made progress in achieving these goals. The company adopted a world-class approach to improve the maturity and capability of its processes, leading to improved business results. These approaches will help meet strategic and operational objectives, besides meeting the expectations of stakeholders. The foundation of our business excellence journey at AEML was based on the following pillars:

**ISO journey:** The quality journey of AEML began in 1997, when the company achieved its first certification for ISO 9001 (Quality Management System). Several milestones have since been achieved along this ISO journey. The businesses are certified as below:

SN	System	Objective	AEML-G	AEML-T	AEML-D
1	ISO 9001:20 15	QMS Ensure Quality in processes for desired output and reliable customer services	1998	1997	1998
2	ISO 14 001:2015	EMS Address impact of operation on environment Climate change, ensuring Environment compliances	1999	2010	2014
3	ISO 45001:20 18	CHSMS Promoting Occupational Health & Safety practices compliances	2008	2010	2020
4	ISO 50001:20 18	EnMS Address Climate change and Energy Management compliance	2011	2021	2020
5	ISO 55001:2014	AMS Asset Lifecycle management	2016	2016	2014
<b>Risk protection standards</b>			<b>Certification since</b>		
6	ISO 27001:2013	ISMS Ensuring data security	2008	20 18	2012
7	ISO 27031:2011	IRBC Information & communication technology readinessfor business continuity	2019	2021	2021
8	ISO 22301:2019	BOMS To safeguard against disruptive events and ensure business continuity	2019	2022	2021
<b>Business Excellence Standards/Guidelines</b>			<b>Certification since</b>		
9	ISO 26000 2010	SR Social Responsibility Assessment & compliance	2019	2022	2022
10	SA8000:2014	SA Promotion of work culture fostering employee stisfaction ethical business practices & Social Accountability Compliance	2007	In. process	In. process
11	ISO 20000-1	ITSM IT Service Management	2021	2021	2021
12	ISO/IEC 17025	Accreditation for testing laboratory by National Accreditation Board of Laboratory (NABL)	2013	-	2009
13	Certificate	Single Use Plastic Assessment Certificate	2021	2023	2023
14	Certificate	Zero Waste to Landfill Certificate	2021	2023	2023
15	Certificate	Water Efficiency Management System	2021	.	.
16	Certificate	Biodiversity assessment study for all 3 sesssions Rainy, summer winter season completed	2022	.	-
17	5-S Certificate	Better look of workplace Develop a greater safety awareness Quick retrieval of items Reduce wastage Neat clean and Hygienic workplace	2020 Platinum	2014 JUSE	2022 AWMA

**Structured problem-solving methodologies:** AEML adopted multiple approaches and tools, aimed at engaging its employees across the organizational hierarchy viz. a) Lean Six-Sigma, b) Quality Circle c) Adani Workplace Management System (AWMS). In this process, the Company created a bank of over 260 Lean Six-Sigma Green Belt executives, over 90 Six-Sigma Blackbelts, over 425 employees trained on Quality Circle tools and techniques, over 450 ISO internal auditors, 22 ABEM assessors and over 105 AWMS internal Assessors. Multiple improvement projects have been undertaken by the respective teams under each of these approaches, leading to greater maturity of our processes and creating a culture of structured problem solving by engagement of our employees. The movement has enabled the company to gain recognition in regional, national and international competitions.

**ABEM journey at AEML:** Since the launch of Adani Business Excellence Model (ABEM), a series of improvement initiatives were completed, based on self-assessment exercises conducted for the ABEM categories. These initiatives are led and mentored by senior leaders and supported by various support function teams. The employee base of over 1600 executives has been formally sensitized to the need for business excellence and the salient features of ABEM. Multiple rounds of assessments led to improvements.

### Outlook

The outlook of this business depends on penetration of EVs in societies and the proactive decision making by society committees to install EV charges in common premises to avoid multiple individual installations. Long-term contracts are made with the vendors to procure EV chargers and installation of these chargers. The manual processes are proposed to be digitalized by 2024-25. There will be a bigger focus on customer centricity by addressing EV-related complaints within SOP guidelines.

## Rewards & recognitions

### ● 11th Innovation with Impact Awards for Discoms

- Category A (Green Energy) – Rank 2
- Category B (Efficient Operations) – Rank 3
- Category E (Performance Improvement) – Rank 3

### ● Asian Power Awards 2023

- Power Utility of the Year for Transmission & Distribution
- Innovative Power Technology of the Year

### ● MQH Best Practices Awards

- Leadership Category – 1<sup>st</sup> Runner Up
- Workforce Focus Category – 1<sup>st</sup> Runner Up
- Operation Focus Category – 1<sup>st</sup> Runner Up
- Operation Focus Category – 2<sup>nd</sup> Runner Up

### ● International Convention on Quality Control Circles 2023

- 4 Gold Awards

### ● National Convention on Quality Concept 2023

- 5 'Par Excellence' Awards
- 7 'Excellent' Awards

### ● 9th National Conclave on 5S

- 9 'Par-Excellence' Awards
- 1 'Excellent' Award

### ● 6th National Convention on Innovative QC Teams

- 2 Top 'Rhodium' Awards

### ● Chapter Convention on Quality Concept (CCQC) 2023

- 18 Gold Awards
- 4 Silver Awards
- Best Case Study & Presentation OC

- Best Coordinator Gold Award

### ● Economic Times HR World

- Highest Award in the category of Best Innovative Leadership Development Program for A-Marvels

### ● CII 2023 DX Award

- Most Innovative Company in the Best Practices Category

### ● OSH India Awards

- Excellence in Road Safety
- Excellence in Innovation in Safety Technology

### ● 24th National Award for Excellence in Energy Management 2023 (CII)

- ADTPS: Excellent Energy Efficient Unit in the thermal power plant category



6 teams of AEML won Par Excellence Award at 9<sup>th</sup> National Conclave on 5S conducted by Quality Circle Forum of India (QCFI)



## Excellence driver

# AEML AND COMPETENT VENDOR MANAGEMENT

## Overview

AEML's vendor management is directed to enhance value for the company and vendors through collaboration, transparency, and digitalization in sourcing and procurement. The key components of this process comprise vendor selection, registration, onboarding, performance evaluation, relationship management, and risk management.

### Ensuring supplier code of

**conduct:** The team ensures that all vendors adhere to the Adani supplier Code of Conduct. This includes compliance with ethical standards, fair labour practices, and environment regulations.

### Vendor risk management:

Identifying, assessing, and mitigating risks associated with vendors is a crucial responsibility. This involves regular risk assessments, monitoring vendor performance, and implementing

strategies to minimize disruptions in the supply chain.

**Ensuring ESG compliance:** The team ensures that all vendors in the system comply with Environmental, Social, and Governance (ESG) standards. This includes adherence to regulations regarding environmental impact, social responsibility, and corporate governance.

**Enhancing existing key vendor relationships:** Strengthening

and developing relationships with existing key vendors is an ongoing objective. This involves regular performance evaluations, feedback sessions, and collaborative efforts to improve service offerings and capabilities.

By focusing on these key responsibilities and objectives, the vendor management function ensures a reliable supply chain that aligns with the company's goals.

## Key achievements

**Vendor base:** We managed 1,441 vendors in FY24.

**ESG compliance:** All vendors agreed to comply with the company's ESG policy, which includes avoiding the use of single-use plastics and eliminating plastic packaging.

**Technical qualification:** We maintained a pool of five or more technically qualified vendors per proposal, achieving a compliance rate of 235 of 236 eligible proposals.

## Onboarding and digital transformation

**MDG platform:** We onboarded all 3,777 approved active AEML vendors to the Master Data Governance platform, centralizing the vendor management system.

**ARIBA implementation:** Since November 2023, we implemented ARIBA with 100% compliance, enhancing our procurement and vendor management processes.

## Vendor feedback and relationship management

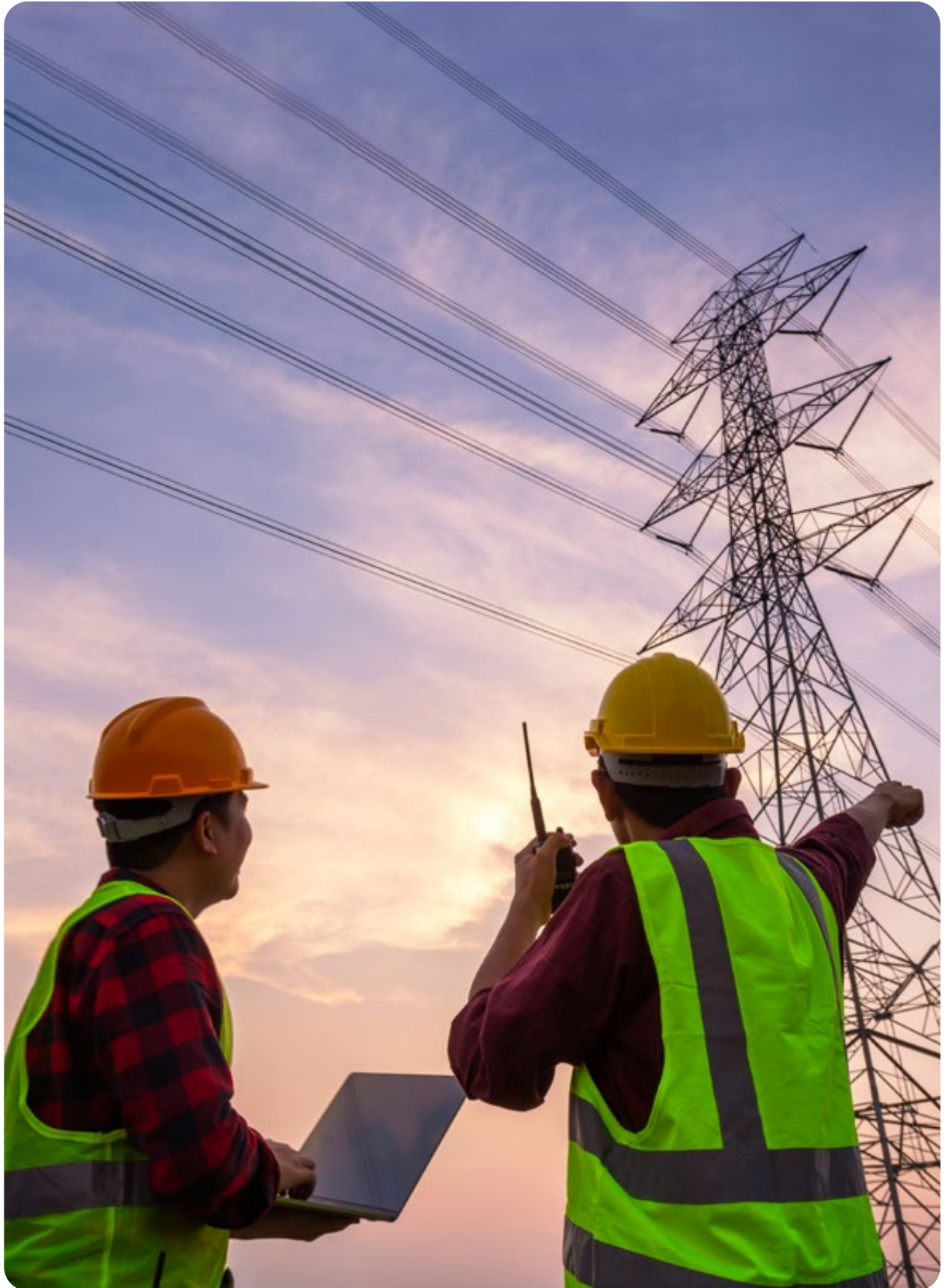
**Vendor satisfaction survey:** A vendor satisfaction survey in FY 24 revealed a 95% satisfactory rating for the likelihood of doing

business with AEML and 87% satisfactory rating for the ease of communication with the AEML senior leadership.

## Safety training and performance

**Vendor training:** We conducted safety training for over 50 key service vendors, in line with the Adani Group safety standards.

By maintaining rigorous performance measurement and fostering strong relationships, Adani Group continues to uphold a culture of excellence in vendor management, ensuring reliability, quality, and safety.



**Driver of excellence****OUR TALENT MANAGEMENT****Overview**

At AEML, we are committed to outperform in the areas of quality (product and process) and

resource efficiency, translating into competitive costs. The Company made strategic investments in its workforce, including recruitment, retention

and training, to improve efficiency and effectiveness. The Company implemented training programmes, protocols, certifications and awareness-raising initiatives.

**Competitive strengths**

- Benchmark HR practices reviewed annually to stay relevant in a dynamic ecosystem.
- Comprehensive policies catering to diverse employee needs throughout their employment lifecycle.
- HR goals and people-centric practices aligned with organizational objectives.
- Ecosystem designed to boost employee productivity, engagement, and overall development.

## Challenges and its mitigation

AEML needed to transition from people-dependent transactional processes to technological automation, while building synergy across functions. This shift required overcoming resistance to change, integrating various technological solutions and ensuring that all departments could work seamlessly together.

AEML initiated several programmes to foster digital adoption. These initiatives

have laid the groundwork for accelerated growth towards digitization, demonstrating AEML's commitment to embracing technology and improving efficiency. AEML undertook significant organizational restructuring. This includes consolidating the transmission & distribution functions, and centralizing service functions to streamline operations. By adopting a customer-centric approach, AEML aims to

increase accountability and reduce redundancy within the organization. Additionally, the company has adopted an outsourcing model for various non-core business activities, allowing it to focus on core operations while leveraging external expertise for other functions. These strategies have been crucial in addressing the challenges of digital transformation and ensuring sustainable growth.

## Key achievements, FY2023-24

- In July 2023, The Economic Times awarded our leadership development programme with Adani Marvels the 'Best Innovative Leadership Development Program Award.' This one-year intervention, in collaboration with the prestigious IIT Bombay, helps emerging leaders reach

new heights of excellence. Participants, carefully selected from within the organization, demonstrated exceptional leadership potential and commitment throughout the program.

- The company received accolades for our excellence

in Employee Relations (ER) and onboarding practices. Gain Skills Media, NXTGEN BPO Confex & Awards 2023 recognized us for our outstanding performance in these areas, highlighting our commitment to exceptional HR practices.

## Principle differentiators

Our workforce is the driving force behind our growth. We value the invaluable contributions of our employees, who represent the cornerstone of our operations. In our pursuit of becoming the Employer of Choice, we are committed to creating a nurturing workplace where our employees can thrive and take pride in their work.

Adani Electricity Mumbai Limited is advancing towards digital literacy across our processes to foster a digital mindset among our workforce. Our primary focus is to integrate technology throughout the organization, shifting our workforce's mindset to embrace digital solutions. By accelerating the adoption of digital technology across all business processes, we aim to unlock value today and in the future.

## Opportunities for career progression

At AEML, we provide robust opportunities for career progression. Employees are encouraged to set long-term career goals, fostering self-development for future roles and vertical career advancement. Through our internal job postings, all positions are advertised internally, ensuring that in-house talent has the opportunity to move across roles and locations. Additionally, our job rotation policy allows employees to enhance their careers by rotating roles after completing a fixed tenure in a particular position, geography, or assignment. This approach builds agility, enabling employees to take on new challenges and roles, while grooming them for aspirational careers.

## Commitment to diversity and equal opportunity

At AEML, we are dedicated to fostering diversity and ensuring equal opportunity, prohibiting any form of bias or discrimination based on age, gender, race, nationality, physical attributes, or other factors. Our DEI initiatives include a robust in-house mechanism for addressing complaints of sexual harassment, with 78% of the committee members for POSH being female, ensuring a safe and secure environment for all employees. Additionally, we have made significant strides in increasing the hiring of female employees, raising the percentage from 20% last year to 25% in the current financial year. This initiative reflects our commitment to providing equal opportunities for growth, development, and career progression for female talent.

## Key learning initiatives

AEML successfully conducted various learning programs and initiatives throughout the year, aiming to build a culture of continuous learning and create a future leadership pipeline. Our key learning initiatives include:

**Job architecture exercise:** In collaboration with Mercer, AEML initiated a framework to provide a clear understanding of the types and levels of work within the organization, including job families, sub-families, and specializations. This exercise helps employees identify unique jobs at a granular level and establish relationships between similar roles. Role mapping as per the Mercer Job Family was completed for all executives at AEML.

**Certificate program on predictive index:** Scheduled for December 2023, this program, based on positive psychology principles, helped us understand the primary intrinsic preferences and behaviors of individuals. Predictive Index Job Assessments were conducted for all incumbents in AVP-and-above roles.

**Job evaluation:** A 2-day job evaluation certification program was conducted in January 2023. All roles were evaluated for participants, helping build capability within the organization.

**Kindle-learning through projects for GETs:** Launched in September 2023, this initiative fosters project-based learning for Graduate Engineer Trainees (GETs) to ensure long-term retention of knowledge. GETs created e-learning content in the form of videos and podcasts.

**Gamification module:** Aligned with the Adani Behavioral Competency Framework (ABCF), this innovative learning module has been expanded to all Adani Group employees on the eVidyalaya platform, revolutionizing learning and development.

**Train the trainer:** To develop in-house trainers on group safety standards, sessions were conducted in coordination with the Safety team. Topics included working at heights, control of hazardous energy, road vehicle driver safety, contractor safety management and personal protective equipment.

**Simulation laboratory at Adani Electricity Management Institute:** A simulation lab has been established at AEMI to train internal and external participants on various aspects of power distribution. It provides real-time responses to genuine situations, helping participants gain practical insights in a controlled environment.

**Organization design & effectiveness workshop:** Conducted in August 2023 for the senior leadership team, this workshop focused on building capability and expertise among internal leaders. It covered business insights, different types of organization design, role design concepts, workforce requirements and key factors impacting organization design.

**Introduction to world of investments:** In collaboration with the National Stock Exchange, a session was conducted in November to equip AEML employees with a knowledge of personal finance.

**Additional programmes:** Various other programs have been conducted, including data analytics for senior leaders, leadership self-discovery workshop, commercial contract drafting, understanding financial aspects of the utility sector, and 'Naya Daur, Nayi Umang' for personal and financial wellness of employees and their families.

## Employee engagement



Our employee engagement initiatives are designed to enhance communication, increase participation, and create a sense of belonging. We conducted an internal employee engagement survey to gauge job satisfaction, sense of purpose, happiness at

work, stress management, and motivation levels among our employees, achieving a 99% participation rate.

To establish a sense of belonging, AEML celebrates festivals and employee achievements. Initiatives like the 'Thank You

Card' program promote a culture of appreciation and recognition. The 'Let's Discuss' initiative facilitates regular interactions with the GETs and MTs of the 2022 batch.

**Adani Accelerated Leadership Program (AALP):** This program targets our summer interns and regular recruitment from premium institutes like IIMs, IITs, and FMS. Through platforms like 'Mantra,' AALPs share knowledge and experiences on industry-relevant topics.

**WINspiration:** The Adani Electricity Mentorship Program aims to foster seamless assimilation of GETs and MTs into the company, grooming future leaders through interactions with senior colleagues.

**Connect to Customer:** This initiative helps employees understand consumer needs and the support services provided, enhancing customer centricity. Employees reflect on customer experiences and share feedback for further improvement.

**InstruConnect 2023:** Held in October 2023 at AEMI, this exhibition, coordinated with the Diagnostic Cell, featured around 25 leading global brands exhibited by 10 partners. It attracted 400 visitors, including all GETs,

ATL Engineers, and premium consumers. The showcased instruments included cable identification sets, diagnostic kits, and smart testing kits for transformers and circuit breakers.

**UNNATI career guidance & counselling programme:** Aimed at the children of AEML executives studying in grades 7 to 12, this programme provides guidance for making informed career decisions, a crucial aspect of their futures.

**Open door policy:** Enables employees at all levels to have direct access to senior management, fostering open communication, feedback, and the sharing of ideas or concerns.

**Town hall:** Quarterly virtual open house meetings chaired by senior leadership, involving all employees.

**Safe connect:** Monthly virtual safety meetings chaired by senior leadership, involving all employees.

**Induction programme:** A seven-day quarterly induction program led by senior leadership.

**Reward and recognition ceremonies:** Events organized to acknowledge and celebrate employee achievements.

**Cadre participant interaction with management:** Regular engagement sessions where representatives from different employee groups interact with management.

### Key practices to make our employees and organization future-ready

- Digital and technical capability building
- Meritocracy-based career progression.
- Agility and role-based organisational practices
- Driving employee engagement
- Treating employees as brand ambassadors
- Strengthening the talent pipeline



### Collaborations for grooming future leaders

At AEML, we engaged with our employees across all levels, supporting their development journey from onboarding through their leadership progression. This was facilitated through a range of developmental training covering various areas and topics.

## Adani Marvels: A transformative leadership development program

### A-Marvels program overview

Designed in collaboration with IIT Bombay, the A-Marvels leadership development program at AEML is a transformative initiative aimed at empowering emerging leaders with the expertise, knowledge, and mindset needed to navigate the complexities of the evolving power and utility sector. This programme supports sustainable and rapid growth through a blend of various developmental phases.

### Key components of A-Marvels

- **Blended learning approach**
    - Personal discovery workshops
- Connect sessions with coaches
  - Digital transformation
  - Job shadowing
  - Assessments by Korn Ferry
  - Multi-rater feedback
- **Understanding self**
    - Behavioral assessments
    - 360-degree feedback
    - Interactive workshops for self-discovery and personalized development plans
- **Strategic orientation and entrepreneurial mindset**
    - Real-world business projects
- Financial aspects understanding
  - Adoption of digital transformation and business analytics
- **Outcome orientation and transformational mindset**
    - Percipio courses
    - Job shadowing
    - Social media essentials
    - CSR involvement
    - Site visits to Adani Group companies

### Commitment to leadership development

A-Marvels fosters experiential learning and peer-to-peer collaboration. Participants engage in Live Business Projects, addressing key business needs and challenges, with regular reviews by senior leaders. The program builds a robust leadership pipeline, drives growth through practical application, enhances competency development, and

improves organizational impact and future sustainability.

#### Impact of A-Marvels

- Participants actively collaborate on real-world business projects, addressing critical AEML challenges. These projects have contributed to:
  - Savings in power purchase costs
  - Automation of ARR
  - Increasing and protecting market share, leading to annual savings

- Optimization of Opex and employee costs
- Early detection of theft
- Significant reduction in no supply complaints
- In July 2023, Economic Times HR World honored AEML with the highest award in the category of Best Innovative Leadership Development Program for A-Marvels.

**NorthStar:** This 11-month multi-modular program structured in partnership with the Emeritus Institute of Management, Singapore, offers participants the opportunity to learn from industry experts, providing insights and strategies for effective leadership required to advance their careers and lead teams, businesses, and organizations.

**Takshashila:** This rigorous, experiential leadership development program, in collaboration with ISB, Hyderabad, includes customized learning modules designed to enhance executive presence, personal leadership, and Functional Manager competence. Participants work on action-based projects to embed their learnings into the Adani business ecosystem.

**Fulcrum:** This program equips participants with the competencies needed to develop an owner-manager mindset. It incorporates experiential interventions, interactions with industry experts, and self-understanding exercises to strengthen emotional resilience.

#### Developing a 'Digital First'

**mindset:** We emphasize the quick adoption of digital skill sets and tools to improve speed, accuracy, efficiency, and productivity. By ensuring the end-to-end digitalization of all HR processes and systems, we are building the organization for 2030.

**Succession planning:** We implemented robust succession plans to identify and develop potential replacements for retiring employees, offering training and mentorship to encourage younger employees to take on leadership roles.

#### Empowering managers and

**employees:** Through cultural shifts, enhancing customer experience, and promoting employee career development, AEML acts as a talent factory, facilitating manpower augmentation and developing high-performing talent capable of taking on critical roles.

To execute our growth plans, we conducted merit-based recruitment aligned with job requirements, assessing the skills and qualifications of candidates.

We hired directly from institutes and externally, while also filling open positions through lateral entry from within, creating career progression opportunities for

our employees. Comprehensive induction, facilitated trainings and engagement initiatives ensured overall growth and success.



## Employee well-being initiatives at AEML

While our employees dedicate their expertise to driving the growth of AEML, we prioritize their personal well-being, encompassing physical, emotional, occupational, and financial security.

**Manan – yoga & meditation initiative:** Launched for all non-executives and contract labor, this program includes three sessions for each participant. The first session focuses on yoga, the second on diet, meditation, and awareness, and the third on one-on-one consultations and dietary recommendations.

**Blood donation camp:** Organized across all seven divisions and the corporate office at DDLO in honour of our Chairman's birthday, this drive collected a total of 111 units of blood.

**Urja campaign programme:** Held in September 2023 at Dahanu for Adani Generation, Transmission & Distribution Businesses, this campaign focused on generating mass awareness among employees and contractors about electrical safety engineering, including the maintenance and testing of allied equipment.

**Saksham – Training for non-executives & contract workers:** This initiative equips non-executives and contract labor with essential safety training. Topics covered include Basic Electrical Safety, Fire Safety, General Safety Rules, and Life-Saving Safety Rules.

**Health and safety programmes:** Initiatives like Unchaai, which raises awareness of health standards and safety measures in the workplace, and Think Healthy, Live Healthy have been organized for our employees.

**Mindfulness and ergonomics sessions:** To promote a healthy culture, we conduct regular sessions on mindfulness to help employees understand their own and their coworkers' psychology, behaviors, and habits. Additionally, multiple ergonomics sessions are held to educate employees on interacting with their environment, both at work and in daily life.

**SA-8000 audit awareness sessions:** Conducted across all seven divisions, these sessions sensitize employees to the various benefits available to them within the company.



## Talent development

We created a comprehensive talent development roadmap focused on building and leveraging employee capabilities to meet the future goals of the organization. Our talent development strategy defines specific interventions for different talent categories, including successors, top talent, high-performing talent, and solid citizens.

### **Cadre development program:**

AEML implements an induction program for Graduate Engineer Trainees (GETs), Management Trainees (MTs), and Adani Accelerated Leadership Program (AALP) participants to cultivate a dynamic and youthful talent pipeline. Mentorship and frequent interactions are planned to swiftly integrate them into the organization, preparing them for future leadership roles. Structured orientation programs are provided to cadre hires, outlining aspirational growth paths.

### **Future-ready distribution**

**talent strategy:** To ensure AEML remains future-ready, a distribution business talent strategy aligned with Exit 2030 has been established. Critical roles have been identified, a robust succession plan has been developed, and competency gaps have been addressed to capitalize on anticipated growth opportunities.

### **Digital dexterity programme:**

AEML launched four journeys as part of the Adani Digital Dexterity Program on the eVidyalaya – Percipio learning experience platform. This custom-designed digital learning curriculum, developed based on insights from our Digital Leaders and curated by the eVidyalaya Team, enhances employees' digital skills and adaptability.

## Objectives of our talent development roadmap

- Groom internal leaders
- Develop new capabilities for international business
- Leverage talent analytics for talent decisions
- Advanced level of digital maturity
- Opportunity to pursue career aspirations

# HEALTH, SAFETY, AND ENVIRONMENTAL EXCELLENCE AT AEML



## Overview

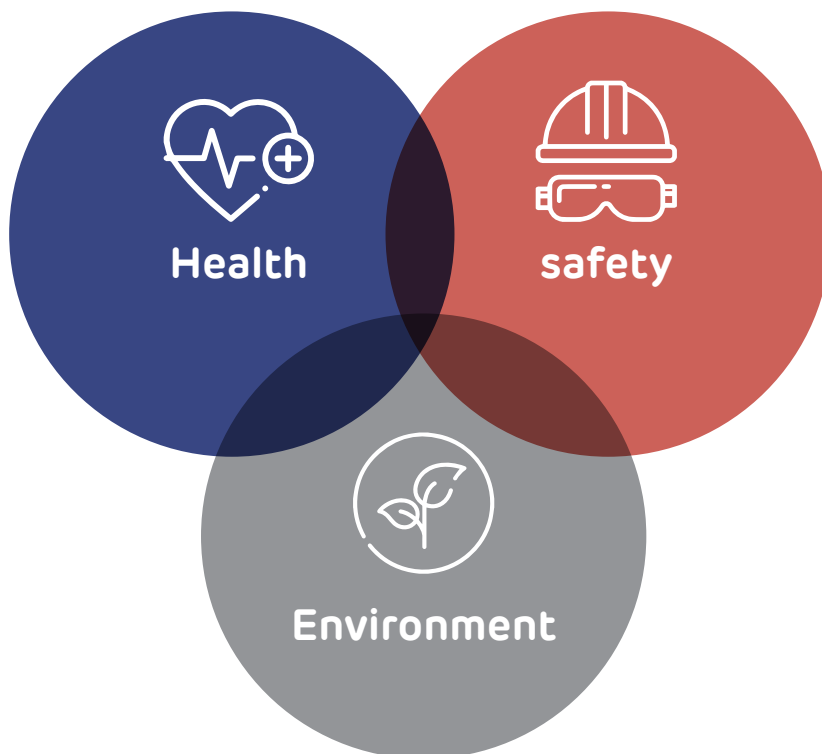
At AEML, our Health and Safety Management System ensures a conducive working environment, prioritizing the protection of personnel

health and safety, including employees, contractors, and visitors, aligning with the principles of ISO 45001:2018 certification. This system encompasses policies and procedures, aiming to keep

all stakeholders informed, trained, and engaged. We established operational control procedures for site operations, fostering a safe work environment and prioritizing worker safety.

## Our HSE policy

AEML's Integrated Management System (IMS) policy underscores our management's commitment to the safety and well-being of all stakeholders. AEML's Health, Safety, and Environment (HSE) policy focuses on ensuring the well-being of employees, contractors, customers, and the broader community.



## Investments in Health, Safety and Environment (HSE)

AEML has committed significant resources to enhance its safety performance and mitigate risks across various fronts, encompassing infrastructure, equipment, and personnel. These investments are geared towards fostering a safer working environment, minimizing the company's environmental impact, and ensuring adherence to regulatory standards.

### AEML's investments in HSE:

**Infrastructure upgrades:** AEML has undertaken initiatives to modernize its facilities, ensuring they meet or surpass safety standards. This encompasses enhancements in building design and the installation of safety equipment such as fire suppression systems, ventilation systems, and emergency response facilities. Moreover, specialized structures like the Height Pass Test structure and safety parks have been constructed.

**State-of-the-art equipment:** AEML has invested in cutting-edge safety equipment and technology to bolster workplace safety. This includes providing employees with personal protective equipment tailored to their respective roles, along with safety gear for hazardous work environments. Additionally, the integration of safety sensors, alarms, and monitoring systems facilitates the real-time detection and mitigation of risks.

**Training and development:** AEML allocated resources towards comprehensive HSE training programs aimed at educating employees on safe work practices, emergency procedures, and regulatory compliance. By investing in employee education and skill development, AEML ensures that its workforce is equipped to perform their duties safely and effectively.

**Dedicated HSE personnel:** AEML has recruited dedicated HSE professionals and established specialized departments or teams tasked with overseeing and implementing safety initiatives. These professionals play a pivotal role in hazard identification, safety protocol development, routine inspections, and the cultivation of a safety-oriented culture within the organization.

**Compliance and certification:** AEML prioritizes compliance with HSE regulations and standards, investing in obtaining relevant certifications and ensuring ongoing adherence. This commitment entails engaging consultants, conducting rigorous audits, and swiftly addressing any identified non-compliance issues through appropriate corrective actions.

## Health

Given the scope of AEML's operations, our employees are not exposed to physical, chemical, biological, or other hazards that could cause long-term occupational illnesses such as hearing loss, respiratory issues, or cancers. However, occupational injuries can occur. Our safety team, in collaboration with the Group Safety team, implements the best possible measures to minimize the frequency and severity of these injuries.



### Our commitment to employee health:

**Divisional medical centers:** Routine consultations and primary care management for medical emergencies or work-related injuries while on duty.

**Hospital partnerships:** Specialist consultations, investigations, and hospital admissions through partnerships with local hospitals.

**Mediclaim policy:** Group Mediclaim Policy with HDFC Ergo for on-roll employees, providing cashless hospitalization for self, spouse, and children up to age 25, with a top-up option ranging from 5 to 40 lakhs. There is an option for employees to enroll parents and in-laws under a separate

policy with a nominal annual premium. The coverage extends to retired employees and spouses of deceased employees on a self-payment basis. The policy covers all illnesses, accidents, pre- and post-hospitalization expenses, and pre-existing conditions. Medi Assist administers the policy in

coordination with Corporate HR and the Medical Department. A Corporate Floater Fund is available for critical illness expenses exceeding the eligible limit, subject to management approval. Contract workers are covered under the Employee State Insurance Scheme (ESIS).

**Medical fitness evaluations:** Pre-employment, post-sick leave, and service extension evaluations for blue-collar employees.

**Health promotional activities:** Health talks, onsite camps, and mailers on health days, including sessions on non-communicable diseases, kidney health, tech advances for vision, women's health, healthy heart living, self-motivation, diabetes reversal, lung cancer, smoking cessation, and mindful nutrition for weight management. A blood donation camp in June 2023 collected over 600 units.

**First aid training:** Regular first aid training sessions conducted by the medical team for designated first aiders in various divisions. Training includes assessment and management of general and workplace injuries and emergency medical situations, with hands-on CPR training. General first aid training conducted for over 2,380 employees, and hands-on training for over 400 first responders in FY2023-24.

**Monsoon preparedness initiatives:** The company replenished 276 first-aid boxes at office locations, DSS, and CCCs. It distributed Doxycycline to 4,800+ outdoor employees (including contract employees) for Leptospirosis prophylaxis. Awareness sessions were conducted on first-aid and monsoon illnesses at 20+ business units/depots, attended by over 2,000 employees.

#### Annual health checks at AEML comprised the following interventions:

**Comprehensive off-site annual health check for on-roll employees:** For FY2023-24, AEML partnered with "Connect & Heal" to provide annual health checks for on-roll employees. 88% of employees participated in the health check through the CNH Network.

**On-site annual health check for contract employees:** On-site annual medical examinations for contract employees were conducted through Healthspring. 88% of contract employees underwent the onsite medical examination.

**Individual health counseling:** Employees receive individual counseling when their AHC reports are handed over. This counseling focuses on apprising them of existing medical conditions, particularly non-communicable diseases, and providing guidance on optimal management and control of these conditions.

**The health risk stratification and follow-up at AEML:**

**Risk stratification:**

Based on the AHC reports, employees are categorized into Green, Yellow, Orange, and Red categories using evidence-based risk stratification.

**Follow-up for high-risk categories:**

Employees in the Orange and Red categories receive regular follow-ups to identify challenges in maintaining normal health parameters and are encouraged to consult their treating physicians for necessary interventions.

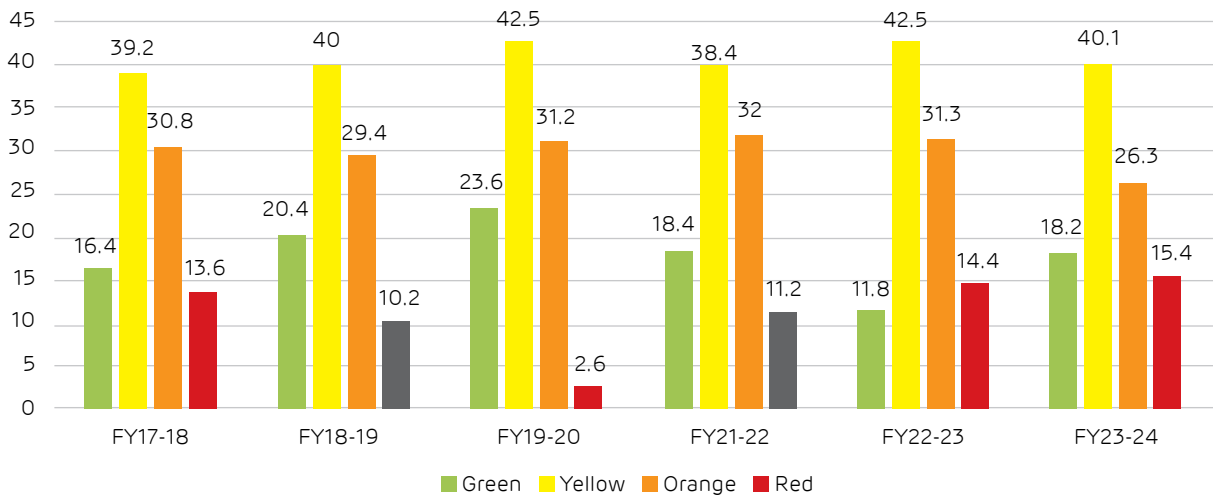
**Follow-up for moderate risk categories:**

Employees in the Yellow category are also monitored, albeit less frequently, to ensure they do not progress into the Orange or Red categories.

**Data sharing:**

This stratified health data is regularly shared with the management team to ensure ongoing oversight and support.

**Our Health Index**



## AEML strengthened health and safety

AEML strengthened its commitment to provide a healthy and safe working environment through the following initiatives:

### Enhanced training and awareness programmes:

AEML has invested in comprehensive training programs to raise awareness among employees about the importance of HSE practices. These programs cover topics such as hazard identification, risk assessment, emergency response procedures, and the use of personal protective equipment (PPE).

### Implementation of robust safety systems:

The company has implemented robust safety management systems, including procedures for incident reporting, investigation, and corrective actions. This ensures that potential hazards are identified and addressed promptly to prevent accidents and injuries.

### Integration of technology:

AEML leverages technology to enhance safety in its operations. This includes the use of automation, sensors, and monitoring systems to identify potential safety hazards in real-time and take proactive measures to mitigate risks.

### Employee engagement and empowerment:

AEML fosters a culture of safety by actively involving employees in HSE initiatives. Employees are encouraged to participate in safety committees, provide feedback on safety measures, and take ownership of their own safety and that of their colleagues.

### Continuous improvement and benchmarking:

The company regularly reviews its HSE performance and benchmarks it against industry standards and best practices. This enables AEML to identify areas for improvement and implement measures to continually enhance its safety performance.

### Leadership commitment:

AEML's leadership demonstrates a strong commitment to HSE by prioritizing safety in decision-making processes and allocating resources towards HSE initiatives. This top-down commitment sets the tone for the entire organization and reinforces the importance of safety at all levels.

### Community engagement:

AEML recognizes its responsibility towards the broader community and engages with stakeholders to address concerns related to health, safety, and environmental impacts. This includes community outreach programs, environmental stewardship projects, and transparent communication about the company's HSE performance.

### International certification:

AEML follows international safety guidelines and is certified for ISO 45001. Beyond legal compliance, the company has undertaken several initiatives to reduce risks to acceptable levels, including the launch of campaigns like Urja and Unchai.

### Development of leading safety indicators:

AEML has developed new leading safety indicators such as the Critical Vulnerability Factor (CVF), Safety Risk Field Audit (SRFA), and concern reporting to proactively manage and mitigate risks.

### Contractor safety management:

The company emphasizes the safety of contractors by implementing stringent safety management protocols to ensure their well-being.

### Management of change and process safety:

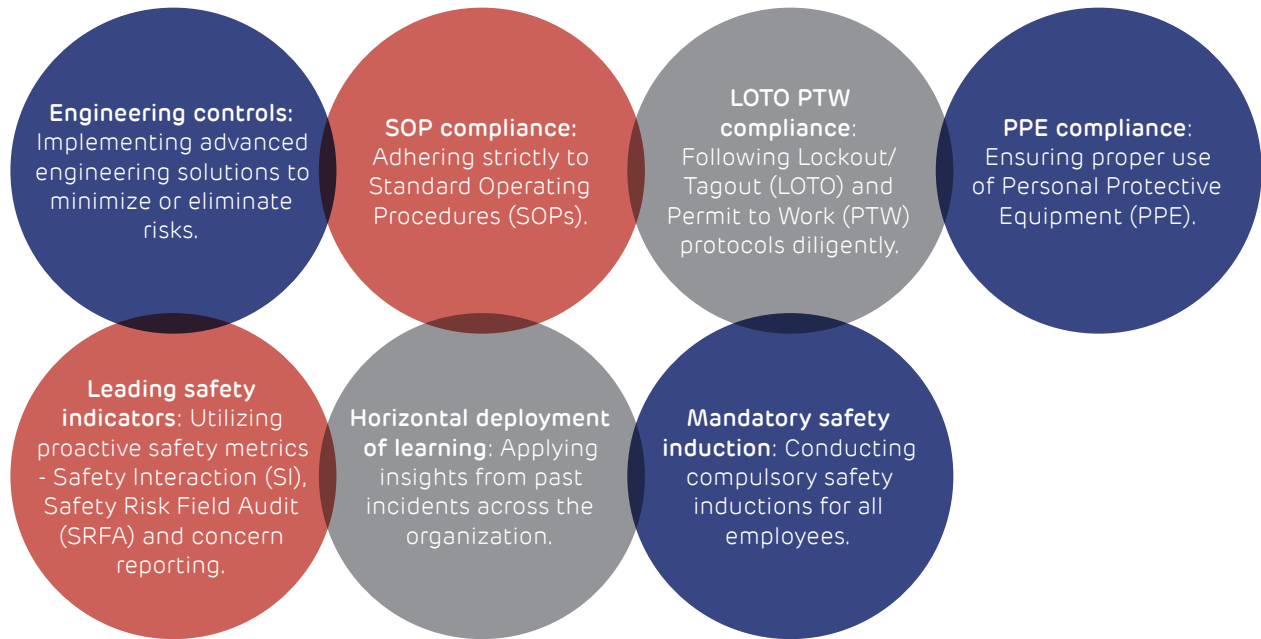
AEML has robust procedures for managing change and process safety to mitigate risks associated with operational changes.

### Reward management:

The company incentivizes safety through reward management programs, recognizing and rewarding employees for their contributions to a safe working environment.

### Our Safety commitment

AEML's safety team, guided by the Group safety team, ensures robust measures to prevent occupational injuries through:



### Our Board focus on safety

Safety stands as a foundational value within AEML, guiding every strategic decision. Demonstrating this commitment, each AEML meeting commences with a safety contact, reinforcing the paramount importance of safety.

AEML maintains a robust governance structure characterized by clearly defined roles and responsibilities. The top management assumes a pivotal role in driving safety initiatives forward. To bolster safety performance and ensure

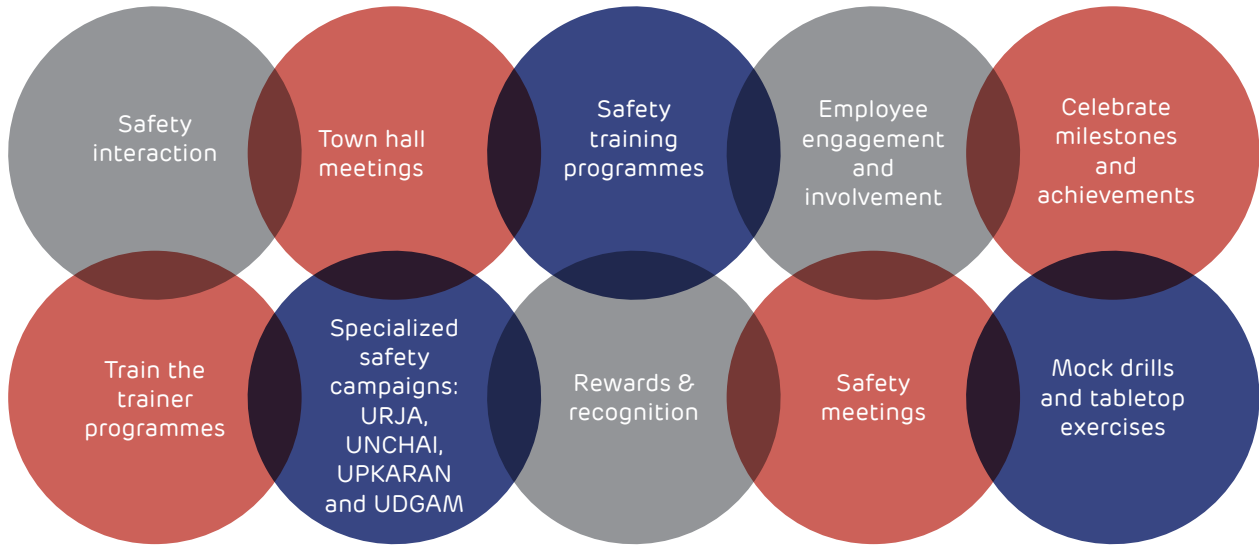
a targeted approach, various task forces are established, each with a distinct charter and specific deliverables. Notably, senior management leads every Task Force, underscoring AEML's dedication to safety at all levels.

The management's focus lies in the prevention of human injury and illness, prioritizing the protection of human life and the adoption of safe and healthy work practices. This commitment is exemplified through efforts to eliminate hazards and ensure

consultation and participation of workers in safety measures.

The Board directs its attention towards engaging employees, aiming to institutionalize a culture of Business Excellence and sustainable value creation. This is achieved through the promotion of Passion, Result-orientation, Integration, Dedication, and Entrepreneurship, further reinforcing AEML's unwavering commitment to safety and organizational excellence.

**Our awareness building programmes**

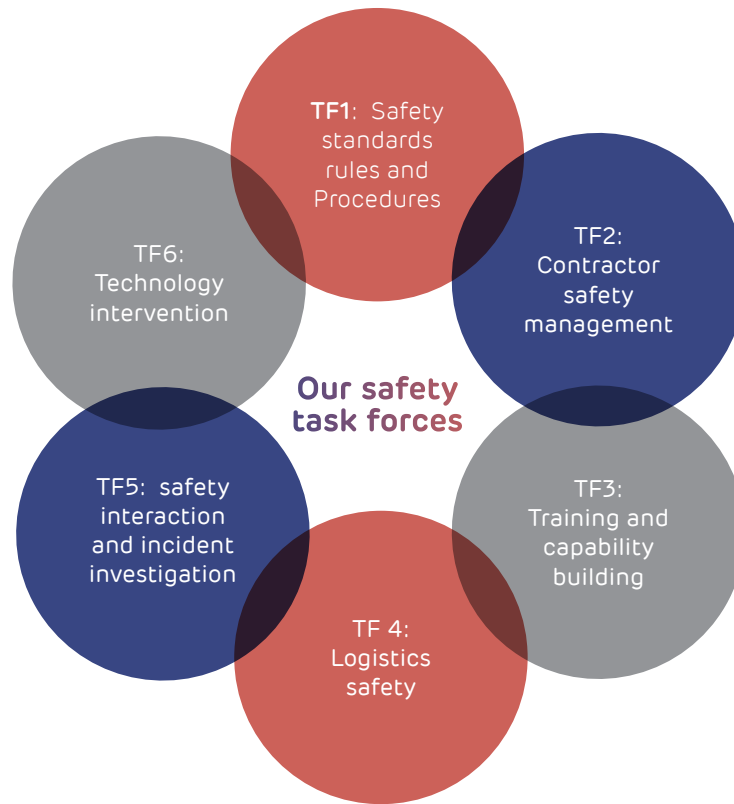


**Safety team composition**

At AEML, safety is everyone’s responsibility, with each employee playing the role of a safety professional. The engagement of the ground staff is a priority when forming teams, ensuring comprehensive safety coverage. Each team ideally includes representatives from workers, support functions, line functions, and management, promoting a holistic approach to safety.

**Our focused team structure**





**AEML's safety investments**

AEML has made significant investments in developing infrastructure to enhance safety, including the establishment of a training center, a Height Pass test facility, and a Safety Park.

Additionally, clear and informative signage is installed throughout our facilities.

AEML provides essential safety equipment such as multi-gas detectors, fire extinguishers,

and rescue equipment. Every employee is also equipped with personal protective equipment (PPE) to ensure their safety while performing their duties.

**Safety week**

Various Safety Week observances at AEML

- National Safety Week

- Electrical Safety Week
- Road Safety Week

- Fire Safety Week
- Linemen Diwas

## AEML's safety violation management

Handling safety violations requires a consistent and fair approach to ensure compliance and prevent recurrence. AEML has a well-defined Consequence Management Policy that includes:

### Immediate response:

Upon discovering a safety violation, immediate action is taken to address the situation and mitigate any immediate risks. This may involve stopping work, correcting the violation, and ensuring the safety of all employees and others in the vicinity.

### Investigation:

A thorough investigation is conducted to determine the root cause of the safety violation.

### Documentation:

Details of the safety violation, including the date, time, location, individuals involved, nature of the violation, and any corrective actions taken, are documented comprehensively.

### Communication:

Safety violations are communicated to relevant stakeholders, including employees, supervisors, and management. Ensuring that everyone is aware of the incident and the corrective actions being taken to address it is critical.

### Corrective actions:

Implement corrective actions to address the root cause of the safety violation and prevent recurrence.

### Enforcement of consequences:

Enforce consequences for safety violations in accordance with established disciplinary procedures and company policies. Consequences may range from verbal warnings and written reprimands to suspension or termination, depending on the severity of the violation and the employee's disciplinary history.

### Training and education:

Provide additional training and education to reinforce safety protocols, procedures, and expectations. Ensure employees understand the importance of compliance with safety regulations and the potential consequences of safety violations.

### Monitoring and follow-up:

Continuously monitor through regular inspections, audits, and reviews to identify any recurring issues or patterns of non-compliance and take proactive measures to address them.

### Stakeholder involvement:

Engage all stakeholders in the identification of safety concerns through QR code reporting systems.

### Continuous improvement:

Use lessons learned from safety violations as opportunities for continuous improvement.

## Key safety initiatives, FY2023-24

- By implementing a safety management system and continuous monitoring, AEML ensured safe operations and practices.
- All safety parameters were logged in the 'Gensuite' portal, where a dashboard is generated to depict leading and lagging indicators.
- Learning from near-miss incidents, all trucks were equipped with hydraulic lifters capable of lifting 1 ton.
- A fleet management system was installed for every truck to enhance safety and operational efficiency.
- A trial of a mobile safety application was conducted to reduce motorcycle incidents.
- Internal audits were conducted by trained auditors as per IMS requirements, and external audits are performed by a third-party certifying agency.
- AEML adhered to the Integrated Management System (IMS) encompassing ISO 9001, 14001, 45001, and 55001 standards.
- Specifically, AEML is certified for ISO 45001, reflecting its commitment to occupational health and safety.

## Environment



### Overview

AEML is among the largest Indian power distribution utilities, serving more than 3 million customers across a distribution area spanning around 400 sq.km. The operation relies on receiving stations and substations, comprising civil structures, power transformers, 33/22 kV switchgear, 11 kV switchgear, 11 kV capacitors, protection equipment and accessories, as well as SCADA & DMS systems, including equipment and control centers. Additionally, underground network assets, such as 33 kV, 22 kV, and 11 kV underground cables, play a crucial role. Distribution

equipment, including distribution transformers, RMUs, switchgear panels, capacitors (APFC), along with their protection, metering, and communications, are also integral components. Low-tension panels at substations and low-tension switchgears further contribute to the operational infrastructure.

Adani Electricity Mumbai Ltd.'s environmental management system adopts a holistic approach to address environmental impacts, focusing on critical aspects and processes. It employs time-tested and matured approaches recognized globally. However, the operational scale across such a

vast network area presents one of the key challenges faced by the company.

Adani Electricity Mumbai Distribution (AEML) complied with all applicable legal compliances. AEML has undertaken authorizations for eco-friendly disposal of the waste generated out of the business activities.

The company adheres to resource optimization, emphasizing the principles of reducing, reusing, recycling, and eco-friendly waste disposal. Regular monitoring is conducted to track resource consumption, such as water and paper, ensuring efficient utilization.

### AEML's environmental sustainability initiatives

AEML implemented standardized operational procedures across all verticals and functions to effectively collect, segregate, store, and dispose of waste at designated sites through MPCB authorized vendors within legally permissible timelines. Departments utilizing elements with potential environmental impact are committed to mitigating adverse effects on the environment. Both user departments and the Central Engineering team are actively

exploring alternatives to existing hazardous materials.

The waste generated from our business activities is disposed of through MPCB authorized vendors. The Material Management Department handles the disposal of hazardous waste, while the IT & MTD department manages e-waste disposal. Additionally, the medical department is responsible for disposing of biomedical waste.

The administration department of the company is actively reducing electricity consumption by replacing existing conventional

appliances with energy-efficient alternatives. This includes the conversion of conventional lights to LED lighting and the recent replacement of non-energy-efficient air conditioners with B.E.E. star-rated ones. Additionally, the company has installed rooftop solar panels on office terraces to generate solar energy.

To promote water conservation, posters advocating for optimized water consumption are displayed in all bathrooms. Furthermore, sensor-based taps have been installed in washbasins across most company locations.

Pollutants (HW)	Omission/replacement
Transformer Oil	Replacement of hazardous oil by ester oil
Jointing material	Use of ecofriendly Cold rolled jointing
Oil type transformer	Dry type transformer
Air-emission	Regular testing by expert for emission monitoring
Air-noise	Regular testing by expert for noise monitoring

### Establishing positive relationships with regulators

Title of Act/Rule	Authorised location	Authorisation/License number
HW Rules 2019	KIE-6	MPCB/RO(HQ)/HSMD/Autho/19/H & OW-1907000017
HW Rules 2019	Tilaknagar	MPCB/RO(HQ)/HSMD/Autho/19/H & OW-1907000016
HW Rules 2019	Bhayander	MPCB/RO(HQ)/HSMD/Autho/19/H & OW-1907000013
HW Rules 2019	Kandivali	MPCB/RO(HQ)/HSMD/Autho/19/H & OW-1907000013
HW Rules 2019	MIDC	MPCB/RO(HQ)/HSMD/Autho/19/H & OW-1909000001
HW Rules 2019	Vile Parle	MPCB/RO(HQ)/HSMD/Autho/19/H & OW-1909000002
BMW Rules 2016	Tilaknagar	MPCB-BMW_AUTH-0000034905
BMW Rules 2016	Kandivali	MPCB-BMW_AUTH-0000034916
BMW Rules 2016	Dindoshi	MPCB-BMW_AUTH-0000034907
BMW Rules 2016	Devidas Lane Office	MPCB-BMW_AUTH-0000034913
BMW Rules 2016	MIDC	MPCB-BMW_AUTH-0000034910
BMW Rules 2016	RNA Park	MPCB-BMW_AUTH-0000034912

## Environmental initiatives

### Renewable energy

- AEML aims to increase its renewable power procurement mix percentage to 60% by the end of FY 2027, marking a significant increase from the baseline of 3% in FY19 to 34.35% in four years.
- AEML has secured a Power Purchase Agreement (PPA) for 700 MW of hybrid power (solar + wind) with a minimum guaranteed capacity utilization factor of 50% from FY 2022 onwards, spanning a period of 25 years.
- Green energy tariff: AEML has introduced a Green Energy Tariff to support consumers' carbon neutrality goals, offering the option for voluntary adoption of green power (renewable power) along with providing green energy certificates. Currently, 2808 consumers have opted for green power.

- AEML-D facilitates and offers technical support to consumers for installing rooftop solar plants through empanelled vendors. As of March 2024, the cumulative installed capacity stands at 39.51 MW, with 1846 AEML consumers having installed rooftop solar PV plants with net metering, generating 32 MU of renewable energy in FY 2023-24.
- AEML has installed a grid-connected 412 kWp Rooftop PV Solar Plant in EHV substations and AEML offices to reduce the use of conventional energy, accounting for 2% of auxiliary power consumption from renewable energy in AEML offices and substations.
- AEML has taken a significant stride towards sustainability by installing a 100 kW rooftop solar plant coupled with a Battery Energy Storage System (BESS). This innovative

solution harnesses solar power, reducing reliance on the grid and contributing to a cleaner, greener future, underscoring AEML's steadfast commitment to environmental sustainability and responsibility.

### Energy conservation

**Subsidy to consumers:** AEML offered subsidies to its residential customers for the purchase of energy-efficient 5-star rated ceiling fans and refrigerators, resulting in significant savings of 1.28 million units (MUs).

### Urja Samvardhan Upakaram

**Programme:** AEML conducted 11 awareness sessions on energy conservation at various locations such as Jalvayu Vihar, Our Lady of Nazareth High School & Jr. College, Gokul village, Shanti-park Society, ICFAI Business School, DIATREND jewellery (Andheri-E), and more. Over 600 participants joined these sessions.

DSM programme	Appliances (number)	Subsidy amount (Rs.)	Deemed saving (MU)
5-star Ceiling Fan	341	2,40,000	0.3
5-star Refrigerator	21	94,000	1.03

## Green technology and process automation

### Environmental certifications:

AEML is certified for Environment Management System (ISO-14001) and Energy Management System (ISO-50001), demonstrating its commitment to environmental stewardship. The company implemented processes for managing plastic and waste, achieving Zero Waste to Landfill (ZWTL) and Single Use Plastic (SUP) certifications.

**Paperless initiatives:** AEML encouraged consumers to opt for paperless bills to reduce environmental impact, resulting in

890,446 consumers participating in this initiative.

### Transition to electric vehicles:

AEML plans to replace all existing fuel-operated vehicles with electric vehicles and procured 15 electric vehicles deployed for daily operational activities across the distribution area.

### Environmentally friendly equipment:

The company has replaced oil-type switchgears with dry-type maintenance-free switchgears and utilizes environmentally friendly

Bio-degradable Ester Oil filled transformers to reduce environmental pollution.

### Sustainable cable coverings:

AEML, in collaboration with FeelGood EcoNurture LLP, has developed plastic cable coverings using 100% post-consumer multi-layered plastics packaging waste (MLP). These MLP blocks offer eco-friendly design, efficient coverage, logistics optimization, cost-effectiveness, and environmental stewardship.

Our commitment

# AEML AND CORPORATE SOCIAL RESPONSIBILITY



## Overview

AEML, driven by its belief in giving back to society, deepened relationships with communities in which it operates. Its diverse

initiatives span health, education, sustainable livelihood and other social causes, demonstrating its dedication to a positive impact. Through its Corporate Social

Responsibility (CSR) efforts, the Group consistently acts as a responsible corporate citizen, aiming to create a lasting positive influence on communities.

## Our philosophy

AEML has always been committed to the cause of social service and has channelized a part of its resources and activities, such that it positively affects the society socially, ethically and also environmentally. The Company has taken up various Corporate Social Responsibility (CSR) initiatives and enhanced value for society. CSR at AEML portrays the deep symbiotic relationship that the Adani Group enjoys with the communities it is engaged with. As a responsible corporate citizen,

we try to contribute for social and environmental causes on a regular basis. We believe that to succeed, an organization must maintain highest standards of corporate behavior towards its employees, consumers and societies in which it operates.

CSR underlines the objective of bringing about a difference and adding value in our stakeholders' lives.

With the advent of the Companies Act, 2013 constitution of a

Corporate Social Responsibility Committee of the Board and formulation of a Corporate Social Responsibility Policy became a mandatory requirement. The Company formulated a robust CSR Policy which encompasses its philosophy and guides its sustained efforts for undertaking and supporting socially useful programs for the welfare & sustainable development of the society.

### CSR vision

Improve quality of life for all our communities through integrated and sustainable development.

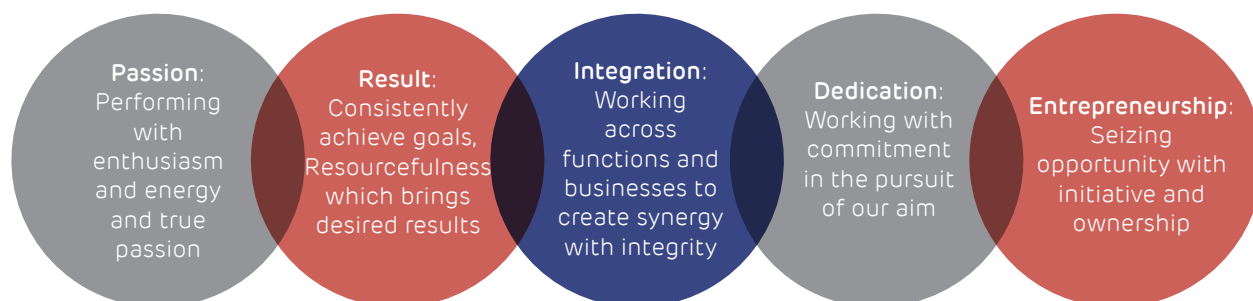
### CSR and Group values

**Courage:** To embrace new and Innovative ideas for betterment of people

**Trust:** Believe in all stakeholders

**Commitment:** Stand by our promises and adhere to high standard of work in all CSR activities

### CSR and Group culture: (PRIDE)



### CSR committee

The Company's Board of Directors established a CSR committee tasked with developing policies, approaches, and guiding principles for the selection, implementation, and monitoring of CSR activities. This committee's work served as the basis for the creation of standard operating procedures by the Company, ensuring the effective implementation of CSR projects. The Committee is chaired by Mr. Kandarp Patel who is the Managing Director and CEO of the company.

### CSR spending














Year	₹ in crores
FY22	6.41
FY23	7.65
FY24	9.65

### AEML CSR initiatives aligned with UNSDG 2030

AEML's CSR initiatives align with UNSDG 2030 goals, focusing on:

- Education
- Community Health
- Sustainable Livelihood
- Community Development

**Key social initiatives mapped to UNSDG 2030**

<b>Access to education</b> 1. No Poverty 4. Quality Education	 	Mumbai and Dahanu	<ul style="list-style-type: none"> <li>▪ Utthan project in Mumbai and Dahanu</li> </ul>
<b>Community Health</b> 3. Good Health & Well Being		Mumbai and Dahanu	<ul style="list-style-type: none"> <li>▪ Cancer detection camp or women organized at Malad – 65 women underwent the diagnosis.</li> <li>▪ Donation of an ambulance to Laalbagcha Raja Trust</li> <li>▪ Development of NICU at Dahanu</li> </ul>
<b>Women's empowerment</b> 2. Zero Hunger 5. Gender Equality 8. Decent Work & Economic Growth	  	Mumbai and Dahanu	<ul style="list-style-type: none"> <li>▪ <b>Swabhimaan:</b> Skill development program focus on Entrepreneurship development – collectively mobilized more than 4000 women till March 24.</li> <li>▪ Swabhimaan – Dahanu – 25 women are working at shirt production unit at Saravali.</li> </ul>
<b>Sustainable livelihood</b> 2. Zero Hunger 8. Decent Work & Economic Growth	 	Mumbai and Dahanu	<ul style="list-style-type: none"> <li>▪ WADI program where more than 1,350 Tribal Families were covered with horticulture plantation and entrepreneurship development program in 15 panchayats.</li> <li>▪ Under skill development, we provided training to more than 6000 youth</li> </ul>
<b>Ecology</b> 7. Affordable and clean energy 13. Climate action 14. Life below water 15. Life on land	   	Mumbai and Dahanu	<ul style="list-style-type: none"> <li>▪ Plantation activity in various BMC schools.</li> <li>▪ Horticulture plantation with tribal farmers</li> <li>▪ Micro-water management for irrigation with tribal farmers</li> </ul>
<b>Water secure nation</b> 6. Clean water and sanitation		Multiple locations	<ul style="list-style-type: none"> <li>▪ Certified for water efficiency management (ISO46001:2019)</li> <li>▪ Sewage water treatment inside plant</li> <li>▪ Rainwater harvesting</li> <li>▪ Borewell for increasing ground water table</li> </ul>

Key intervention

# Education: Project Utthan - Mumbai



**BaLA - Mumbai and Dahanu:**  
 AEML offered opportunities for self-directed and choice-based learning initiatives, creating an environment conducive to children's education in schools. This includes the BaLA (Building as Learning Aid) program implemented in Mumbai and Dahanu, focusing on creating enriching atmospheres for educational development.

**Praveshotsav School:** AEML distributed welcome kits to a total of 1,050 children across 62 Zilla Parishad schools, as well as to 1,200 children attending 13 BMC schools in the Saki Naka area of Mumbai.

**Co-curricular activities:**  
 AEML organized celebration activities aligned with important observances such as Yoga & Environment Day, International Day against drug abuse and illicit trafficking, as well as initiatives like the reading club, volunteering program, mothers' meet, and art and craft activities.

60

BMC schools

21

Sahayak

250+

Teachers

9000+

Children from Grade 1 - 6

6500+

Sessions conducted

1575

Students improved their English language

1174

Students improved their mathematics

## Key intervention

## Project Swabhimaan



AEML facilitated credit linkages amounting to Rs 1.107 crore among 56 Enterprise Self Help Groups (ESHGs), benefiting a total of 439 women.

**Livelihoods programme**

AEML facilitated the formation of 287 Enterprise Self Help Groups (ESHG), providing conceptual training through Panchasutri Training sessions. These efforts resulted in the coverage of 178 ESHGs and reached 2,656 women.

AEML supported the formation of Enterprise Advisory and Learning Forums (EALF), further enhancing the development of Capacity Learning Forums (CLF) and institutes for ESHG women.

**Entrepreneur domain training**

AEML facilitated credit linkages amounting to Rs 1.107 crore among 56 Enterprise Self Help Groups (ESHGs), benefiting a total of 439 women. Additionally, 434 women participated in various training programs covering topics such as Best out of waste, artificial jewellery making, dhoop batti making, rakhi making, home décor, warli painting, and bag making.

**Other activities**

AEML explored business opportunities through stall setups and conducts social awareness sessions.

**Impact assessment**

AEML scheduled an impact assessment for the fiscal year 2024-2025. Currently, third-party agencies such as SGS India and NABCOMS are under evaluation.

## Key intervention

# Samajik Suraksha Labh Abhiyan



AEML initiated this integrated tribal development programme in Wadi, Dahanu. This project addressed the need to adorn the walls of gram panchayats with paintings, enhancing awareness about six government community schemes.

### Shirt stitching studio

AEML supplied 29 machines and provided training to empower 30 members of Self Help Groups (SHGs) aimed at women's empowerment. This included 25 high-speed advanced industrial machines and 4 specialized stitching machines.

Members of the Self Help Groups produced 1.25 lakh pieces. Recently, they received an order for a quantity of 50 thousand pieces.

### Ayushyaman Bharat Card

AEML facilitated the implementation of a national public health insurance scheme, benefiting a total of 197 individuals through two camps.

## 4000+

Beneficiaries

## 287

ESHGs

## 1.107

Rs Crores, Credit linkage

## 439

Women benefitted by credit linkage

## 434

Women trained

## 338

Women who started a self-enterprise

## 38934

Saplings in 9 Gram Panchayats as a part of the Wadi programme

## ~200

Farmers who benefited

## 22,976

Kgs, vermicompost provided to 276 farmers

## 143

Farmers who were provided drip irrigation

## Key intervention

## Community health project

**Mother and childcare centre**

AEML established a Neonatal Intensive Care Unit (NICU) aimed at providing critical treatment to newborn babies and mothers.

The NICU is equipped with 22 newborn beds, two ventilators, two bubble machines, three LED Phototherapy machines, and nine beds specifically designed for lactating mothers.

**Aarogya Aplya Dari**

AEML supported BMC in implementing the Mukhyamantri Arogya Aplya Dari initiative, aimed at providing doorstep health coverage for individuals aged 18 years and above as 1 part of the CBAC survey.

**Support to hospitals**

AEML extended support to 58 underprivileged patients in

hospitals, specifically for pediatric heart surgeries at the children's heart center. The treatments encompass a spectrum of heart-related diseases such as ASD (Atrial Septal Defect), VSD (Ventricular Septal Defect), device closure, sinus venosus, atrial septal defect, atrio ventricular repair, PDA closure, RVOT (Right Ventricular Outflow Tract) stenting, BT (Blalock-Taussig) shunt and balloon procedures.

The patients received free treatment, which would otherwise have cost between Rs 50,000 to Rs 31 lakhs, ensuring access to essential healthcare services for those in need.

**Support to trusts**

AEML donated an ambulance to the Lalbaugcha Raja Trust.

**375+**

Established medical camps for underprivileged beneficiaries

**65**

Cancer detection checks

**146**

Health checks

**67**

Eye checks

**97**

Gynecological checks

**58**

Marginalised child beneficiaries

**6000+**

Beneficiaries of skill development programme

## Community development project

### Saksham training to youth

AEML trained over 2000 youths in safety, data entry, and self-employed tailor skills. The safety training program has led to employment opportunities for youths, an average monthly income of Rs. 20,720. Similarly, the self-employed tailor training provided employment

opportunities for youths, with an average monthly income of Rs. 5,400.

AEML equipped 33 underprivileged female students from MD Shah College Malad with 21<sup>st</sup>-century skills. Moreover, AEML conducted training sessions for 3841 students from 86 colleges and educational institutes on thermal power plant operations.

### Community garden development

AEML developed a piece of land at the request of a government official to establish an urban garden, complete with necessary infrastructure.

### Needs assessment

AEML is planning a third-party needs assessment study for the fiscal year 2024-2025. The evaluated agencies include E&Y, Mott MacDonald, and NABCOMS.

### Case study

## Empowering women entrepreneurs through Swabhimaan



In Malad West, Geeta Kailash Jadhav, a skilled homemaker, transitioned her entrepreneurial journey from the food business to a flourishing candle-making enterprise. Owing to the collaboration between the Adani Foundation and Mahila Arthik Vikas Mahamandal under the Swabhimaan Program, Mrs. Jadhav became a part of the Swapnapurti Enterprise Self Help Group. Guided by 'Sakhi' Priya Darshani from the Adani Foundation, Geeta and her group underwent an intensive eight-day training program in candle making. With initial orders from the Adani Foundation, the group's business flourished, providing them with a monthly income of around Rs.5000.

## Empowering dreams: Aruna More's recipe for empowerment and success

The story of Aruna More's journey from Malad streets to entrepreneurial success is testimony to the transformative power of our initiatives.

Aruna charted a path to financial independence through the company's Swabhimaan programme, mirroring the goals of the Lakhpati Didi programme

initiated by the Government of India.

Following a loan from Sadguru ESHG, Aruna started a small catering business. Over time, her dedication paid off, with modest orders rising in scale, earning orders exceeding Rs.1,00,000.

A pivotal moment was when Mahila Arthik Vikas Mahamandal facilitated a

substantial order in Powai (Mumbai), strengthening her success and leading her on to an income of Rs 100,000 a month – and the fulfilment of a childhood dream of travelling in an aeroplane with her family.

Aruna runs a successful business, with plans to expand and create job opportunities.

## Supporting educational growth with Uthhan



Divyanshu Santosh Kumar, a fifth-grade student, faced challenges in understanding addition concepts, impacting his academic performance. Recognizing his potential, AEML's Uthhan Sahayak embarked on a personalized learning journey. Using hands-on activities and visual aids, Uthhan Sahayak made addition tangible for Divyanshu. Collaborative group activities and consistent parental involvement ensured a supportive learning environment, leading to significant improvement in Divyanshu's academic performance and fostering a sense of perseverance and resilience.

**TUVINDIA**

## Independent Assurance Statement

### Evaluating Sustainability Performance Metrics

Adani Electricity Mumbai Limited (hereafter 'AEML') engaged TUV India Private Limited (TUVI) to independently verify the performance against the specified Key Performance Indicators (KPI) and Sustainability Performance Targets (SPTs) under sustainability linked bond (SLB) framework for its integrated power utility business in Mumbai, India. Using AA1000 Assurance Standard, this includes reviewing AEML's GHG emissions (Scope 1 and scope 2) as reported in the FY 23-24 GHG report, as well as the Renewable Power Share report for the same period, covering from April 1, 2023 to March 31, 2024.

Key Performance Indicators (KPIs) and Sustainability Performance Targets (SPTs)

KPI 1: Increase the proportion of the renewable energy in the overall power procurement mix with the following target:

- SPT 1: Achieve a minimum of 60% renewable power procurement mix by the end of FY 2027.

KPI 2: Reduction in the GHG emission intensity (Scope 1 and scope 2) with the following target:

- SPT 2: Achieve a 60% reduction in the GHG emission intensity (Scope 1 and scope 2) by the end of FY 2029, relative to the FY 2019 baseline.

#### Management's Responsibility

AEML is responsible for collecting, analyzing, and aggregating the data and assumptions necessary for reporting performance against the aforementioned KPIs for the current reporting period, FY 2023-24. In conducting our external review, TUVI's role was to plan and execute the engagement, providing a reasonable level of verification and forming an independent conclusion on whether the disclosed performance levels of the KPIs are free from material misstatement and comply with the disclosure requirements. TUVI's obligation is to the company's management, in accordance with the terms agreed upon with the company. TUVI disclaims any liability or responsibility for any decisions made by individuals or entities based on this verification statement. The verification was performed from February to May 2024 by a team of qualified sustainability experts of TUVI.

#### Scope and Boundary

The agreed scope of work with the Company encompasses the following:

- Verification of Scope 1 emissions**, including:
  - Fossil fuels used in stationary and mobile equipment
  - Fossil fuels used for electricity generation
  - Releases of SF6 and refrigerant gases used in equipment
- Verification of Scope 2 emissions**, including:
  - Purchased electricity from the grid to meet the auxiliary power requirements in generation, transmission, and distribution assets owned by AEML, along with any associated losses.
- Verification of GHG emission (CO2) intensity**, covering Scope 1 and Scope 2 emission intensity based on verified GHG emissions and the audited financial EBITDA figures of AEML for the reporting period FY 2023-24.
- Verification of the renewable energy share** in the total energy procured by AEML during the current reporting period, assessing performance against KPI 1 compared to the base year.
- Boundary of Verification**: Operational boundary for verification has been selected based on the "operational control" criteria and includes its integrated power utility business for power distribution (AEML) to consumers in Mumbai, Maharashtra.

#### Limitations

TUVI did not perform any assurance procedures on the prospective information disclosed in the Report, including targets, expectations, and ambitions. Consequently, TUVI draws no conclusion on the prospective information. TUVI didn't verified any ESG goals and claim through this assignment. During the assurance process, TUVI did not come across any limitation to the agreed scope of the assurance engagement. TUVI verified data on a sample basis; the responsibility for the authenticity of data entirely lies with AEML. Any dependence of a person or third party may place on the Sustainability Performance is entirely at its own risk. TUVI has taken reference to the financial figures from the audited financial reports.

#### Our Responsibility

TUVI's responsibility in relation to this engagement is to perform a reasonable level of Sustainability Key Performance Indicators assurance and to express a conclusion based on the work performed. Our engagement did not include an assessment of the adequacy or the effectiveness of AEML's strategy, management of ESG-related issues or the sufficiency of the Report against any Sustainability reporting principles, other than those mentioned in the scope of the assurance. TUVI's responsibility regarding this verification is in reference to the agreed scope of work, which includes reasonable assurance of Key Performance Indicators (KPIs) including GHG emissions (Scope 1 and Scope 2) disclosed by AEML. Reporting Organization is responsible for archiving the related data for a reasonable time period. This assurance engagement is based on the assumption that the data and information provided to TUVI by AEML are complete and true.

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# TÜVINDIA

The intended users of this assurance statement are the management of 'AEML'. The data is verified on a sample basis, the responsibility for the authenticity of data lies with the reporting organization. Reporting Organization is responsible for archiving the related data for a reasonable time period. TÜV expressly disclaims any liability or co-responsibility 1) for any decision a person or entity would make based on this assurance statement and 2) for any damages in case of erroneous data is reported. This assurance engagement is based on the assumption that the data and information provided to TÜV by AEML are complete and true.

## Verification Methodology

During the assurance engagement, TÜV adopted a risk-based approach, focusing on verification efforts with respect to disclosures. TÜV has verified the disclosures and assessed the robustness of the underlying data management system, information flows, and controls. The assessment included an evaluation of AEML's data management system, data collection, aggregation, reporting, quality checks, and recording systems.

The reporting boundaries for the above attributes include AEML Mumbai Distribution Substations, EHV Substations, offices, and Thermal Generation Dahanu. An on-site verification was conducted at Mumbai Corporate office and Dahanu plant from the month of February 2024 to April 2024.

A sample-based review was conducted to evaluate the systems in place for data collection related to power procurement and GHG emissions, including the assessment of emission factors and calculation methodologies. Key managers and data owners were engaged in discussions to review the data consolidation systems of the company and sampled operational plants.

Additionally, performance against the SPT-1 and SPT-2, as agreed with the AEML team, was thoroughly reviewed. TÜV has completed the assessment for FY 2023-24.

- TÜV examined and reviewed the documents, data, and other information made available by AEML for GHG Emissions (Scope 1 and scope 2)
- TÜV conducted interviews with key representatives, including data owners and decision-makers from different functions of AEML
- TÜV performed sample-based reviews of the mechanisms for implementing the sustainability-related policies and data management (qualitative and quantitative)

## Conflict of Interest

In the context of providing assurance for KPIs related to GHG emissions (Scope 1 and Scope 2), addressing conflicts of interest is paramount to maintain the integrity and independence of our engagements. TÜV diligently identifies any potential relationships, affiliations, or financial interests that could compromise our impartiality. We proactively implement measures to mitigate or manage these conflicts, ensuring the integrity and independence of our assurance processes. Clear and transparent disclosures about any identified conflicts of interest are provided in our assurance statements. We recognize that failure to adequately address conflicts of interest could undermine the credibility of our assurance processes and the reliability of the reported information. Therefore, we take all necessary measures to avoid, disclose, or mitigate conflicts of interest effectively.

## Our Conclusion

Renewable power mix purchased Electricity (KPI-1):

Description	Unit	FY 2018-2019 (Baseline)	FY 2023-2024
Renewable energy procured from eligible renewable sources	Million units	280.73	3,710.88
Energy procured from sources" Other than Renewable"		9,032.91	7,093.77
Total Energy Procured		9,313.64	10,804.65
% of electricity procured from renewable sources		3.01%	34.35%

### Notes:

- Eligible Renewable Energy Sources of clean energy encompass Hydro, Solar, Biomass, biofuel cogeneration, bagasse, urban or municipal waste and other sources as recognized or approved by Ministry of Power (MoP) and Ministry of New and Renewable Energy (MNRE) with potential for future additions subject to MoP & MNRE approval.
- This included utilization of 3,268.16 Mus in FY-2018-19 and 3,248.49 Mus in FY 2023-24 through embedded captive generation as per power purchase arrangement for the years ended on March 31, 2019 and March 31, 2024.
- The FY 2018-19 (Baseline year) numbers are referred from assured numbers reported by AEML.

GHG emissions (Scope 1 and Scope 2) Summary

Scope	Emission source	Total GHG emissions (FY 2023-24)
Scope 1	Fossil fuels (Coal, diesel, Petrol, LDO, LPG) used in stationery and mobile equipment, coal used in electricity generation process, SF6 & refrigerants used in operations & maintenance activities and CO2 emissions from fire extinguishers	26,62,657

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Scope 2	Emissions arising from consumption of purchased electricity towards auxiliary power consumed in generation, transmission & distribution assets owned by AEML and Transmission & Distribution losses incurred	419500
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#### GHG emission Intensity (KPI-2)

Parameter	Boundary of emission within the company	FY 2018-19 (Baseline)	FY 2023-2024
GHG tCO2e	AEML- Scope 1 and scope2 emissions	3,750,069	3,082,158
EBITDA in INR-in crore	AEML	1,663.67	2,350.25
Emissions Intensity (t CO2e/ EBITDA in INR in crore)		2,254	1,311.41

#### Notes:

- The reported data on EBITDA of AEML within the report are based on audited financial statements of respective year.
- 1 Crore = INR 100,00,000
- The FY 2018-19 (baseline year) numbers are based on assured numbers reported by AEML

In our opinion, based on the scope of this assurance engagement, the disclosures on sustainability Key Performance Indicator performance provides a fair representation of the material topics, related strategies, and meets the general content and quality requirements of the report. Nevertheless, AEML may strengthen its internal reporting by opting an IT Enabled based data management system and compliment the same with periodic internal data and performance reviews.

Evaluation of the adherence to AA1000 Accountability Principles:

**Inclusivity:** Stakeholder identification and engagement is carried out by AEML on a periodic basis to bring out key stakeholder concerns as material topics of significant stakeholders. In our view, the Report meets the requirements.

**Materiality:** The materiality assessment process has been conducted based on the requirement of GRI standards, considering the topics that are internal and external to the AEML range of businesses. The Report fairly brings out the aspects and topics and its respective boundaries of the diverse operations of AEML. In our view, the Report meets the requirements.

**Responsiveness:** TUVI believes that the responses to the material aspects are fairly articulated in the report, i.e. disclosures on AEML policies and management systems, including governance. In our view, the Report meets the requirements.

**Impact:** AEML through its parent company AESL communicates its ESG performance through regular, transparent internal and external reporting throughout the year, aligned with GRI as part of its policy framework that includes Environmental, ESG, Climate Change Mitigation, Corporate Social Responsibility Policy etc. AEML reports on ESG performance to the Board of Directors, who oversees and monitors the implementation and performance of objectives, as well as progress against goals and targets for addressing ESG-related issues. AEML completed establishing contemporary goals and targets against which performance will be monitored and disclosed periodically.

#### Our Assurance Team and Independence

TUVI is an independent, neutral third-party providing ESG Assurance services with qualified environmental and social specialists. TUVI states its independence and impartiality and confirms that there is "no conflict of interest" with regard to this assurance engagement. In the reporting year, TUVI did not work with AEML on any engagement that could compromise the independence or impartiality of our findings, conclusions, and observations. TUVI was not involved in the preparation of any content for this exercise, with the exception of this assurance statement. TUVI maintains complete impartiality towards any individuals interviewed during the assurance engagement.

For and on behalf of TUV India Private Limited



Manojkumar Borekar  
Product Head – Sustainability Assurance Service  
TUV India Private Limited



Date: 17/06/2024  
Place: Mumbai, India  
Project No. 8122416141



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# Directors' Report

To  
The Members,

Your Directors present the 16<sup>th</sup> Annual Report together with audited financial statement of the Adani Electricity Mumbai Limited (hereinafter "Company" or "AEML") for the year ended 31<sup>st</sup> March 2024.

## Financial Highlights

Summary of the financial results is as under:

	(₹ In Crores)	
Particulars	2023-24	2022-23
Total Income	10,104.77	8,692.03
Total Expenditure	9,221.44	9,523.97
Profit/(Loss) Before Rate Regulated Activities, Exceptional Items and Tax	883.33	(831.94)
Add/(Less): Regulatory Income/(Expenses) (Net)	(404.00)	1,035.58
Profit/(Loss) Before Tax	479.33	203.64
Tax Expenses	249.47	108.46
Net Profit/(Loss)	229.86	95.18
Other Comprehensive Income/ (Expenses)		
- Items that will not be reclassified to profit or loss	-	-
- Tax related to items that will not be reclassified to profit or loss	-	(8.38)
Effective portion of gains and losses on designated portion of hedging instruments in a cash flow hedge	(218.59)	(65.55)
Tax related to items that will be reclassified to profit or loss	76.38	22.91
Other Comprehensive Income / (Expense)	(142.21)	(51.02)
Total other Comprehensive Income / (Loss)	87.65	44.16

During the year under review, the Company's operating EBIDTA registered at ₹1,993.43 Crore and PBT stood at ₹479.33 Crore as on 31<sup>st</sup> March 2024.

The audited financial statements of your Company as on 31<sup>st</sup> March 2024, prepared in accordance with the relevant applicable IND AS and provisions of the Companies Act, 2013, forms part of this Annual Report.

There are no material changes and commitments affecting the financial position of the Company between the end of the financial year and date of this report.

## Performance of the Company

### Business Operations

Adani Electricity Mumbai Limited (AEML) is a subsidiary of Adani Energy Solutions Limited, (AESL) which is one of the largest private sector power transmission companies in India with a presence

across the western and northern regions of India. AESL currently operate more than 17,133 circuit km of transmission lines and around 20,765 MVA of power transformation capacity.

The Company is a licensee for an integrated power distribution, transmission and generation business that currently serves more than 26 million consumers across a license area of approximately 400 square kilometers in and around city of Mumbai, the world's seventh largest city by size of population.

The Company's market share of Mumbai is approximately 87% by license area, 67% by consumers served and 55% by electricity supplied.

As an organization, AEML believes in the motto – The Power of Service. It is born of the will to make a difference and change things for the better. AEML continues the quest of providing the best quality service to the customers entrusted with the brand motto of the Power of Service.

## Distribution Business

AEML's licensed area in Mumbai covers 400 square kilometers and includes the suburban area of Mumbai (approximately 75 percent of Greater Mumbai) and the Mira-Bhayander Municipal Corporation area in Thane District. The entire licensed area is urban with a mix of residential, commercial, and industrial consumers.

### 1. Consumers:

The number of Consumers using the Company's network as of 31<sup>st</sup> March 2024 was 31.80 Lakhs. The Company added around 56 thousand consumers in FY 23-24.

### 2. Network Augmentation:

AEML holds a distribution license granted under Section 14 of the Electricity Act and in force for a period of 25 years starting from 16<sup>th</sup> August 2011. AEML distributes power primarily through an underground cable network. As on March 2024, the distribution network comprised 5,164 circuit kilometers of high-tension cables and 20,893 circuit kilometers of low-tension cables (including service cables and St. light cables). The power transformer installed capacity increased to 4,577 MVA and distribution transformer installed capacity increased to 5,485 MVA with addition of new and augmentation of 1 Distribution Substations (DSS). The Company added 17 new Consumer Substations (CSS) totaling 7,096 CSS in its supply area as of 31<sup>st</sup> March 2024.

### 3. System Demand:

The coincident peak demand of distribution system in FY 2023-24 was 2,163 MW (Jun'23) as against 2,058 MW (Apr'22) in FY 2022-23.

### 4. Operating Performance:

AEML measures its operating performance in terms of system distribution losses and reliability indices. AEML system distribution losses were brought down from 5.93% in FY 2022-23 to 5.29% in FY 2023-24. This is majorly technical and commercial loss in distribution system because of heat losses in the various components, meter defects, errors in metering and theft of energy. The superior reliability of AEML network can be gauged from the fact that SAIDI (System Average Interruption Duration Index) for the whole year is 21.26 minutes. SAIDI is average duration in minutes of sustained interruptions per consumer.

Due to this the Average System Availability Index (ASAI) remains at 99.9960%.

To optimize the effective utilization of our network and manpower, AEML has installed the Supervisory Control and Data Acquisition System ("SCADA System"). The SCADA System covers all 33-22/11 kV distribution substations and strategic 11/0.4 kV consumer substations for data acquisition and control. AEML has laid optical fibre cable in the licensed area in Mumbai connecting the distribution substations. This optical fibre cable is used as a communications medium for the SCADA System. In addition to ensuring improved reliability and reduced interruption in supply, the SCADA System is used for energy management and for improvement in overall system performance.

### 5. Distribution Loss and Collection Efficiency:

The company achieved 101.01% collection efficiency for FY 2023-24 as against 100.68% during FY 2022-23. Distribution loss of the Company for FY 2023-24 is 5.29% as against 5.93% for the FY 2022-23.

### 6. Sales and Revenue:

The Company sold 9,916 million (PY 9,062 million) units of electricity to its own consumers in FY 2023-24. Also, the Tata Power Company Limited (TPC) consumers connected to the network of the Company consumed 1,463 million (PY 1439 million) units of electricity in FY 2023-24. Open access consumers connected to the network of the Company consumed 298 million (PY 317 million) units of electricity in FY 2023-24. The sales revenue of the Company from Distribution Operation for FY 2023-24 was ₹9,158 Crore (PY ₹7,801 crore) including wheeling revenue of ₹345 Crore (PY 235 crore) based on the tariff determined by the Hon'ble Maharashtra Electricity Regulatory Commission (MERC) for FY 2023-24 vide Multi Year Tariff Order dated March 30, 2023.

## Generation Business

The Company owns and operates a coal-fired 500 MW thermal power station at Dahanu (the "Adani Dahanu Thermal Power Station or ADTPS") in the State of Maharashtra located approximately 120 kilometers from AEML's licensed distribution area in Mumbai. ADTPS operates 2 x 250 MW generating Units. The first Unit of the ADTPS started commercial operations

in July 1995 and the second Unit started commercial operations in January 1996. ADTPS continues to maintain its numero-uno operational position among the power stations in the country. During Financial Year 2023-24, the Plant Load Factor was 73.96 % which was largely on account of low demand in the western grid and backing down of generation as per State Load Dispatch Centre (SLDC) instructions. The station generated 3248.49 million units (MUs) along with plant availability of 92.09%.

## Transmission Business

AEML holds transmission license, granted under Section 14 of the Electricity Act, and is valid for a period of 25 years starting from August 16, 2011. AEML transmission system ('AEML-T') comprises of eight 220 KV/33 KV EHV stations (with installed transformation capacity of 3,250 MVA) and around 573 circuit kilometers of 220 KV lines, including both overhead and underground cable systems. The power received at various EHV stations is supplied mainly through underground cables to AEML distribution receiving stations for onward distribution to consumers. There are interconnecting 220 KV lines between all EHV stations in AEML licensed area in Mumbai. The transmission system is also connected to the transmission systems of Maharashtra State Electricity Transmission Company Limited and Tata Power Limited at different interconnection points, which helps bringing additional power into Mumbai via the State Grid and strengthens the Mumbai power system. The Company always strives to adopt best practices, along with efforts to keep the high standards of maintaining network system availability. For fiscal year ended 31<sup>st</sup> March, 2024, the Company registered 99.7779% system availability, which is above the norms set by the regulator, thereby company is operating with 100% additional ROE.

AEML-T has put up following Scheme DPRs to Regulator's for approval in FY 2023-24, e.g.

- 220 kV EHV Substation at Chandivali
- 220 kV EHV Substation at Kandivali
- 220/ 33 kV AEML Kandivali EHV Scheme
- 220/ 33 kV AEML Dahisar EHV Scheme
- 220 kV Reactor at AEML Chembur EHV Sub-Station
- 220 kV AEML BKC –Aarey Connectivity Scheme
- 220 kV EHV Cable Connectivity between Aarey & BKC

AEML-T has obtained Regulator's approval for 220 kV EHV Substation at Chandivali in April 2023. 04 nos. of DPR Schemes have been validated through STU/ Empaneled consultants. AEML-T further submitted the DPR schemes to MERC for final in-principle clearance.

AEML-T is currently executing Scheme for Borivali Ghodbunder Boisar LILO line Augmentation (220kV GIS Switching Station) and of 220/33 kV EHV Substation at Bandra Kurla Complex, a prime commercial location in Mumbai City. 220 kV AIS to GIS DPR scheme at Aarey EHV Sub Station is under execution commissioned, which will upgrade old AIS equipment with latest GIS technology and optimize space utilization for upcoming Bulk Power injection Schemes. 1000 MW HVDC (VSC Based) Aarey-Kudus connectivity Scheme under execution by Adani Electricity Mumbai Infra Limited (AEMIL).

In addition to this, AEML-T has planned six new 220/ 33kV EHV Station schemes and associated connectivity to upgrade existing Transmission network in Mumbai and to facilitate reliable power to Mumbai consumers.

At AEML-Transmission, new technologies are continuously explored and deployed for improvement in operation and maintenance practices. In FY 24 we continue to use, Auto reclose Scheme for Hybrid lines (EHV Line + Cable) using Line Differential Protection is implemented for 3 Nos. of 220kV lines emanating from Aarey EHV Sub Station, thereby improving System Availability & Reliability. Deployment of SCADA Centralized Patch Management System for regular update of OS Patches and anti-virus updates in all SCADA application servers, operator workstations and gateways machines across all transmission sub-stations. Also, AEML Transmission has made all efforts for adoption of digital protection system based on IEC 61850 9-2LE on processed bus technology, which is an IP/MPLS technology-based communication platform in its operations, improving System Availability & Reliability.

### A. Regulatory updates for AEML:

1. On 07.03.2024, Maharashtra Electricity Regulatory Commission (MERC has notified Draft MERC (MYT) Regulations, 2024 Applicable for Control Period FY2025-26 to FY2029-30 for public comments.
2. On 24.01.2024, CEA published Draft National Electricity Plan (Volume-II: Transmission) and invited comments from Stakeholders

## B. Sustainable Performance Targets & Renewable Purchase Obligation:

Adani Electricity Mumbai Limited (AEML) is committed to achieving excellence in environment performance and promotion, to maintain a clean and healthy environment.

- AEML has increased procurement of renewable energy share in bulk power purchase from 3% (baseline FY19) to 34.35% in FY24 against the target of 30% by FY23 (Target is achieved), 60% by FY27 & 70%.
- Reduction in GHG Emissions Intensity (Scope 1 and 2) from 2254 (baseline FY18-19) to 1337 (i.e. reduction by 40.67%) against the target of 40% by FY2025, 50% by FY 2027 and 60% by FY2029.

AEML is also bound by the RPO Regulations of MERC. AEML always pursues to exceed the target set by Regulator and as a step towards this AEML has signed long term PPA for purchase of 700 MW Hybrid wind solar power to meet its cumulative RPO. The Company has fulfilled and significantly exceeded the standalone Renewable Purchase Obligation target of 22% (MERC RPO Target) for FY 2023-24.

## C. Safety & Health

The Company always view employee's health and safety as a priority in the Organization. It always ensures that a rigorous health and safety policy is in place to protect the employees against possible occupational risks and reduces the likelihood of accidents in the workplace.

### i. Safety

AAEML bags two prestigious awards in OSH India 2023 competition for 'Excellence in Road Safety' and Excellence in Innovation in Safety Technology'.

The safety of our stakeholders is at the core of everything we do. Our goal is 'ZERO Harm' and we strive to achieve the same. We continuously adopt the best available technologies and upgrade our facilities for ensuring safety, improved efficiency, and sustainability.

This year a Special thrust is being placed on the workmen safety skills aligned to respective trade skills as that would decide the overall Safety Performance.

We ensured the participation of all our workforce in the '**SAKSHAM**', a mandatory Safety induction module and captured the training effectiveness through digital assessment.

We also undertook the skill development initiatives to align our employees with evolving organizations requirements. Many programs were launched, and 65,595 man-hours trainings were imparted to strengthen our safety culture.

Under Training and capacity building program we have developed 232 trainers for 14 Safety standards.

We have also successfully completed the Safety campaigns on 'Unchaaai' i.e work at height, 'Urja' on Electrical Safety, 'Upkaran' on Mechanical Lifting and effectively rolled out 'New Safety Learning Management System i.e. 'UDGAM' to ensure safety of our people and as part of our commitment to "**Culture of Care**".

Our Safety Governance structure is led by Functional Managers and participation of workers is ensured at every level. The directives of governance committees and group guidelines are further cascaded through five task forces.

To develop the culture of openness, Safety Interaction (SI) module was further encouraged. 9491 Safety Interactions were done by management to improve the safety culture. As a part of leading indicator 3471 near miss was reported and 533 serious injury potential scenarios were rectified. As a step towards zero harm, the team carried out 29686 Safety inspections.

We continuously check our preparedness for emergencies through mock drill, 36 numbers of mock drills on various emergency scenarios were conducted.

Special efforts were made on vendor engagement & development through Contractor Safety Management. 100% vendor pre-qualification assessment were done based on safety and recorded through online portal. 10 Sessions of vendor development programs were conducted. We conduct Safety Risk Field Audit (SRFA) monthly and

calculate Severity Index of our contractor, 5296 SRFA were logged in a year.

To develop a healthy safety culture, society needs to be educated on the importance of safety, prevailing hazards & risks, and its control measures. We conducted more than 30 awareness sessions in slums, schools, societies and for consumers. 4 webinars were conducted to reach the maximum number of people.

We also conducted 06 Safety audits for our premium customers and conducted fire mock drill at the customer premises to sensitize the team on emergency response.

All the learnings from group incidents are captured in the form of Critical Vulnerability Factors (CVF) and are horizontally deployed across the group.

We continue to demonstrate Zero-tolerance towards violation of the policy, Life Saving Safety Rules, and established procedures. Much awareness & promotional activities like Celebration of National Safety Week, Road Safety Month, Fire Safety Week, Electrical Safety Week, National Lineman Diwas were observed at all locations. Workers were recognized for their leadership and were awarded for their contribution towards promoting Environmental, Health and Safety culture. Industry experts were invited to share their valuable input on every occasion.

## ii. Health

Adani Electricity Mumbai Limited provides health facilities to its employees which are in-line with the best companies engaged in similar business.

In accordance with the provisions of IMS, the company not only ensures adherence to the standards and regulatory norms, but it goes well beyond the requirements thereby providing a safe & healthy working environment.

Health of the employees is ensured by the following provisions:

1. Divisional Medical Centers.
2. Tie ups with Hospitals
3. Medi-claim policy for employees & family

4. Comprehensive annual Health check for on-roll employees.
5. Onsite annual medical examination for contract employees.
6. Evaluation of Medical fitness:
  - a. pre-employment
  - b. resuming duty after Sick leave &
  - c. Extension of Service (for non-executive employees).
7. Health Promotional Activities:
  - a. Health talks
  - b. Onsite camps
  - c. Mailers on health days.
8. First Aid trainings
9. Monsoon preparedness:
  - a. Provision of first aid boxes to team members & at static locations
  - b. Provision of doxycycline for leptospirosis prophylaxis
  - c. awareness sessions on monsoon related ailments & injuries.
10. Occupational role:
  - a. Safety meetings
  - b. Employee rehab post injury/illness (fitness with r/r)
11. Miscellaneous (with admin team)
  - a. Canteen audit/committee.
  - b. Gym
  - c. Water sampling

### Health awareness -

- The following awareness sessions were conducted during FY2023-24:
- Non-communicable diseases & Kidney health
- Tech Advances & tips for maintaining perfect vision
- Women's health & hygiene
- Healthy heart living - in addition to the awareness session, gamified interaction was conducted at DDLO office to raise awareness.
- Power of Self-motivation
- Diabetes reversal

- Lung Cancer & Smoking cessation
- Mindful Nutrition for Weight Management
- Blood donation camp was arranged at various locations across GTD in June 2023 to mark Chairman Sir's Birthday & more than 600+ units were collected.

Capacity & Capability building for employees in terms of providing onsite First aid.

- Medical team conducts regular First aid training sessions for identified First aiders in various divisions.
- Participants are imparted knowledge on assessing and managing general & workplace injuries & emergency medical situations in this half a day session. Hands-on-cpr training is also provided to the participants.
- General First aid training was conducted for 2,380+ employees across GTD whereas First Responders training (Hands-on-training) was conducted for 400+ First-responders of GTD in FY2023-24.

Comprehensive Annual medical examination for on-roll employees.

- We had onboarded "Connect & Heal" as our partner for FY2023-24 for AHC for on-roll employees. 88% of employees underwent the health check through CNH Network.
- Onsite annual medical examination for contract employees

Onsite annual medical examination for contract employees

- Onsite annual medical examination for contract employees was conducted thru "Healthspring". 88% contract employees underwent the onsite medical examination.
- Employees are counseled on a one-on-one basis about out-of-range parameters & suggested curative measures.

Planning & implementation of medical initiatives as a part of Monsoon preparedness:

- As a part of Monsoon preparedness, a total of 276+ First-Aid Boxes were replenished.

- Doxycycline was distributed to 4,800+ outdoor employees (including Contract employees) for prophylaxis of Leptospirosis.
- Awareness sessions on First Aid and Monsoon illnesses were conducted at 20+ BU/depots and were attended by 2,000+ employees.
- Debriefing done to all reporting managers/ employees regarding emergency response services.

#### D. Learning and development:

Learning and development is about creating excellence in building a culture of continuous learning and upskilling for individuals and organization to learn and grow. The Company has a world-class infrastructure at two locations in its supply area - Adani Electricity Management Institute (AEMI) and Versova Technical Training Center (VTTC), which are well equipped with Hi-Tech infrastructural facilities for Blended learning by conducting different courses on technical as well as management subjects covering the needs of Indian Power and allied Energy sectors. For easy access of learning initiatives, two additional training spokes are created in Magathane & Tilak Nagar division.

Our Generation business has Ministry of Power, Central Electricity Authority, GoI certified Technical Training Center of A-Grade (Excellent, Category-I) at Dahanu, which is well equipped with all infrastructural facilities for conducting different courses on technical, behavioral, IT as well as management topics.

Throughout the year under review, the company has conducted various initiatives along with the other programs during the planned learning calendar for its employees. The programs were conducted by internal as well as external faculties. The initiatives included programs like AE Marvels and AMarvels - for Leadership development, Understanding Financial Aspects of the Utility Sector, Technical programs like Power System Simulation Studies, Battery Energy Storage Systems, Predictive Maintenance and Health Monitoring of MV Cables, HVDC Cable Orientation, Underground Substation, Energy Storage, Understanding Power Markets & many more.

Many programs on safety, health & wellness were conducted like Unchaai, Think Healthy Live Healthy, Ergonomics, Mindfulness, etc. There were special initiatives such as AALP (Adani Accelerated Leadership Program) for our summer interns from Premium Institutes like IIMs, IITs and FMS, Unique Certification Program under the NAPS Scheme, Webinars for students & faculty of Engineering College & many more. AEML also provided 4 months of training to 84 Diploma Apprentices & 1 months of training to 37 Interns, which included both classroom & online training.

**AE-Varsity:** To constantly meet the evolving needs of its employees, AEML has launched a knowledge management portal - AE-Varsity, to cater to all learning needs of the employees. 200+ videos of conducted sessions have been uploaded on the portal with additional features like the HR HUB- Monthly HR Newsletter and Podcast, Gyaan Sagar- a knowledge-sharing platform, Learning Calendar, Highlights, Awards & Accolades, Upcoming Programs, Photo gallery etc.

**Evidyalaya Percipio:** To develop a culture of continuous learning, employees are encouraged to self-learn through eVidyalaya Percipio platform. The average learning hours per user is 54. Our executives have attended various bootcamps, live events, and Leader camps.

**Analytical Orientation:** To ensure our senior and middle management is equipped with key analytical skills, we organized extensive workshops on analytics using customer data.

### Learning & Development Initiatives:

#### Fulcrum

4 participants have completed Fulcrum leadership development program and 4 participants are undergoing the program currently. This program is focused in developing our talent and leadership pipeline.

#### Takshashila – Adani Executive Leadership Programme (AELP)

3 participants have completed this leadership Programme, it is a comprehensive leadership development programme being done in collaboration with the Indian School of Business (ISB). Delivered face-to-face at ISB campus in Hyderabad, it is exclusively designed for 'Function Managers' in Adani Group.

#### NorthStar 4.0

9 participants of AEML are undergoing Post Graduate Diploma in Business Management by Emeritus in collaboration with Columbia Business School and Tuck Executive Education.

#### Adani Marvels

Adani Marvels is a one-year duration leadership transformation program that was launched in AEML in the year 2022. 31 participants (1<sup>st</sup> batch) have completed the course last year & 30 participants (2<sup>nd</sup> batch) will be completing it this year. From the 2<sup>nd</sup> batch onwards, this program has been launched in collaboration with Indian Institute of Technology (IIT), Bombay. Currently the 3<sup>rd</sup> batch has been initiated for 39 participants from AEML & 31 participants from other Adani group companies. The focus of the program is majorly on the following components:

- Understanding Self
- ABCF Competencies – Strategic Orientation; Entrepreneurial Mindset; Outcome Orientation & Transformational Mindset.

The program architecture includes Assessments such as Predictive Index & Pre & Post-Program Multi Ratter feedback (360-degree survey) for creating Individual Development Plan. The participants attend a 4-day Personal Discovery workshop followed by the monthly Connect sessions for discussing the status on personal/professional goals in respective batches. 10-day IIT Module is also included in the program that covers topics like Finance for Non-Finance; Adoption of Digital Transformation; Business Analytics & Strategic & Market Leadership. In addition, Percipio courses, Job Shadowing, Coach Connect, Interaction with Seniors, Book Reading, Journal Writing, Involvement in CSR, Visit to Mundra, Khawda & sites of other Adani businesses forms an important part of the program. Live Business Projects with respect to current business need/issues in the organisation are assigned to cross functional teams & these projects are continuously monitored by the senior leadership team. The program is initiated with an Initiation ceremony & concludes with the Valedictory ceremony.

#### Young Manager Program

This exciting new initiative at Adani Group is designed specifically for employees who are

taking on a people management role for the first time.

The YMP program focuses on providing the first-time managers with the essential skills and knowledge they need to be a successful people manager. It includes a wide range of topics related to people management, including:

- Building strong relationships with their team members
- Providing effective coaching and feedback
- Setting goals and managing performance
- Creating a positive and productive work environment

Transitioning to a people management role can be challenging. The YMP aims to equip them with the tools and competencies they need to excel in their new role.

With the goal of reaching approximately 1,000 first-time people managers across all Adani locations, the YMP has the potential to significantly enhance our Group's overall management capabilities.

The YMP is an "integrated learning intervention," including classroom sessions, online modules, and Book review. We'll also be utilizing eLearning modules from Skillsoft Percipio to support the learning journey.

#### **Manan – Yoga & Meditation (for Non-Executives & Contract labour)**

Manan – Yoga & Meditation initiative was launched for all non-executives & contract labour on 1<sup>st</sup> February 2024. This initiative is spread over 3 sessions for each participant. The first session is focused on Yoga; 2<sup>nd</sup> session that is conducted after one week of session 1 is focused on diet, meditation & an awareness session & the 3<sup>rd</sup> session conducted one month after session 2 is a one-on-one consultation & dietary recommendation. The 2<sup>nd</sup> session concludes with a 21 day yoga challenge which is tracked during the 3<sup>rd</sup> session with the faculty.

#### **Unique apprenticeship program at Adani Electricity**

AEML, in association with the Power Sector Skill Council (PSSC) under NAPS Scheme (National Apprenticeship Promotion Scheme) in India,

has launched a training program that offers Triple Certification i.e. certification by PSSC in the optional trade of Junior Engineer Power Distribution, and also covers a vast syllabus, spread across 12 weeks, on "Certification course on Electrical Safety and Design aspects of Electrical Installation" which is notified by the Chief Electrical Inspector, Govt Of Maharashtra, for obtaining PWD Supervisory License that enables them to work on the electrical system as an authorized person and to work in the power sector with confidence and efficiency.

Three batches of apprentices have completed this structured training consisting of 4 months of Instructor-led Training and 8 months of On-the-job Training, have obtained supervisory license of Govt. of Maharashtra based on our training, and have been deployed in Network Maintenance activities of various divisions in distribution.

#### **Simulation Lab at Adani Electricity Management Institute (AEMI)**

A Simulation Lab was inaugurated at AEMI with working models of a simulation facility on Power Distribution at various voltage levels, smart meter working, protection relays, industrial controls, motor starters, Fault Passage Indicators, Meter Board Wiring, CT operated meter working & Transmission network. Various models of Power Transformer, Gas Insulated Substation, Cable samples of voltage levels 220KV, 33KV, 11KV & 440V, Cable accessories for Medium and Low Voltage are available in this simulation room for training purposes. This facility helps to train internal and external participants to understand various aspects of power distribution.

#### **Induction Training for GETs / MTs**

A structured training program consisting of 2 months of Instructor-Led Training (ILT) and 4 months of On-the-job Training (OJT) along with assessment at various stages is provided to our GETs. Our MTs undergo 2 months of training and are deployed for on-the-job training in their respective functions. All the GETs and MTs have visited DTPS and Mundra Sites as a part of the induction program. The GETs have also visited the Maharashtra State Load Dispatch Centre as well as Western Region Load Dispatch Centre as a part of the induction, where the experts at these centres explained the working of respective grids.

### OEM Technical Trainings for Employees

Latest technical trends and technologies on field as well as upskill them, webinars were arranged in coordination with OEM. This helps them to stay updated with the latest technological changes in India as well as abroad as well as apply the technology in AEML.

### Career Transition Program for SVRS Employees

Launched in partnership with LHH (Lee Hecht Harrison) on July 24<sup>th</sup>, 2023, the program aims to empower SVRS employees with the essential skills required for a successful job search. Tailored to different levels within the organization, the initiative offers a structured approach with a 4-month and 6 months program designed to focus on crucial aspects such as resume development, crafting effective search strategies, networking techniques, and interview training. The initiative aims to equip SVRS employees with the necessary support to navigate the job market effectively, enhancing their prospects for career advancement and success.

### UNNATI – A career guidance & counselling program for children

UNNATI- A career guidance and counselling program for children was launched on June 24<sup>th</sup>, 2023, in collaboration with Mentoria. The program was initiated for children of AEML executives to seek proper guidance & counselling which will help them in choosing and making better career

decisions. The initiative was partially funded by AEML with enrolment of 45 children. The initiative started with orientation, psychometric assessment, one to one counselling assessment and access to knowledge portal.

## E. Business Excellence: Business Excellence Journey at AEML

Aligned with our vision to be a world-class leader and our aspiration to institutionalize a culture of Business Excellence, the Generation, Transmission & Distribution businesses of AEML have made rapid progress in achieving these goals. The company has adopted a world-class approach, to improve the maturity and capability of its processes, leading to improved business results. These approaches will help in meeting our Strategic and Operational objectives, besides meeting the expectations of our Stakeholders.

The foundation of our Business Excellence journey at AEML, is based on the following pillars:

### i. ISO Journey :

The Quality journey of AEML began in 1997, when the company achieved its first certification for ISO 9001 (Quality Management System). Several milestones have since been achieved along this ISO journey. The businesses are certified as below:

S.N	System	Objective	AEML-G	AEML-T	AEML_D
	<b>Management Standards</b>		<b>Certification Since</b>		
1	ISO 9001:2015	QMS: Ensure Quality in processes for desired output and reliable	1998	1997	1998
2	ISO 14001:2015	customer services	1999	2010	2014
3	ISO 45001:2018	EMS: Address Impact of operation on environment Climate change	2008	2010	2020
4	ISO 50001:2018	ensuring Environment compliances	2011	2021	2020
5	ISO 55001:2014	OHSMS: Promoting Occupational Health & Safety practices/	2016	2016	2014
	<b>Risk Protection Standards</b>				
6	ISO 27001:2013	ISMS Ensuring data security	2008	2018	2012
7	ISO 27031:2011	IRBC: Information & communication technology readiness for business continuity	2019	2021	2021
8	ISO 22301:2019	BCMS: To safeguard against disruptive events and ensure business continuity	2019	2022	2021

S.N	System	Objective	AEML-G	AEML-T	AEML_D
<b>Business Excellence Standard/Guidelines</b>					
9	ISO 26000:2010	SR: Social Responsibility Assessment B compliance	2019	2022	2022
10	SA 8000:2014	SA Promotion of work culture fostering employee satisfaction ethical business practices 8 Social Accountability Compliance	2007	In-process	In-process
11	ISO 20000-1	ITSM IT Service Management	2021	2021	2021
12	ISO/IEC 17025	Accreditation for testing laboratory by National Accreditation Board of Laboratory (NABL)	2013	-	2009
13	Certificate	Single Use Plastic Assessment Certificate	2021	2023	2023
14	Certificate	Zero Waste to Landfill Certificate	2021	2023	2023
15	Certificate	Water Efficiency Management System	2021	-	-
16	Certificate	Biodiversity assessment study for all 3 sessions Rainy, summer winter season completed	2022	-	-
17	5-5 Certificate	Better look of workplace Develop a greater safety awareness Quick retrieval of items Reduce wastage. Neat clean and Hygienic workplace	2020 Platinum	2014 JUSE	2022 AWMA

### ii. Structured Problem-Solving Methodologies

AEML has adopted multiple approaches and tools, aimed at engaging its employees across the organizational hierarchy viz. a) Lean Six-Sigma, b) Quality Circle c) Adani Workplace Management System (AWMS). In this process, the Company have created a bank of over 260 Lean Six-Sigma Green Belt executives, over 90 Six-Sigma Blackbelts, over 425 employees trained on Quality Circle tools and techniques, over 450 ISO internal auditors, 22 ABEM assessors and over 105 AWMS internal Assessors. Multiple improvement projects have been undertaken by the respective teams under each of these approaches, leading to greater maturity of our processes and creating a culture of structured problem solving by engagement of our employees. The movement has enabled the company to gain top recognitions at Regional, National & International competitions.

### iii. ABEM Journey at AEML

Ever since the launch of "Adani Business Excellence Model" (ABEM), a series of improvement initiatives were identified and completed, based on Self-assessment

exercise conducted for the ABEM categories. These initiatives are led and mentored by senior leaders and well supported by various support function teams. The employee base of over 1600 executives has been formally sensitized to the need for Business Excellence and the salient features of ABEM. Multiple rounds of assessments have been done leading to continual improvements.

### C. Rewards & Recognitions

- Winner at the 11<sup>th</sup> Innovation with Impact Awards for Discoms under the below categories:
  1. Category A (Green Energy) – Rank 2
  2. Category B (Efficient Operations) – Rank 3
  3. Category E (Performance Improvement) – Rank 3
- Two Awards in Asian Power awards 2023:
  1. Power Utility of the Year for Transmission & Distribution
  2. Innovative Power Technology of the Year
- MQH Best Practices Awards for the below:
  1. Leadership Category – 1<sup>st</sup> Runner up

2. Workforce focus Category – 1<sup>st</sup> Runner up
  3. Operation focus Category – 1<sup>st</sup> Runner up
  4. Operation focus Category – 2<sup>nd</sup> Runner Up
- 4 “Gold” awards in International Convention on Quality Control Circles 2023.
  - 5 “Par Excellence” and 7 “Excellent” awards in National Convention on Quality Concept (NCQC) 2023.
  - 9 “Par-Excellence” and 1 “Excellent” awards in 9<sup>th</sup> National Conclave on 5S.
  - 2 top “Rhodium” awards in 6<sup>th</sup> National Convention on Innovative QC Teams.
  - 18 “Gold”, 4 “Silver”, “Best Case Study & Presentation OC” and “Best Coordinator Gold” awards in Chapter Convention on Quality Concept (CCQC) 2023.
  - Economic Times HRWorld - Highest Award in the category of Best Innovative Leadership Development Program for A-Marvels.
  - CII 2023 DX Award for Most Innovative Company in the Best Practices category.
  - Two awards for “Excellence in Road Safety” and “Excellence in Innovation in Safety Technology” at the OSH India awards.
  - ADTPS has received an award as “Excellent Energy Efficient Unit” in the “24<sup>th</sup> National Award for Excellence in Energy Management 2023” from the CII (Confederation of Indian Industry). This is the highest-ranking category of award in Thermal power plant category at the CII summit.

## F. Corporate Social Responsibility:

AEML as a responsible corporate entity undertakes appropriate Corporate Social Responsibility (CSR) measures having positive economic, social, and environmental impact to transform lives and to help build more capable and vibrant communities by integrating its business values and strengths. In its continuous efforts to positively impact the society, especially the areas around its sites and offices, the Company has formulated guiding policies for social development, targeting the inclusive growth of all stakeholders under various specific categories including promoting education, environment sustainability and health care. Following are the initiatives taken by AEML.

AEML as a responsible corporate entity undertakes appropriate Corporate Social Responsibility (CSR) measures having positive economic, social, and environmental impact to transform lives and to help build more capable and vibrant communities by integrating its business values and strengths. In its continuous efforts to positively impact the society, especially the areas around its sites and offices, the Company has formulated guiding policies for social development, targeting the inclusive growth of all stakeholders under various specific categories including promoting education, environment sustainability and health care. The following are the initiatives taken by AEML.

## Education

### a) Uththan (Mumbai)

Education program ‘Uththan’ was launched in **60 BMC schools, 250+ Teachers and 12,000+ Children** in and around Chembur, which aims to foster learning abilities in students. It entails adopting government primary schools, tutoring Priya Vidyarthi (progressive learners), arresting dropout rates and collaborating for staff capacity building. Teachers and parents are brought onboard to enhance foundational learning and numeracy skills among students.

### b) BaLA - Dahanu & Mumbai

Like Uththan BaLA program is also launched in Mumbai as well as in Dahanu region. 36 schools from Mumbai and 10 schools from Dahanu come under this program. 19,400 students benefit from this initiative.

### c) School Praveshotsav

This initiative is taken to motivation to enroll the children in schools. Provide Welcome kit to ~1,050 children in 62 Zilla Parishad schools around Dahanu and 1,200 children of 13 BMC schools in Saki Naka area Mumbai. AEML also supplies School bags and notebooks to students of urban poor in schools to motivate them to attend school regularly.

## Health Care Program

### a) Specialty Camp

AEML conducts special camping for cancer and diabetes. A total of 115 patients were examined

for cancer out of which 8 patients were diagnosed at HCG hospital, Borivali. 15 patients out of 160 were referred for further treatment for diabetes based on initial diagnosis. Apart from this Mental health awareness sessions and sessions on CPR & First AID training was conducted in S.K.K. MBBI College- Dahanu.

**b) Support to Mega Medical Camp (Dahanu)**

In Dahanu More than 1,650 community people took benefit of the camp organized by AEML where 10+ Specialist Doctors were involved.

**c) Donation of Ambulance**

To provide traveling health facility to the Ganpati devotees, donated Ambulance to Lalbagcha Raja trust.

**d) Cardiac operations**

Support to 58 poor patients in Hospitals for Children Heart Center for pediatric heart surgeries. Children's Heart related diseases were treated like - ASD Atrial Septal Defect, VSD Ventricular Septal Defect, Device Closure, Sinus ventouses, Atrial Septal Defect, Atrio Ventricular Repair, PDA Closure, RVOT Stenting, BT Shunt, Ballon etc. Free treatment for these patients which otherwise ranges from 50 thousand to 31 lakhs.

## Community Infrastructure Development

**a) Mother and Child health care unit construction -NICU- Dahanu**

This infrastructure would be utilized for mother and children unit at block level. The number of mothers child will benefit through much needed basic specialist services. The facility offers critical care for 22 newborns with 2 ventilators, two bubble machines, 3 LED photography machines, and nine beds for lactating mothers.

**b) Garden renovation.**

Developed a piece of land on the request of Govt official to develop an urban garden with necessary Infrastructure.

## Sustainable Livelihood Development

### Swabhimaan- Mumbai

**a) Skill Development.**

ESHG and skill development training to women and Livelihood development of women by training

in shirt-making and other credit link & govt. schemes in Malad, Bandra and Mira Bhayander. Impacted lives of more than 4,011 women.

**b) Handholding support**

287 ESHG formed in the Swabhimaan Mumbai, provided ESHG Conceptual Training to the - Panchasutri Training 178 ESHGs & 2656 women covered EALF formation & further developing CLF & institutes for ESHG women.

**c) Bank credit linkages.**

1,107 CR credit linkage among 56 ESHG's distributed among 439 women. 434 women underwent various training on Best out of Waste, Artificial Jewellery, Dhoop Batti making, Rakhi making, Home Décor, Warli Painting, Bag making etc.

**d) Business opportunity.**

Business opportunity through the stalls in various AEML offices, the ESHG members earned total rupees 51,000 by this opportunity. In Addition, organized various social awareness sessions such as "Women Day."

### Swabhimaan- Dahanu

**a) Integrated Tribal Development program**

SHGs are formed, Solar water pumps are installed impacting the lives of 35 Farming Houses. ₹26,50,000 collected via FPO affecting 1,000+ farmers. Collective marketing of Jasmine making ₹16.80 Lakh.

**b) Wadi program.**

Provided horticulture, floriculture & Forestry plants, 38,934 saplings to the 200 farmers. In addition, assist 22976 kg vermicompost to the 276 farmers. A total of 143 farmers have benefited from the drip irrigation program.

**c) Shirt stitching studio**

Provided 29 machines and training for 30 SHG members for women empowerment. 25 high speed advanced industrial machines, 4 specialized stitching machines were also provided for the enhancement.

**d) Samajik Suraksha Labh Abhiyan**

To make people aware about the government schemes painted 11 government schemes the Agawan grampanchayat.

## Skill Development

### a) Skill base for underprivileged students

Provided 21<sup>st</sup> century skills to the 33 underprivileged girl students from the MD Shah College Malad

### b) Youth training.

Trained 3841 students from 86 colleges and educational institutes on Thermal power plant operations.

### c) Skill base training for youth.

Trained more than 2000 Youths under safety, Data Entry and Self-Employed Tailor. Safety Training led to employment opportunity to youths with an Avg income of ₹20720 pm Self-Employed Tailor led to employment opportunity to youths with an Avg income of ₹5400 p/m.

## Annual Return

The Annual Return of the Company as on 31<sup>st</sup> March 2024 is available on the Company's website and can be accessed at <https://www.adanielectricity.com/corporate/investors-relations>.

## Reserves

The Company has not transferred any amount to the General Reserves during the year under review.

## Subsidiary Companies

As on date, Adani Electricity Mumbai Infra Limited and AEML SEEPZ Limited are subsidiaries of the Company.

A statement containing the salient features of the subsidiary is provided in AOC-1 as **Annexure A**.

## Dividend

The Board of your Company, after considering holistically the relevant circumstances and keeping in view the tremendous growth opportunities that your Company is currently engaged with, has decided that

it would be prudent not to recommend any dividend for the year under review.

## Directors in Key Managerial Personnel (KMPs)

As of 31<sup>st</sup> March, 2024, your Company's Board of Directors ("Board") had seven members comprising of one Executive Director, four Non-executive Directors and two Non-Executive Independent Directors. The Board has one Women Independent Director.

The Company has received confirmations from Mr. K Jairaj and Mrs. Chandra Iyengar, independent director(s) stating that they meet with the criteria of independence as prescribed under subsection (6) of Section 149 of the Act and there has been no change in the circumstances which may affect their status as Independent Directors during the year under review.

Pursuant to the requirements of the Act and Articles of Association of the Company, Mr. Kandarp Patel, Director is liable to retire by rotation and being eligible offers himself for re-appointment at the ensuing Annual General Meeting. The Board recommends the re-appointment of Mr. Kandarp Patel for your approval.

## Directors' Responsibility Statement

Pursuant to Section 134(5) of the Act, the Board of Directors to the best of their knowledge and ability state the following:

- a. that in the preparation of the annual accounts, for the year ended 31<sup>st</sup> March 2024, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. that the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31<sup>st</sup>

March 2024 and of the profit of the Company for that period;

- c. that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. that the Directors had prepared the annual accounts on a going concern basis;

- e. that the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating efficiently.

### Board Meetings

The Board of Directors met 4 (four) times during the financial year 2023-24 on the following dates: 26<sup>th</sup> May 2023, 26<sup>th</sup> July 2023, 30<sup>th</sup> October 2023 and 25<sup>th</sup> January 2024.

The attendance of each Director at the Board Meetings held during the year under review is as under

Name of Directors	Meetings	
	Held during the tenure	Attended
Mr. Anil Sardana	4	4
Mr. Kandarp Patel	4	4
Mr. Sagar Adani	4	3
Mr. Quinton Choi	4	4
Mr. Kenneth McLaren	4	3
Mr. Kalaikuruchi Jairaj	4	4
Ms. Chandra Iyengar	4	4

### Independent Directors' Meeting

The Independent Directors met on 25<sup>th</sup> January, 2024, without the attendance of Non-Independent Directors and members of the Management. The Independent Directors reviewed the performance of non-independent directors and the Board as a whole; the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

### Auditors Report

Pursuant to Section 139 of the Act read with rules made thereunder, as amended, M/s. Walker Chandio & Co. LLP, Chartered Accountants (Firm Registration No 001076N/N500013) were appointed as the Statutory Auditors of your Company, for the first term of five years till the conclusion of 20<sup>th</sup> AGM of your Company to be held in the year 2028.

The Statutory Auditors have confirmed that they are not disqualified to continue as Statutory Auditors and are eligible to hold office as Statutory Auditors of your Company.

The Auditors have not reported any instance of fraud on or by the Company under Section 143(12) of the Companies Act, 2013.

The Notes to the financial statements referred in the Auditors' Report are self-explanatory. The Auditors' Report is enclosed with the financial statements forming part of this Annual Report.

### Explanation to Auditors' Comment

The Auditors' modified opinion has been appropriately dealt with in Note No. 40 (Consolidated Financial Statements) and Note No. 39 (Standalone Financial Statements) and doesn't require any further comments under section 134 of the Act.

### Cost Auditors

Your Company has re-appointed M/s Devarajan Swaminathan and Co, Cost Accountants (Firm

Registration Number 100669) to conduct audit of its cost records for the year 31<sup>st</sup> March 2025.

The Cost Audit Report for the year 2022-23 was filed before the due date with the Ministry of Corporate Affairs.

The Company has maintained the cost accounts and records in accordance with Section 148 of the Act and rules made thereunder.

### Secretarial Audit

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Ashita Kaul & Associates, Company Secretaries in Practice to undertake the Secretarial Audit of the Company. There is no qualification, reservation or adverse remark made by the Secretarial Auditor in the Secretarial Audit Report. The Audit Report of the Secretarial Auditor is attached hereto as **Annexure B**.

### Fixed Deposits

During the year under review, the Company has not accepted deposits within the meaning of Section 73 of the Act and the Rules made thereunder.

### Particulars of loans, guarantees and investments

The provisions of Section 186 of the Act, with respect to a loan, guarantee, investment or security is not applicable to the Company, as the Company is engaged in providing infrastructural facilities which is exempted under Section 186 of the Act. The particulars of loans, guarantee and investments made during the year under review are disclosed in the financial statements.

### Related Party Transactions

There have been no materially significant related party transactions between the Company and the Directors, the management, or the relatives except for those disclosed in the financial statements. All the related party transaction entered into during the financial year were on an arm's length basis and were in the ordinary course of business.

Accordingly, particulars of contracts or arrangements with related parties referred to in Section 188(1) along with the justification for entering into such contract

or arrangement in Form AOC-2 does not form part of the report.

### Insurance

The Company has taken appropriate insurance for its all assets against foreseeable perils.

### Particulars of Employees

Statement pursuant to Section 197 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forming part of the Directors' Report for the year ended 31<sup>st</sup> March 2024 is annexed to this Report as **Annexure C**.

### Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014, as amended from time to time is annexed to this Report as **Annexure-D**.

### Vigil Mechanism

In accordance with Section 177 of the Act the Company has formulated a Vigil Mechanism to address the genuine concern, if any of the directors and employees and uploaded the same on website of the Company at <https://www.adanielectricity.com/Investor-Relations>.

### Board Evaluation

The Board adopted a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise was carried out through an evaluation process covering various aspects of the Board functioning such as composition of the Board and Committees, experience and competencies, performance of specific duties and obligations, contribution at the meetings and otherwise, independent judgment, governance issues etc.

### Prevention of Sexual Harassment at Workplace

The Company has zero tolerance towards sexual harassment at the workplace and has adopted a policy

on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder.

As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and rules made thereunder, your Company has constituted Internal Complaints Committee (ICC) which is responsible for redressal of complaints related to sexual harassment. During the year under review, there were no complaints pertaining to sexual harassment.

### Corporate Social Responsibility

The Company has constituted a Corporate Social Responsibility (CSR) Committee and has framed a CSR Policy. The Annual Report on CSR activities is annexed to this Report as Annexure-E.

The CSR Policy is uploaded on website of the Company at <https://www.adanielectricity.com/Investor-Relations>.

### Internal Financial Controls and their adequacy

The Company has in place adequate internal financial controls. During the year under review, such controls were tested and no reportable material weaknesses in the design or operation were observed.

### Risk Management Policy

The Company has formulated and implemented Risk Management Policy including identification therein of the elements of risks, which in the opinion of the Board may threaten the existence of the Company.

### Significant and Material Orders passed by the regulators or courts or tribunals

No orders have been passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations during the year under review.

### Secretarial Standards

The Company has complied with the applicable Secretarial Standards.

### Acknowledgement

Your Directors are highly appreciative and grateful for all the guidance, support and assistance received from the Government, Financial Institutions and Banks. Your Directors thank esteemed customers, suppliers and business associates for their faith, trust and confidence reposed in the Company.

Your Directors also wish to place on record their sincere appreciation for the dedicated efforts and consistent contribution made by the employees at all levels, to ensure that the Company continues to grow and excel.

**For and on behalf of the Board of Directors**

Place: Ahmedabad  
Dated: 24<sup>th</sup> April 2024

**Anil Sardana**  
Chairman  
(DIN: 00006867)

## Annexure-A

### Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

#### Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures

##### Part A Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in ₹)

1. Sl. No. 1
2. Name of the subsidiary : **AEML SEEPZ Limited**
3. The date since when subsidiary was acquired : **8<sup>th</sup> December, 2020**
4. Reporting period for the subsidiary concerned, if different from the holding company's reporting period. **1<sup>st</sup> April 2023 to 31<sup>st</sup> March 2024**
5. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries. **Not applicable**
6. Share capital: **₹13.51 Crore**
7. Reserves and surplus: **₹(10.59) Crores**
8. Total assets: **₹52.24 Crores**
9. Total Liabilities: **₹48.94 Crores**
10. Investments: - **NIL**
11. Turnover: - **₹ 34.04 Crores**
12. Profit before taxation: **₹1.20 Crores**
13. Provision for taxation: **₹0.63 Crores**
14. Profit after taxation: **₹0.57 Crores**
15. Proposed Dividend: **Not Applicable**
16. Extent of shareholding (in percentage): **100%**

##### Part A Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in ₹)

1. Sl. No. 2
2. Name of the subsidiary: **Adani Electricity Mumbai Infra Limited**
3. The date since when subsidiary was acquired : **3<sup>rd</sup> January, 2020**
4. Reporting period for the subsidiary concerned, if different from the holding company's reporting period. **1<sup>st</sup> April 2023 to 31<sup>st</sup> March 2024**
5. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries. **Not applicable**
6. Share capital: **₹ 1,00,000**
7. Reserves and surplus (₹in Lakhs) : **₹ 42,348.87 lakhs**
8. Total assets (₹ in Lakhs): **₹ 174,639.49 lakhs**
9. Total Liabilities (₹ in Lakhs): **₹ 132,289.62 lakhs**
10. Investments: - **NIL**
11. Turnover: - **NIL**
12. Profit before taxation (₹in Lakhs): **₹ (0.50) Lakhs**
13. Provision for taxation: - **NIL**
14. Profit after taxation (₹in Lakhs): **₹(0.50) Lakhs**
15. Proposed Dividend: **Not Applicable**
16. Extent of shareholding (in percentage): **100%**

## Annexure-B

# Form No. MR-3 Secretarial Audit Report For the year ended March 31, 2024

[Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule No. 09 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To

**The Members,**

**ADANI ELECTRICITY MUMBAI LIMITED**

Adani Corporate House, Shantigram, Near Vaishno Devi Circle,  
S. G. Highway, Khodiyar Ahmedabad 382421, Gujrat, India

Based on our verification of Adani Electricity Mumbai Limited's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the year ended March 31, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the year ended March 31, 2024 according to the provisions of:-

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder- Not applicable;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')- Not applicable;
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with the client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulation, 2009; and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
6. Other laws specifically applicable to the company:-
  - (a) The Electricity Act, 2003 and the rules & regulations made thereunder;

The adequate systems and processes are in place to monitor and ensure compliance with general laws like

labour laws, environmental laws etc. to the extent of their applicability to the Company.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that, the Board of Directors of the Company is duly constituted with proper balance of Non-Executive Directors, Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provision of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings are carried out unanimously as recorded in the minutes of the meetings of Board of Directors.

We further report that, there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliances with applicable laws, rules, regulations and guidelines.

We further report that, during the audit period no special Resolution were passed.

We further report that, during the audit period Circular Resolutions were passed on 21.07.2023 for approval of Audited Special Purpose combined Financial Statements of "The Obligor Group", comprising of the Company and PDSL for the year ended 31<sup>st</sup> March, 2023.

**For Ashita Kaul & Associates**  
Company Secretaries

Date: 18.04.2024

Place: Thane

UDIN: F006988E000457341

**Proprietor**

FCS 6988/ CP 6529

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**Note:** This report is to be read with our letter of even date which is annexed as 'Annexure A' and forms an integral part of this report.

## Annexure A

To,  
**ADANI ELECTRICITY MUMBAI LIMITED**  
Adani Corporate House, Shantigram, Near Vaishno Devi Circle,  
S. G. Highway, Khodiyar Ahmedabad 382421, Gujrat, India

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial record. The verification was done on test basis to ensure that the correct facts are reflected in secretarial records. I believe that the practices and processes, I followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, I obtained management representation about the compliance of laws, rules, regulations, norms and standards and happening of events..
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, norms and standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Ashita Kaul & Associates**  
Practicing Company Secretaries

Place: Thane  
Date: 18.04.2024  
UDIN: F006988E000457341

Proprietor  
FCS 6988/CP 6529  
Peer Review: 1718/2022

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## Annexure–D

# Disclosure under Section 134(3)(m) of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014 regarding Conservation of Energy and Technology Absorption

### A. Conservation of Energy

#### Adani Dahanu Thermal Power Station

##### a. Energy Conservation measures taken at Power Stations and Offices:

Following initiatives taken in ADTPS FY 2023-24

- i. Servicing of HP (High Pressure Turbine) and LP Turbine (Low Pressure Turbine) in Unit-2.
- ii. Replacement of BFP-2A (Boiler Hydraulic Pump) Hydraulic coupling with modified gear ratio in Unit-2.
- iii. Replacement of APH Seals and R&M of Flue gas duct leakage in unit 2

##### b. Impact of measures outlined at (a) above on Energy Consumption:

- i. Servicing of HP (High Pressure Turbine) and LP Turbine (Low Pressure Turbine) in Unit-2

In Unit-2 HP and LP turbine servicing was carried out. All interstage clearance and seal leakages were attended. Unit Heat rate improved by @ 20 Kcal/Kwh.

- ii. Replacement of BFP-2A (Boiler Hydraulic Pump) Hydraulic coupling with modified gear ratio in Unit-2

In Unit-2, BFA-2A hydraulic coupling replacement done with modified gear ratio and slip losses were reduced. BFP loading was reduced by 425 KW.

- iii. Replacement of APH Seals and R&M of Flue gas duct leakages in unit-2

In Unit-2, APH cold end basket wet washing done. Duct leakages in the system were attended. Fan Loading was reduced by @ 950 KW.

##### c. The capital investment on energy conservation equipment:

₹ 2.88 Crore

### Distribution Business

#### a. Energy Conservation measures undertaken:

The company's primary focus lies in advancing energy efficiency initiatives, recognizing their capacity to address multiple crucial challenges: ensuring affordability, enhancing supply security, and mitigating the impacts of climate change. Through extensive energy conservation and efficiency (EC and EE) programs, the company endeavors to foster community awareness regarding the significance of energy conservation and intelligent energy usage. By curbing Greenhouse Gas (GHG) emissions, these efforts aim to minimize environmental harm. The ultimate objective is to engage every customer within AEML's licensed area in this endeavor, cultivating a widespread citizen-led movement. AEML being a customer centric organization taking energy conservation initiatives to contribute towards a sustainable future and improve customer's economic efficiency by promoting energy efficient technologies. Throughout the fiscal year 2023-24, AEML pursued a diverse array of initiatives across all sectors, demonstrating its commitment to this cause.

As a power distribution utility, we firmly believe that our customers, particularly those in the industrial sector, possess the potential to both contribute to and reap the rewards of heightened energy efficiency. Embracing industry best practices stands to not only enhance energy efficiency within energy-intensive sectors but also to mitigate pollution levels. Continuing our commitment, the Company has persisted in providing complimentary walkthrough energy audit services to consumers, aiming not only to pinpoint energy-saving opportunities but also to bolster awareness surrounding energy efficiency. Through this initiative, we have served over 31 consumers, identifying potential savings of approximately 1.8 million units (MUs) for these consumers in FY 23-24.

- i. Under large scale DSM program, AEML continued to offer its residential/schools/colleges/hospital/trust type customers, with an approved quantity of 50,000 Nos super-efficient (Brush Less Direct Current) BLDC ceiling fans i.e. Bureau of Energy Efficiency (B.E.E.) certified 5 Star rated ceiling fan. In this financial year the Company has distributed 340+ new BLDC technology, 26-30 watts ceiling fans including brands like Bajaj, Orient and superfan, resulting in annual savings of 0.07 million units (MUs). Till date total replacements are 2,080+ fans resulting in savings of 0.3 million units (MUs).
- ii. Following a similar approach, AEML has implemented another significant initiative known as the "large-scale DSM program," aimed at replacing 20,000 inefficient refrigerators belonging to AEML residential consumers. Throughout the financial year 23-24, the company successfully replaced over 21 old inefficient refrigerators with 5-star-rated models, resulting in savings of 0.007 million Units (MUs). To date, a total of 2920+ refrigerators have been replaced, leading to cumulative savings of 1.03 million units (MUs). In FY23-24, B.E.E has revised star rating norms and AEML is following these norms for DSM programs.
- iii. Both DSM programs are actively promoted not only through digital platforms such as SMS, email, website, and online news media but also through print media, under the banner of "BEAT THE HEAT," to expand the outreach of energy efficiency and conservation efforts to AEML customers.
- iv. Both DSM programs are actively promoted not only through digital platforms such as SMS, email, website, and online news media but also through print media, under the banner of "BEAT THE HEAT," to expand the outreach of energy efficiency and conservation efforts to AEML customers.

**b. Impact of measures outlined at (a) above on Energy Consumption:**

Energy savings estimated due above initiatives taken during this financial year are 1.0 million units amounting to approximately 900 tonnes of CO2 reduction.

**c. The capital investment on energy conservation equipment:**

In FY 2023-24, approx. ₹2.04 lakhs subsidy is granted by the Company for residential consumers

under 5-star BLDC ceiling fan program and ₹0.95 lakhs subsidy for 5-star Refrigerator program.

▪ **Rooftop solar plant pilot at Borivali office:**

Adani Electricity's pilot project with a 100kW rooftop solar plant coupled with battery storage system (BESS) at AEML's Borivali office, significantly reduces reliance on the grid by generating clean solar power during the day and utilizing stored energy at evening or peak demand hours, achieving in reduction of office electricity costs by 60% and promoting sustainable energy conservation. Additionally, the BESS provides a dependable backup source, ensuring uninterrupted operations even during grid disruptions. Adani Electricity plans to expand this technology across its offices and substations within two years, replacing polluting diesel generators with cleaner and more economical BESS solutions.

## B. Technology Absorption

### Adani Dahanu Thermal Power Station

**a. The Efforts made towards technology absorption**

1. Upgradation of Stacker Reclaimer -01 DC drive panel to microprocessor-based DC drive panel.
2. Upgradation of unit -02 DAVR Max DNA system with latest version
3. Upgradation of Obsolete electrical protective relays with latest Numerical Protective relays
4. Upgradation of analog measurement for LA leakage current with real-time based Digital third harmonic leakage current measurement with remote monitoring feature.
5. Installation of Main-2 220 KV Switchyard Bus-bar protection system having Latest Numerical Relays.
6. Upgradation of analog EHTC (Electrohydraulic Turbine controls), TSI (Turbine supervisory instruments) & HPBP System with new digital technology
7. Upgradation of analog Flame scanners system with new digital technology
8. Upgradation of analog based R.C. Feeder control panels to digital microprocessor-based feeders for Unit - 2

**b. Benefits derived.**

1. Upgrading old analog based Drive panel with latest technology Digital drive panel has improved reliability & availability of Stacker Reclaimer. New Drive panel based on digital technology having smooth speed control, better accuracy, and self-diagnostic feature
2. Upgrading existing DAVR obsolete version OS system with latest version of OS & MAX DNA system. This has improved the reliability & availability of the most critical equipment.
3. Upgradation of old electro-mechanical relays with the latest technology Numerical relays has improved reliability of critical equipment and improved protection performance. The latest technology Numerical relays have features such as disturbance & event recording, self-diagnosis feature which helps in better analysis of faults. & corrective / preventive actions.
4. Upgradation of analog measurement with real-time based Digital third harmonic leakage current measurement with remote monitoring has improved LA health monitoring on continuous basis.
5. Installation of New 220 KV bus-bar differential protection has improved reliability of protection system for critical electrical system.
6. Upgrading EHTC, TSI & HPBP Systems to new technology digital systems has enhanced the overall reliability & availability along with the following benefits: Improved accuracy, Better Monitoring & Control, Ease of Calibration, and Improved performance.
7. Upgrading flame scanners with latest digital technology has enhanced the overall reliability & availability along with the following benefits: Improved accuracy at low load conditions, Better Monitoring & Control, Ease of Calibration, and Improved performance in this new regime of Flexible operation where unit loads are frequently changing in a day cycle.
8. Upgrading raw coal feeders to microprocessor-based feeders has enhanced the overall reliability & availability along with the

following benefits: Improved accuracy, Better Monitoring & Control, Ease of Calibration, and Improved environment performance.

**Distribution Business**

Adani Electricity Mumbai Limited envisions satisfied consumers with the highest quality of service and an uninterrupted power supply. We believe in the motto - The Power of Service. It is born of the will to make a difference and change things for the better, so that everyone can power their dreams and live a stress-free life. Adani Electricity continues the quest of providing the best quality service to the customers entrusted with the brand motto of the Power of Service. The company is committed to creating new & innovative approaches in operations and services that contribute to the development of the customers.

The technologies AEML pursuing resulted in several benefits as described briefly hereunder:

**Asset Digitization with High-accuracy GPS technology -**

- First Indian discom using high-accuracy GPS for digitizing field equipment
- Underground cables mapped in GIS with centimeter-level precision
- Replaces error-prone and time-consuming manual mapping
- Reduced digitization turnaround time from previous 7-10 days to single day
- Eliminating manual processes cuts O&M costs for HT cable mapping by 56%

**Arc Flash Analysis –**

- Restricted access prevents possibility of theft.
- Arc Flash Boundaries simulated for typical DSS
- Safety PPE defined based on estimated severity of arc at various distances from the switchgear

**Theft Proof Pillar with SDF**

- Restricted access prevents possibility of theft.
- Insulated busbars restricts unauthorized cable connections.
- Fuse-strip replaced with SDF for enhanced protection
- This will facilitate easy replacement of faulty parts

**Compact Fire extinguishing stix for LT Pillar/ Panels**

- Zero Maintenance Compact Fire Extinguishing stick through aerosol particles
- Activation temperature : >170degC
- Spray time: 6 seconds
- Ideally suitable for easy and quick installation in LT Pillars/Panels
- Quick fire extinguishing prevents the spread of fire and safety risks

**Twin Ester Oil DTs**

- Two Hermetically sealed Ester Oil Filled DT Horizontally placed back to back
- 50% Redundancy in case of Failure of any one DT
- 16% less footprint vis a vis conventional design
- Interchangeability hence fast to restore
- Fire safe design suitable for slum projects.
- Customised LV Metering Solutions
- Compact space saving with enhanced safety
- Tailor-made as per customer requirements and site constraints.
- Provides added advantage during customer retention and acquisition.

**Remote Cable Cutter**

- Hydraulic remote cable cutting tool can be operated from a distance
- Added safety to the operating personnel

**Busbar Trunking System for Highrise LV Distribution**

- Lower Voltage Drop
- Better Reliability and safety
- Compact Design
- Compliance to regulatory guidelines

**HDPE Outer Jacketed HT Cable**

- HDPE Outer Jacket instead of PVC for HT Cables
- Improved protection against external damages
- Enhanced Reliability and Safety

**HDPE Outer Jacketed HT Cable**

- Around 100 nos. of 7.2kW EV Chargers installed in societies.

**EV Chargers**

- Around 100 nos. of 7.2kW EV Chargers installed in societies.

**Cable Diagnostics**

- Cable Diagnostic and testing guidelines implementation in line with IEEE 400.2 and IEEE 400.3 guides. DC testing abolished for MV cables. This has mitigated the risk of accelerated aging of XLPE cables due to electrical stress formation.
- Cable fault pre-location through latest TDR, ARM, ARM Plus, Impulse Current, Bridge methods resulting in less time for cable fault location.
- Diagnostic Technologies like Tan delta and Partial discharge measurements deployed for MV Cables to support predictive analysis and reduce the cable faults through priority Capex planning.
- Evaluation and benchmarking of advanced diagnostic technologies like online PD monitoring of DSS and CSS assets to establish use cases and benchmarking for future deployment.
- Reduction in LV Panel failure cases by design and implementation of special connectors. This resulted in reduction in panel fire cases.
- User enabling through creation of outsourced services with minimal inhouse intervention to save on R&M cost.
- Online PD monitoring of GIS switches using UHF sensors & Online PD monitoring of DSS/CSS assets using Ultrasound portable PD meter respectively to support predictive maintenance.
- Advanced diagnostic of thermal anomalies through Thermo-sensitive stickers resulting in predictive analysis and identification of hot spots resulting in prevention of asset failures.

**New initiatives in instruments and tools**

- Deployment of Cable identification kit for safe work environment and less time in cable fault repair.
- Deployment of Thermovision Cameras with IoT features for ease of use.

## Transmission Business

### a. The efforts made towards technology absorption:

1. Digital Sub-Station: Fiber based protection and tele-protection system
2. Prefabricated steel structure instead of RCC building for GIS S/s.

### b. Benefits derived:

1. Digital substations provide utilities with enhanced safety and reduction in control cable wiring. This helps in improving transmission performance indices like availability, reliability etc by eliminating the need of outages for periodic testing of the relays.

In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):

Sr No	Technology imported	Year of import	Status
1	220/33kV, Transformers, 33kV feeders Auto-restoration scheme for quick supply restoration extended from 40% to 82% of transformers at AEML system.	2022-23	Absorbed
2	Distributed Acoustic Sensing (DAS) system for cable system proposed for HVDC cable scheme between Aarey-Kudus.	2024-25	Process Initiated.
3	Online Sheath Monitoring System for Cable Sheath Current Monitoring for continuous monitoring of cable healthiness.	2024-25	Process Initiated. (Under Execution)
4	Digital Sub-Station: Fiber based protection and tele-protection system for reducing the huge quantities of control cables.	2023-24	Process Initiated. (Under Execution)
5	Integrated Project Management System (IPMS) for better project management.	2023-24	Absorbed
6	GIBD from Transformer HV Bushing to 220kV GIS for space saving in sub-station.	2023-24	Process Initiated. (Under Execution)
7	Prefabricated steel structure instead of RCC building for GIS S/s.	2023-24	Process Initiated. (Under Execution)
8	Energy Management System for LT system	2023-24	Process Initiated. (Under Execution)
9	Building material complying to sustainability requirements like green building.	2023-24	Process Initiated. (Under Execution)

Expenditure incurred on R&D: NIL

## C. Foreign Exchange Earnings and Outgo

Total foreign exchange earnings and outgo for the financial year are as follows:

- i. Total foreign exchange earnings : NIL
- ii. Total foreign exchange outgo : ₹802,72,34,070

## Annexure E

# Annual Report on Corporate Social Responsibilities (CSR) Activities As Per Section 135 of the Companies Act, 2013

### 1. Brief outline on CSR Policy of the Company.

The Company has framed Corporate Social Responsibility (CSR) Policy which encompasses its philosophy and guides its sustained efforts for undertaking and supporting socially useful programs for the welfare & sustainable development of the society.

The CSR Policy has been uploaded on the website of the Company at <https://www.adanielectricity.com/Investor-Relations>.

### 2. The composition of the CSR Committee

Sr. No	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Kandarp Patel	Chairman	2	2
2	Mr. K Jairaj	Member	2	2
3	Mr. Quinton Choi	Member	2	2

### 3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company

<https://www.adanielectricity.com/Investor-Relations>

### 4. Provide the executive summary along with web-links of Impact assessment of CSR projects carried out in pursuance of Sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable.

Not Applicable

### 5. Average net profit of the company as per section 135(5): ₹380.46 Crore

### 6. (a) Two percent of average net profit of the company as per section 135(5): ₹7.61 Crore

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL

(c) Amount required to be set off for the financial year, if any: ₹0.08 Crore

(d) Total CSR obligation for the financial year (6a+6b-6c): ₹9.56 Crore

(e) CSR amount spent or unspent for the financial year:

(₹ In Crores)

Total Amount Spent for the Financial Year.	Amount Unspent				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
9.65	Nil	N.A.	N.A.	N.A.	N.A.

**(f) Excess amount for set off, if any:**

Sr. No	Particular	Amount (₹ in Crore)
(i)	Two percentage of average net profit of the company as per section 135(5)	9.64
	Amount available for set-off for FY 2022-23	(0.08)
	CSR obligation for the FY 2023-24	9.56
(ii)	Total amount spent for the Financial Year	9.65
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.09
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.09

**7. (a) Details of Unspent CSR amount for the preceding three financial years:**

(₹ In Crores)

Sr. No	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6)	Amount spent in the reporting Financial Year	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.		
				Name of the Fund	Amount (in ₹.	Date of transfer.
1	NIL	NIL	NIL	--	--	--

**8. Whether any capital asset have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:**

Yes  No

If yes, enter the number of capital assets created/ acquired:

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sr. No	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
(1)	(2)	(3)	(4)	(5)	(6)		
--	--	--	--	--	CSR Registration Number, if applicable	Name	Registered address
--	--	--	--	--	--	--	--

**9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5) - N.A.**

SD/-  
**Kandarp Patel**  
Managing Director & CEO  
(DIN 02947643)

SD/-  
**K Jairaj**  
Director  
(DIN 01875126)

# Management discussion and analysis

## Global economy

### Overview

Global economic growth declined from 3.5% in 2022 to an estimated 3.1% in 2023. A disproportionate share of global growth in 2023-24 is expected to come from Asia, despite the weaker-than-expected recovery in China, sustained weakness in USA, higher energy costs in Europe, weak global consumer sentiment on account of the Ukraine-Russia war, and the Red Sea crisis resulting in higher logistics costs. A tightening monetary policy translated into increased policy rates and interest rates for new loans.

Growth in advanced economies is expected to slow from 2.6 percent in 2022 to 1.5 percent in 2023 and 1.4 percent in 2024 as policy tightening takes effect. Emerging market and developing economies are projected to report a modest growth decline from 4.1 percent in 2022 to 4.0 percent in 2023 and 2024. Global inflation is expected to decline steadily from 8.7 percent in 2022 to 6.9 percent in 2023 and 5.8 percent in 2024, due to a tighter monetary policy aided by relatively lower international commodity prices. Core inflation decline is expected to be more gradual; inflation is not expected to return to target until 2025 in most cases. The US Federal Reserve approved a much-anticipated interest rate hike that took the benchmark borrowing costs to their highest in more than 22 years.

Global trade in goods was expected to have declined nearly US\$2 trillion in 2023; trade in services was expected to have expanded US\$500 billion. The cost of Brent crude oil averaged \$83 per barrel in 2023, down from \$101 per barrel in 2022, with crude oil from Russia finding destinations outside the European Union and global crude oil demand falling short of expectations.

Global equity markets ended 2023 on a high note, with major global equity benchmarks delivering double-digit returns. This outperformance was led by a decline in global inflation, slide in the dollar index, declining crude and higher expectations of rate cuts by the US Fed and other Central banks.

Regional growth (%)	2023	2022
World output	3.1	3.5
Advanced economies	1.69	2.5
Emerging and developing economies	4.1	3.8

(Source: UNCTAD, IMF)

### Performance of major economies, 2023

**United States:** Reported GDP growth of 2.5% in 2023 compared to 1.9% in 2022

**China:** GDP growth was 5.2% in 2023 compared to 3% in 2022

**United Kingdom:** GDP grew by 0.4% in 2023 compared to 4.3% in 2022

**Japan:** GDP grew 1.9% in 2023 unchanged from a preliminary 1.9% in 2022

**Germany:** GDP contracted by 0.3% in 2023 compared to 1.8% in 2022

(Source: PWC report, EY report, IMF data, OECD data, Livemint)

### Outlook

Asia is expected to continue to account for the bulk of global growth in 2024-25. Inflation is expected to ease gradually as cost pressures moderate; headline inflation in G20 countries is expected to decline. The global economy has demonstrated resilience amid high inflation and monetary tightening, growth around previous levels for the next two years

(Source: World Bank).

## Indian economy

### Overview

The Indian economy was estimated to grow 7.8 per cent in the 2023-24 fiscal against 7.2 per cent in 2022-23 mainly on account of the improved performance in the mining and quarrying, manufacturing and certain segments of the services sector. India retained its position as the fifth largest economy. The Indian rupee displayed relative resilience compared to the previous year; the rupee opened at ₹82.66 against

the US dollar on the first trading day of 2023 and on 27 December was ₹83.35 versus the greenback, a depreciation of 0.8%.

In the 11 months of FY 2023-24, the CPI inflation averaged 5.4 percent with rural inflation exceeding urban inflation. Lower production and erratic weather led to a spike in food inflation. In contrast, core inflation averaged at 4.5 percent, a sharp decline from 6.2 percent in FY 23. The softening of global commodity prices led to a moderation in core inflation.

The nation's foreign exchange reserves achieved a historic milestone, reaching \$645.6 billion. The credit quality of Indian companies remained strong between October 2023 and March 2024 following deleveraged Balance Sheets, sustained domestic demand and government-led capital expenditure. Rating upgrades continued to surpass rating downgrades in H2 FY24. UPI transactions in India posted a record 56 per cent rise in volume and 43 per cent rise in value in FY24.

### Growth of the Indian economy

	FY 21	FY 22	FY23	FY24
Real GDP growth(%)	-6.6%	8.7	7.2	7.8

E: Estimated

### Growth of the Indian economy quarter by quarter, FY 2023-24

	Q1FY24	Q2FY24	Q3FY24	Q4FY24E
Real GDP growth (%)	8.2	8.1	8.4	8.2

(Source: Budget FY24; Economy Projections, RBI projections, Deccan Herald)

The FY 25 growth in the economy was the highest since FY17, excluding the 9.7% post-Covid rebound in gross domestic product (GDP) in FY22 from the 5.8% contraction in FY21.

India's monsoon for 2023 hit a five-year low. August was the driest month in a century. From June to September, the country received only 94 per cent of its long-term average rainfall. Despite this reality, wheat production was expected to touch a record 114 million tonnes in the 2023-24 crop year on account of higher coverage. Rice production was expected to decline to reach 106 million metric tons (MMT) compared with 132 million metric tonnes in the previous year. Total kharif pulses production for 2023-

24 was estimated at 71.18 lakh metric tonnes, lower than the previous year due to climatic conditions.

As per the first advance estimates of national income released by the National Statistical Office (NSO), the manufacturing sector output was estimated to grow 6.5 per cent in 2023-24 compared to 1.3 per cent in 2022-23. The Indian mining sector growth was estimated at 8.1 per cent in 2023-24 compared to 4.1 per cent in 2022-23. Financial services, real estate and professional services were estimated to record a growth of 8.9 per cent in 2023-24 compared to 7.1 per cent in FY 2022-23.

Real GDP or GDP at constant prices in 2023-24 was estimated at ₹171.79 lakh crore as against the provisional GDP estimate of 2022-23 of ₹160.06 lakh crore (released on 31<sup>st</sup> May 2023). Growth in real GDP during 2023-24 was estimated at 7.3 per cent compared to 7.2 per cent in 2022-23. Nominal GDP or GDP at current prices in 2023-24 was estimated at ₹296.58 lakh crore against the provisional 2022-23 GDP estimate of ₹272.41 lakh crore.

The gross non-performing asset ratio for scheduled commercial banks dropped to 3.2 per cent as of September 2023, following a decline from 3.9 per cent at the end of March 2023.

India's exports of goods and services were expected to touch \$900 billion in 2023-24 compared to \$770 billion in the previous year despite global headwinds. Merchandise exports were expected to expand between \$495 billion and \$500 billion, while services exports were expected to touch \$400 billion during the year. India's net direct tax collection increased 19 per cent to ₹14.71 lakh crore by January 2024. The gross collection was 24.58 per cent higher than the gross collection for the corresponding period of the previous year. Gross GST collection of ₹20.2 lakh crore represented an 11.7% increase; average monthly collection was ₹1,68,000 crore, surpassing the previous year's average of ₹1,50,000 crore.

The agriculture sector was expected to see a growth of 1.8 per cent in 2023-24, lower than the 4 per cent expansion recorded in 2022-23. Trade, hotel, transport, communication and services related to broadcasting segment are estimated to grow at 6.3 per cent in 2023-24, a contraction from 14 per cent in 2022-23. The Indian automobile segment was expected to close FY 2023-24 with a growth of 6-9

per cent, despite global supply chain disruptions and rising ownership costs.

The construction sector was expected to grow 10.7 per cent year-on-year from 10 per cent in 2023-23. Public administration, defence and other services were estimated to grow by 7.7 per cent in 2023-24 compared to 7.2 per cent in FY2022-23. The growth in gross value added (GVA) at basic prices was pegged at 6.9 per cent, down from 7 per cent in 2022-23.

India reached a pivotal phase in its S-curve, characterized by acceleration in urbanization, industrialization, household incomes and energy consumption. India emerged as the fifth largest economy with a GDP of US\$3.6 trillion and nominal per capita income of INR 123,945 in 2023-24.

India's Nifty 50 index grew 30 percent in FY2023-24 and India's stock market emerged as the world's fourth largest with a market capitalization of US\$4 trillion. Foreign investment in Indian government bonds jumped in the last three months of 2023. India was ranked 63 among 190 economies in the ease of doing business, according to the latest World Bank annual ratings. India's unemployment declined to a low of 3.2% in 2023 from 6.1% in 2018.

## Outlook

India withstood global headwinds in 2023 and is likely to remain the world's fastest-growing major economy on the back of growing demand, moderate inflation, stable interest rates and robust foreign exchange reserves. The Indian economy is anticipated to surpass USD 4 trillion in 2024-25.

## Union Budget FY 2024-25

The Interim Union Budget 2024-25 retained its focus on capital expenditure spending, comprising investments in infrastructure, solar energy, tourism, medical ecosystem and technology. In 2024-25, the top 13 ministries in terms of allocations accounted for 54% of the estimated total expenditure. Of these, the Ministry of Defence reported the highest allocation at ₹6,21,541 crore, accounting for 13% of the total budgeted expenditure of the central government. Other ministries with high allocation included Road transport and highways (5.8%), Railways (5.4%) and Consumer Affairs, food and public distribution (4.5%).

(Source: Times News Network, Economic Times, Business Standard, Times of India)

## Indian power sector review

India is the third-largest producer and consumer of electricity worldwide, with an installed power capacity of 429.96 GW as of January 31, 2024. The growing population along with increasing electrification and per-capita usage will provide further impetus. Power consumption in India in FY23 logged a 9.5% growth to 1,503.65 billion units (BU).

In the Budget for 2024, the government's power sector initiatives have been allocated funds that are 50% higher. Increased funds have been allocated to green hydrogen, solar power, and green-energy corridors. To meet India's 500 GW renewable energy target and tackle the annual issue of coal demand-supply mismatch, the Ministry of Power has identified 81 thermal units which will replace coal with renewable energy generation by 2026.

India's installed renewable energy capacity (including hydro) stood at 182.05 GW, representing 42.3% of the overall installed power capacity. As of January 31, 2024, Solar energy contributed 72.31 GW, followed by 44.95 GW from wind power, 10.26 GW from biomass, 4.99 GW from small hydropower, 0.58 from waste to energy, and 46.93 GW from hydropower.

The non-hydro renewable energy capacity addition stood at 15.27 GW in FY23, up from 14.07 GW in FY22. India's power generation witnessed its highest growth rate in over 30 years in FY23. Power generation in India increased by 6.80% to 1,452.43 billion kilowatt-hours (kWh) as of January 2024. According to data from the Ministry of Power, India's power consumption stood at 1,503.65 BU in April 2023. The peak power demand in the country stood at 243.27 GW in January 2024.

Thermal power plant load is estimated to improve by 63% in FY24, fuelled by strong demand growth along with subdued capacity addition in the sector. India ranked fourth in the list of countries to make significant investments in renewable energy by allotting USD 77.7 billion between 2015 and 2022. In FY24 (until November 2023), the power generation in India was 1,176.13 BU.

India's electricity generation from renewable and non-renewable sources for FY21, FY22, and FY23 was 1,373.08 BU, 1,484.36 BU, and 1,617.72 BU, respectively. The power generation industry in India will require a total investment of ₹ 33 lakh crore (US\$ 400 billion) and 3.78 million power professionals by 2032 to meet the rising energy demands, as per the National Electricity Plan 2022-32.

As of April 2024, India has a total thermal installed capacity of 242.99 GW of which 210.96 GW is the installed capacity of Coal and the rest from Lignite, Diesel, and Gas. The private sector in the power industry in India generates 52% of the country's power, whereas States and the Centre generate 24.3% and 23.6%, respectively. The Intra-State Transmission System Green Energy Corridor Phase II had a total target of 10,750 km intra-state transmission line and 27,500 MVA sub-stations. The present installed nuclear power capacity is 8180 MW which is projected to increase to 22,800 MW by 2031-32. The share of non-fossil fuel-based generation capacity in the total installed capacity of the Country is likely to increase from 44% as of Oct 2023 to more than 68.4% to reach 500 MW by 2031-32.

Electricity demand in India rose 7 percent in 2023 and is likely to average growth of 6 percent a year through 2026 on higher economic activity. The Central Electricity Authority (CEA) estimates India's power requirement to grow to reach 817 GW by 2030. Also, by 2029-30, CEA estimates that the share of renewable energy generation would increase from 18% to 44%, while that of thermal energy is expected to reduce from 78% to 52%.

(Sources: IBEF, Investindia, Businessstandard)

### Indian power transmission sector review

India's grid has emerged as one of the largest unified grids in the world. Connecting the whole country into one grid has transformed the country into one unified power market. Distribution companies can buy power at the cheapest available rates from any generator in any corner of the country thereby enabling cheaper electricity tariffs for consumers.

The country's transmission network consists of about 4,81,326 ckm of transmission lines and 12,25,260 MVA of transformation capacity as on 31.01.2024. Besides, our inter-regional capacity has increased by a whopping 224% to 1,16,540 MW since 2014.

The transmission system plays an important role in supply of power to the consumers through the vital link between the generating stations and the distribution system. The energy resources like coal, hydro and renewable are unevenly distributed in India. Coal reserves are mainly available in Central and Eastern part of the country, whereas hydro energy resources are primarily available in Himalayan range in the Northern and North-Eastern parts.

Renewable resources like wind and solar potential are also mainly concentrated in states like Tamil Nadu, Andhra Pradesh, Karnataka, Rajasthan, Maharashtra, Gujarat and Ladakh etc. The major load centres of the country are located in central part including Northern, Western and Southern regions. This skewed distribution of resources necessitated development of robust transmission system including establishment of inter-regional corridors for seamless transfer of power from surplus to deficit regions/areas. In this process, it enables access to power generation from anywhere in the country to various consumer spread throughout the country.

India requires a substantial investment of ₹4.75 trillion by 2027 for developing its transmission infrastructure, including lines, substations and reactive compensation, as per a draft plan floated by the Central Electricity Authority (CEA). This projection aligns with the Centre's initiative to boost the national transmission system, facilitating integration of renewable energy capacities.

The cost projection is based on the expectation that by the year 2026-27, India's power generation capacity will reach 650.26 GW. This includes 235.13 GW from thermal sources and 206.14 GW from solar. Additionally, a battery energy storage system (BESS) capacity of 13.5 GW is anticipated. By 2031-32, the CEA expects the country's total installed generation capacity to rise to 900 GW.

India aims to increase its non-fossil fuel-based electricity generation capacity to 500 GW by 2030. To achieve this, regions with high solar and wind potential need to be connected to the Inter-State Transmission System (ISTS) for efficient power evacuation to demand centres.

The National Electricity Plan includes 170 transmission schemes with a total estimated cost exceeding ₹3.13 trillion for inter-state transmission and around ₹1.61 trillion for intra-state systems. The Plan also outlines a ₹15,120 crore investment to connect the Andaman & Nicobar Islands to the mainland. Currently, these islands rely primarily on diesel generators, supplemented by minor renewable sources. A pioneering project to link the islands through an under-sea cable spanning 1,150 km is proposed, aiming to facilitate green energy transition by 2028-29.

(Sources: Powermin.gov.in, Livemint)

## Indian power distribution sector review

The Government's visionary 'Transmission System for Integration of over 500 GW RE Capacity by 2030' identifies potential renewable energy sites, aligning with sustainable goals. Explore investment horizons in Transmission & Distribution projects, synergizing growth and energy efficiency. The 'Revamped Distribution Sector Scheme' further solidifies reliable power supply, with a significant USD 36.74 billion allocation and USD 11.81 billion support from the Central Government in FY 2023-2024.

Prepaid smart metering is the critical intervention envisaged under Revamped Distribution Sector Scheme (RDSS) with an estimated outlay of ₹1,50,000 Cr with GBS of ₹23,000 Cr and 250 Million prepaid smart meters are targeted to be installed during the Scheme period. Along with the prepaid smart metering for consumers, system metering at feeder and DT level with communicating feature along with associated Advanced Metering Infrastructure (AMI) would be implemented under TOTEX mode (total expenditure includes both capital and operational expenditure) thereby allowing the distribution companies (Discoms) for measurement of energy flows at all levels as well as energy accounting without any human interference. So far, action plan and DPR of 30 States / UTs have been approved. 19,79,21,237 prepaid smart meters, 52,18,603 DT meters and 1,88,491 Feeder meters have been sanctioned with a total sanctioned cost of ₹1,30,474.10 Cr.

The power supply rate increased by 34.5% in 2023-2024 in the range of ₹1 to ₹3.9 per unit from 2019-2020. In 2019-2020, the revenue collection was ₹8,598 crore, and over the next four years, the collections increased at an average rate of 14% per annum, reaching ₹15,107 crore in 2023-2024, representing a remarkable 76% surge. In this period, the availability of power increased by 6.9%. The Aggregate Technical and Commercial losses have also reduced to 21.74% in financial year 2023-2024, which was 35% in 2019-2020 thanks to smart measures and intervention of state-of-the-art technologies.

(Sources: Pib, Indiainvestmentgrid, Thetimesofindia)

## Power sector analysis of Maharashtra

The installed capacity (in MW) of power utilities in the state as on 29<sup>th</sup> Feb 2024 was 47062.84 MW of which share of private sector was 25478.57 MW, public sector was 21,584.27 MW. Therefore, the business community is welcome to explore many business opportunities in Maharashtra.

**MAHAGENCO** has the highest overall generation capacity and the highest thermal installed capacity amongst all the state power generation utilities in India, it is the second highest state-owned generation company after NTPC. It was established by the government of Maharashtra.

**MAHAGENCO** has an installed capacity of 13,170 MW. This comprises thermal (nearly 75%, i.e. 9540 MW) and a gas based generating station at Uran, having an installed capacity of 672 MW. After commissioning, the hydro projects were handed over on long-term lease to MAHAGENCO for operation and maintenance. Presently there are 25 hydro projects, having capacity of 2580 MW. MAHAGENCO has 378MW solar power projects in FY 2023-24.

NTPC Green Energy Limited (NGEL), a wholly owned subsidiary of NTPC Limited, has signed a joint venture agreement with Maharashtra State Power Generation Company Limited (MAHAGENCO), for development of renewable energy Parks in the state of Maharashtra. The joint venture agreement was signed at NTPC headquarters in New Delhi on 28<sup>th</sup> February, 2024.

Power sector infrastructure investment trust IndiGrid has operationalized its first greenfield project, Kallam transmission, in Beed, Maharashtra. The project will evacuate 1 GW of power from renewable energy projects. The project consists of one substation of 2 x 500 MVA capacity with 400/220 kV voltage and ten bays with a line-in line-out (LILO) circuit line of 18 kilometers.

(Sources: Investindia, Thetimesofindia, Pib, Mercomindia)

## Growth drivers

**Urbanization:** With rapid urbanization, there's an ever-increasing demand for sustainable and modern infrastructure in cities. This includes the development of smart cities, urban transport networks like metro rail services, and green infrastructure. The estimated urban population amounts to 590 million people by 2030. This number is growing by 2.3 per cent each year, which accounts for the higher consumption of electricity.

**Renewable energy push:** India's commitment to transitioning towards renewable energy has led to extensive investments in solar, wind, and hydropower projects, presenting numerous avenues for investment and development. India aims for 500 GW of renewable energy installed capacity by 2030.

**Rising population:** The world's most populous country in 2024, India is now home to an estimated over

1.44 billion people, more than the entire population of Europe. India's rising population increases consumption of electricity.

**Government support:** In the Budget for 2024, the government's power sector initiatives have been allocated funds that are 50% higher than the previous year. Increased funds have been allocated to green hydrogen, solar power, and green-energy corridors in line with the renewable energy target for 2030.

**Rising investment:** The power sector will see an investment of around ₹17 lakh crore in the next 5-7 years amid growing capacities across segments and has already witnessed ₹20 lakh crore investment in the last nine years.

**Industrial expansion:** Overall industrial output grew 5.8% in 2023-24, a tad higher than the 5.2% rise in the previous year, with manufacturing output growing 5.5% compared with 4.7% in 2022-23 and mining output accelerating by 7.5% last year from a 5.8% rise in the preceding year, which is the reason for increasing demand in electricity.

(Sources: worldometer.info, Urbanet, Theeconomicstimes, IBEF, Theeconomicstimes, Thehindu)

### Government initiatives

- The Union Cabinet sanctioned the PM-Surya Ghar: Muft Bijli Yojana. This initiative, with a total budget of ₹75,021 crore (USD 9 billion) aims to install rooftop solar systems and offer complimentary electricity of up to 300 units per month to one crore households.
- In the Budget for 2024, the government's power sector initiatives have been allocated funds that are 50% higher. Increased funds have been allocated to green hydrogen, solar power, and green-energy corridors in line with the renewable energy target for 2030.
- Production Linked Incentive Scheme (Tranche II) on 'National Programme on High Efficiency Solar PV Modules,' with an outlay of ₹19,500 crore (USD 2.47 billion) was approved and launched.
- The Deen Dayal Upadhyaya Gram Jyoti Yojana is a scheme the Government of India implemented to ensure uninterrupted electricity supply in rural areas. Under this scheme, the government has allocated ₹756 billion for rural electrification. the Government of India has electrified the un-electrified villages and strengthened the sub-

transmission and distribution network under the Deen Dayal Gram Jyoti Yojana. Under the scheme, total 18,374 villages were electrified of which a total of 2,763 villages were electrified through renewable resources in FY 2023-2024.

- Government of India also launched the scheme of Pradhan Mantri Sahaj Bijli Har Ghar Yojana (SAUBHAGYA) at the national level for universal electrification of households un-electrified till then. A total of 2.86 crore households have been electrified under the scheme. All States certified that all unelectrified households were electrified under the scheme.
- Revamped Distribution Sector Scheme (RDSS), launched by Government of India with the objective of improving the quality and reliability of power supply to consumers through a financially sustainable and operationally efficient Distribution Sector, has an outlay of ₹3,03,758 Crore having Gross Budgetary Support of ₹97,631 Crore from Government of India over a period of five years from 2021-22 to FY 2025-26. RDSS has a universal coverage and is mainly focused on strengthening of sub-transmission and distribution network of project areas for the benefit of consumers.
- Government of India has issued a New Solar Power Scheme for Particularly Vulnerable Tribal Groups (PVTG) Habitation/ Villages under PM JANMAN (Pradhan Mantri Janjati Adivasi Nyaya Maha Abhiyan). This scheme will cover electrification of all un-electrified PVTG household by provision of off-grid solar systems where electricity supply through grid is not techno-economically feasible. In addition, the scheme has provision for providing solar lighting in 1500 Multi-Purpose Centres (MPCs) in PVTG area where electricity through grid is not available. A total financial outlay of ₹515 crores in FY 2023-2024 has been provided under the Scheme.

(Sources: IBEF, Testbook, Pib)

### Company overview

Adani Electricity Mumbai Limited is a subsidiary of Adani Energy Solutions Ltd. which is involved in the business of power distribution. The Company was formed after the acquisition of Reliance Infrastructure Limited's integrated generation, transmission and distribution utilities. The Company possesses among

the city's most efficient power distribution network fulfilling more than 2,000 MW of the country's power demand. The Company offers a wide range of customer convenience services, including bill issuance in different languages with wide range of bill payment options, a 24-hour multi-lingual toll free number, modern customer support centers and a range of additional technology-driven and value added services. The Company's distribution network encompasses more than 400 square kilometres, serving the power requirement of millions people. The Company serves suburban Mumbai from Bandra to Bhainder on the western side and Sion to Mankhurd on the eastern side.

## Financial review

### Analysis of the profit and loss statement

**Revenues:** Revenues from operations reported a 17% growth from ₹8,361 crore in 2022-23 to reach ₹9,748 crore in 2023-24. Other income of the Company reported a 8% increase and accounted for a 4% share of the Company's revenues, reflecting the Company's dependence on its core business operations.

**Expenses:** Total expenses reduced by 3% from ₹9524 crore in 2022-23 to ₹9221 crore in 2023-24. Raw material costs (accounting for a 55% share of the Company's revenue from operations) increased by 1% from ₹5,525 crore in 2022-23 to ₹5,605 crore in 2023-24. Employees expenses (accounting for a 8% share of the Company's revenues from operations) reduced by 6% from ₹926 crore in 2022-23 to ₹814 crore in 2023-24.

### Analysis of the Balance Sheet

#### Sources of funds

The capital employed by the Company reduced by 2% to ₹17,970 crore as on 31 March, 2024 from ₹18,365 crore as on 31 March, 2023 owing to increased accruals. Return on capital employed, a measurement of returns derived from every rupee invested in the business, decreased by 28 basis points from 8.92% in 2022-23 to 8.64% in 2023-24

The net worth of the Company decreased by 5% from ₹4,832 crore as on 31 March, 2023 to ₹4,589 crore as on 31 March, 2024 owing to dividend distribution of ₹342 Crores. The Company's equity share capital comprised 4,020,823,535 equity shares of ₹10 each.

Long-term debt of the Company reduced by 6% to ₹12,098 crore as on 31 March, 2024 from ₹12,889

crore owing to partial re-purchase of US\$ 120 million of its outstanding 3.949% US\$ 1000 million senior secured notes due in 2030 and partially offsetted by revaluation of foreign currency loan. The long-term debt-equity ratio of the Company stood at 2.87 in 2023-24 compared to 2.77 in 2022-23.

Finance costs of the Company reduced by 25% from ₹1,434 crore in 2022-23 to ₹1,074 crore in 2023-24 owing to efficient WC management, fully hedging of foreign currency loan and competitive working capital interest rate.. The Company's gross debt (including working capital) / equity ratio was a comfortable 2.87 at the close of 2023-24 (2.77 at the close of 2022-23).

#### Applications of funds

Fixed assets (net block) of the Company increased by 3% from ₹13,874 crore as on 31 March, 2023 to ₹14,231 crore as on 31 March, 2024 owing to an increase in capex during the year. Depreciation on assets increased by 7% from ₹743 crore in 2022-23 to ₹797 crore in 2023-24 owing to an increase in fixed assets during the year under review.

#### Investments

Non-current investments of the Company increased from ₹234 crore as on 31 March, 2023 to ₹247 crore as on 31 March, 2024 owing to further investment in contingency reserve fund, a divestment of the entire stake in one associate company.

#### Working capital management

Current assets of the Company decreased by 14% from ₹2,795 crore as on 31 March, 2023 to ₹2,391 crore as on 31 March, 2024, due to decrease in current investment. The current and quick ratios of the Company stood at 0.77 and 0.49, respectively at the close of 2023-24 compared to 0.93 and 0.68, respectively at the close of 2022-23.

Inventories including raw materials, work-in-progress and finished goods among others increased by 93% from ₹93 crore as on 31 March, 2023 to ₹179 crore as on 31 March, 2024 owing to higher inventory of coal (including in transit). The inventory turnover ratio declined from 12.62 in 2022-23 to 11.53 in 2023-24.

Despite 17% growth in revenues, trade receivables increased by 4% from ₹452 crore as on 31 March, 2023 to ₹469 crore as on 31 March, 2024. Trade receivable turnover ratio stood at 8.99 as on 31 March, 2024 as compared to 8.15 as on 31 March, 2023.



**FINANCIAL  
SECTION**

# Independent Auditor's Report

To  
the Members of  
**Adani Electricity Mumbai Limited**

## Report on the Audit of the Standalone Financial Statements

### Qualified Opinion

1. We have audited the accompanying standalone financial statements of Adani Electricity Mumbai Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including material accounting policy information and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

### Basis for Qualified Opinion

3. As stated in Note 39 to the accompanying standalone financial statements, a Short Seller Report was published during the previous year in which certain allegations were made on certain Adani Group Companies, including the Company. The management of Adani Energy Solutions Limited (the 'Holding Company'), based on internal evaluation and an independent assessment from an external law firm has represented that the Holding Company and its subsidiaries are in compliance with the requirements of applicable

laws and regulations and therefore these standalone financial statements do not warrant any adjustment in this regard. However, pending adjudications/outcome of the investigations by the Securities and Exchange Board of India and based on our review of related documents, we are unable to comment on the possible adjustments and /or disclosures, if any, that may be required in the accompanying standalone financial statements in respect of the above matter.

The audit report dated 26 May 2023 issued by the predecessor auditor on the Standalone Financial Statements of the Company for the year ended 31 March 2023 was also qualified in respect of this matter.

4. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

### Key Audit Matters

5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

6. In addition to the matter described in the Basis for Qualified Opinion section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
<p><b>Accrual of regulatory deferral income / expense and corresponding assets / liability</b></p> <p>Refer note 3.11 in accounting policy and note 43 in notes forming part of standalone financial statements.</p> <p>The Company recognises regulatory deferral income / expense and corresponding asset / liability basis its understanding and interpretation of regulatory provisions applicable to the distribution business of the Company as per the Electricity Act, 2003 and regulations framed thereunder by the Mumbai Electricity Regulatory Commission ('MERC') (the 'tariff regulations'), for the difference between entitled return as per tariff regulations (i.e., allowable cost plus return on equity) and revenue collected basis tariff rates approved by the regulator in provisional tariff orders, which are subject to true-ups in the future tariff orders.</p> <p>Significant judgments and assumptions including interpretation of the tariff regulations, past tariff orders, judicial pronouncements etc., are involved in recognition and assessment of recoverability of such regulatory deferral balances.</p> <p>The Company has recognised net regulatory deferral assets of ₹ 1,571.36 crores as at 31 March 2024 (including expense of ₹ 404.00 crores for the year recognised in statement of profit and loss and income of ₹ 13.91 crores recognised in other comprehensive income).</p> <p>Considering the materiality of the amounts involved, complexity and significant judgement and assumptions involved as mentioned above, accrual of regulatory deferral income / expense and corresponding assets / liability has been considered as key audit matter for the current year audit.</p>	<p>Our audit procedures in relation to accrual of regulatory deferral income / expense and corresponding assets / liability included but were not limited to the following:</p> <ol style="list-style-type: none"> <li>Obtained an understanding of the management process and evaluated the design and tested the operating effectiveness of key internal financial controls over accrual of regulatory deferrals;</li> <li>Evaluated the Company's accounting policies with respect to accrual for regulatory deferrals and assessed its compliance with the requirements of Ind AS 114 'Regulatory Deferral Accounts';</li> <li>Reviewed management's evaluation of recognition of regulatory deferral account balance including key assumptions and estimates used in such evaluation and corroborated them with the understanding obtained on prevailing tariff regulations, past tariff orders and underlying records and verified the arithmetical accuracy and reasonableness of such workings; and</li> <li>Evaluated the appropriateness and adequacy of the related disclosures in the standalone financial statements in accordance with the applicable Indian Accounting Standards.</li> </ol>
<p><b>Impairment assessment of Transmission Cash Generating Unit (TCGU)</b></p> <p>Refer note 3.4 in accounting policy and notes 5c and 32 in notes forming part of the standalone financial statements.</p>	<p>Our audit procedures in relation to impairment assessment of TCGU included but were not limited to the following:</p> <ol style="list-style-type: none"> <li>Obtained an understanding of the management's impairment assessment process and reviewed management's assessment of useful life of transmission license;</li> </ol>

Key audit matter	How our audit addressed the key audit matter
<b>Impairment assessment of Transmission Cash Generating Unit (TCGU)</b>	
<p>The Company's TCGU includes a transmission license having an indefinite life with a carrying value of ₹981.62 crores as at 31 March 2024. In accordance with the requirements of Ind AS 36 'Impairment of Assets', the Company has performed an annual impairment test of aforesaid transmission license, by determining the recoverable value of the TCGU to which the transmission license pertains, using discounted cash flow method with the help of external valuation experts.</p> <p>The determination of the recoverable value of TCGU requires management to make significant estimates and assumptions in forecasting the future cash flow projections including projected capital expenditure, which is subject to regulatory approvals, the estimated useful life of the transmission license and the discount rates.</p> <p>Considering the significance of the carrying amount of TCGU and auditing management judgements and estimates as mentioned above involves high degree of subjectivity and requires significant auditor judgement, impairment assessment of TCGU has been considered as a key audit matter for the current year audit.</p>	<p>b. Evaluated the design and tested the operating effectiveness of the key internal financial controls relating to the impairment assessment for TCGU;</p> <p>c. Assessed the professional competence and objectivity of the management's valuation expert and obtained their valuation report on determination of recoverable value of the TCGU;</p> <p>d. Traced the cash flow projections provided by management to approved business plans and tested the arithmetical accuracy of such projections;</p> <p>e. Involved auditor's experts to assist in evaluating the appropriateness of the valuation methodology and reasonableness of the assumptions used by the management's expert to calculate the recoverable value of TCGU;</p> <p>f. Performed sensitivity analysis on the key assumptions to determine estimation uncertainty involved and ascertain the sufficiency of headroom available; and</p> <p>g. Evaluated the appropriateness and adequacy of the disclosure made in the standalone financial statements, in accordance with the applicable Indian Accounting Standards.</p>
<b>Valuation of derivative financial instruments and hedge accounting</b>	
<p>Refer notes 3.6 and 44.5 for accounting policy and explanatory note, respectively, in relation to derivative financial instruments and hedge accounting.</p> <p>In line with Company's risk management policy, the Company had purchased various derivative financial instruments to hedge its foreign currency risks in relation to the long-term foreign currency debt.</p> <p>The Management has designated these derivative financial instruments and the aforesaid debt at initial recognition as cash flow hedge relationship as per Ind AS 109, Financial Instruments.</p>	<p>Our audit procedures in relation to valuation of derivative financial instruments and hedge accounting included, but were not limited to the following:</p> <p>a. Evaluated design and tested operating effectiveness of the key internal financial controls over the determination of a hedge, adequacy of hedge documentation, evaluation of the hedge effectiveness, valuation of derivative financial instruments and related hedge accounting;</p> <p>b. Obtained an understanding of management's process and the risk management policies of the Company in respect of derivative transactions;</p> <p>c. Engaged auditor's valuation experts to assist in evaluation of hedge effectiveness documentation and re-performing the year-end fair valuations of such derivative financial instruments;</p>

Key audit matter	How our audit addressed the key audit matter
<b>Valuation of derivative financial instruments and hedge accounting</b>	
<p>The valuation of hedging instrument is complex and necessitates a sophisticated system to record and track each contract and calculate the related valuations at each financial reporting date. Such valuation of hedging instruments and assessment of hedge effectiveness involves significant assumptions and judgements such as discount rates, forward exchange rates and future interbank rates.</p> <p>In view of material impact on the Company's standalone financial statements and significant assumptions, judgements and complexity involved as mentioned above, we have determined valuation of derivative financial instruments and hedge accounting as a key audit matter for the current year audit.</p>	<p>d. Verified the completeness of hedging contracts by tracing from independent confirmations obtained from respective banks;</p> <p>e. Considered the consistent application of accounting policy in respect to derivative financial instruments and hedge accounting and ensured the same is in accordance with the requirements of Ind AS 109; and</p> <p>f. Evaluated the appropriateness and adequacy of the related disclosures in the standalone financial statements in accordance with the applicable financial reporting framework.</p>

### Information other than the Standalone Financial Statements and Auditor's Report thereon

7. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Director's Report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. As described in the Basis for Qualified Opinion section above, pending adjudications / outcome of the investigation by the Securities and Exchange Board of India, as described in Note 39 to the standalone financial statements, we are unable to comment on the possible consequential adjustments and/or disclosures, if

any, that may be required in the accompanying standalone financial statements. Accordingly, we are unable to conclude whether or not the other information is materially misstated with respect to this matter.

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

8. The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of

adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

9. In preparing the standalone financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
10. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

11. Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.
12. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error,

as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
  - Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
  - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
13. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
  14. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our

independence, and where applicable, related safeguards.

15. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matter

16. The standalone financial statements of the Company for the year ended 31 March 2023 were audited by the predecessor auditor, Deloitte Haskins & Sells LLP, who have expressed a qualified opinion on those standalone financial statements vide their audit report dated 26 May 2023.

### Report on Other Legal and Regulatory Requirements

17. As required by section 197(16) of the Act, based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
18. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure I, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
19. Further to our comments in Annexure I, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, that:
- We have sought and, except for the matter described in the Basis for Qualified Opinion section, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying standalone financial statements;
  - In our opinion, proper books of account

as required by law have been kept by the Company so far as it appears from our examination of those books except for the possible effects of the matter described in the Basis for Qualified Opinion section and except for the matters stated in paragraph 19(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);

- The standalone financial statements dealt with by this report are in agreement with the books of account;
- Except for the possible effects of the matter described in the Basis for Qualified Opinion section, in our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;
- The matter described in paragraph 3 under the Basis for Qualified Opinion section, in our opinion, may have an adverse effect on the functioning of the Company
- On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of section 164(2) of the Act;
- The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion section, paragraph 19(b) above on reporting under section 143(3)(b) of the Act and paragraph 19(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);
- With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company as on 31 March 2024 and the operating effectiveness of such controls, refer to our separate Report in Annexure II wherein we have expressed a modified opinion; and
- With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company, as detailed in notes 34(A) and 35 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2024.;
  - ii. The Company, as detailed in note 44.5 to the standalone financial statements, has made provision as at 31 March 2024, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
  - ii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2024.;
  - iv.
    - a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 48(ii) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
    - b. The management has represented that, to the best of its knowledge and belief, as disclosed in note 48(iii) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
    - c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
  - v. The interim dividend paid by the Company during the year ended 31 March 2024 in respect of such dividend declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.
  - vi. Based on our examination which included test checks, the Company, in respect of financial year commencing on 1 April 2023, has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that, audit trail feature was not enabled at database level for accounting software SAP S/4 HANA to log any direct data changes, as described in note 47 to the standalone financial statements. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of the accounting software where such feature is enabled.
- For Walker Chandiook & Co LLP**  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013
- Neeraj Goel**  
Partner
- Place: Mumbai  
Date: 30 April 2024
- Membership No.: 99514  
UDIN:24099514BKCMUL8238

## Annexure-I Independent Auditor's Report

### Annexure I referred to in Paragraph 18 of the Independent Auditor's Report of even date to the members of Adani Electricity Mumbai Limited on the Standalone Financial Statements for the year ended 31 March 2024

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, capital work-in-progress, and relevant details of right of use assets.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a regular programme of physical verification of its property, plant, and equipment, capital work-in-progress and relevant details of right of use assets under which the assets are physically verified in a phased manner over a period of three years, which in our opinion, is reasonable having regard to the size of

the Company and the nature of its assets, except for the underground distribution systems which cannot be physically verified. In accordance with this programme, certain property, plant, and equipment, capital work-in-progress and relevant details of right-of-use assets were verified during the year and no material discrepancies were noticed on such verification. In respect of the underground distribution systems the management has adequate controls in place to safeguard the physical existence of the said distribution systems.

- (c) The title deeds of all the immovable properties held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in note 5 to the standalone financial statements are held in the name of the Company, except for the following properties, for which the Company's management is in the process of getting the registration in the name of the Company:

Description of property	Gross carrying value (₹ in crores)	Held in name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in name of company
Land	2,240.15	Bombay Suburban	No	Since August 2018	The title deeds are in the name of erstwhile companies and the Company is in the process of updating the same.
Buildings	587.86	Electric Supply Limited /Reliance Infrastructure Limited /Reliance Energy Limited	No		

For title deeds of immovable properties in the nature of land situated at Maharashtra with gross carrying values of ₹ 1,045.16 crores as at 31 March 2024, which have been mortgaged as security for loans or borrowings taken by the Company, confirmations with respect to title of the Company have been directly obtained by us from the respective lenders.

For properties where the Company is a lessee, the lease arrangements have been duly executed in favour of the Company except in following cases:

Description of property	Right of Use Asset (gross carrying value)	Location	Details of Lessor	Period held	Reason for non-execution of lease agreement
Leasehold land	0.05	Various location	Various parties	Different periods	Lease agreements in respect of these properties are currently not traceable
Leasehold land	7.88	Various location	Various parties	Since August 2018	Lease agreements are not in the name of the Company. Company is in the process of updating the same.
Leasehold land	510.00	Maharashtra	Various parties	Since September 2021	The Company has entered into memorandum of understanding and will enter into formal lease agreement on completion of construction of substation as per the applicable regulatory requirements.

- (d) The Company has adopted cost model for its Property, Plant and Equipment (including right-of-use assets) and intangible assets. Accordingly, reporting under clause 3(i) (d) of the Order is not applicable to the Company.
- (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year, except for inventory in transit. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed as compared to book records.
- (b) As disclosed in Note 24(iii) to the standalone financial statements, the Company has been sanctioned a working capital limit in excess of ₹ 5 crores by banks based on the security of current assets. The quarterly statements, in respect of the working capital limits have been filed by the Company with such banks and such statements are in agreement with the books of account of the Company for the respective periods, which were not subject to audit.
- (iii) The Company has not provided any guarantee or security to companies, firms, Limited Liability Partnerships (LLPs) or any other parties during the year. The Company has also not made investment in or granted loans to or advances in nature of loans to firms and LLPs. Further, the Company has made investments in, and granted unsecured loans to companies or other parties during the year, in respect of which:
- (a) The Company has provided loans to Subsidiary and Others during the year as per details given below:

Particulars	Loans (₹ in crores)
Aggregate amount provided/ granted during the year	
- Subsidiary	41.43
- Others	9.12
Balance outstanding as at balance sheet date in respect of above cases:	
- Subsidiary	31.50
- Others	7.36

- (b) In our opinion, and according to the information and explanations given to us, the investments made and terms and conditions of the grant of all loans are, prima facie, not prejudicial to the interest of the Company. The Company has not provided any guarantee or given any security or granted any advances in the nature of loans during the year.
- (c) In respect of loans and advances in the nature of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments/receipts of principal and interest are regular.
- (d) There is no overdue amount in respect of loans or advances in the nature of loans granted to such companies, firms, LLPs, or other parties.
- (e) The Company has granted loans which had fallen due during the year and were repaid on or before the due date. Further, no fresh loans were granted to any party to settle the overdue loans.
- (f) The Company has not granted any loan or advance in the nature of loan, which is repayable on demand or without specifying any terms or period of repayment.
- (iv) The Company has not entered into any transaction covered under section 185 of the Act. As the Company is engaged in providing infrastructural facilities as specified in Schedule VI of the Act, provisions of section 186 except sub-section (1) of the Act are not applicable to the Company. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of sub-section (1) of section 186 of the Act in respect of investments, as applicable.
- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has specified maintenance of cost records under sub-section (1) of section 148 of the Act in respect of the products of the Company. We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records and are of the opinion that, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) (a) In our opinion, and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities by the Company, though there have been slight delays in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

Name of the statute	Nature of dues	Gross Amount (₹ in crores)	Amount paid under Protest (₹ in crores)	Period to which the amount relates	Forum where dispute is pending
Finance Act, 1994	Service Tax	46.21	20.60	October 2011 to December 2016	Central, Excise and Service Tax Appellate Tribunal, Mumbai
Finance Act, 1994	Service Tax	307.34	-	June 2012 to June 2017	Bombay High Court
Income Tax Act, 1961	Income Tax	0.22	-	FY 2019-20	Commissioner Income Tax (CIT) Appeals, Income Tax

- (viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.
- (ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us, including representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of term loans during the year and did not have any term loans outstanding at the beginning of the current year. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.
- (d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have, prima facie, not been utilised for long term purposes.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or (fully, partially, or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, except for the possible effects of the

matter described in the Basis for Qualified Opinion section of our audit report on the standalone financial statements, no fraud by the Company or no material fraud on the Company has been noticed or reported during the period covered by our audit.

- (b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.
- (c) The whistle blower complaints received by the Company during the year, as shared with us by the management have been considered by us while determining the nature, timing and extent of audit procedures.
- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion section, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, except for such possible effects, the details of the related party transactions have been disclosed in the standalone financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.
- (xiv) (a) In our opinion and according to the information and explanations given to us,

the Company has an internal audit system which is commensurate with the size and nature of its business as required under the provisions of section 138 of the Act.

- (b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.
- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a),(b) and (c) of the Order are not applicable to the Company.
- (b) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.
- (xvii) The Company has not incurred any cash losses in the current financial year as well as the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information in the standalone financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that

any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

- (xx) According to the information and explanations given to us, the Company does not have any unspent amounts towards Corporate Social Responsibility in respect of any ongoing or other than ongoing project as at the end of

the financial year. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

- (xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

**For Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

**Neeraj Goel**

Partner

Place: Mumbai

Date: 30 April 2024

Membership No.: 99514

UDIN:24099514BKCMUL8238

## Annexure-II Independent Auditor's Report

### Annexure II to the Independent Auditor's Report of even date to the members of Adani Electricity Mumbai Limited, on the standalone financial statements for the year ended 31 March 2024

#### Independent Auditor's Report on the internal financial controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the standalone financial statements of Adani Electricity Mumbai Limited ('the Company') as at and for the year ended 31 March 2024, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

#### Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our

audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the Company's internal financial controls with reference to financial statements.

#### Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial controls with reference to financial statements is a process

designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Qualified opinion

8. According to the information and explanation given to us and based on our audit, pending adjudication/ outcome of the investigations by the Securities and Exchange Board of India as stated in the 'Basis for Qualified Opinion' paragraph of our

audit report, and the consequential impact it may have on the Company's processes and internal controls including related party transactions and compliance with applicable laws and regulations, to that extent we are unable to comment on whether there is any material weakness in the Company's internal controls as at 31 March 2024.

9. A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial controls with reference to financial statements, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.
10. In our opinion, except for the possible effects of the material weakness described above on the achievement of the objectives of the control criteria, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.
11. We have considered the material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the standalone financial statements of the Company as at and for the year ended 31 March 2024, and we have issued a qualified opinion on the said standalone financial statements.

**For Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

**Neeraj Goel**

Partner

Place: Mumbai

Date: 30 April 2024

Membership No.: 99514

UDIN:24099514BKCMUL8238

# Balance Sheet

as at 31 March, 2024

(Amount in ₹ crores, unless otherwise stated)

Particulars	Notes	As at	
		31 March, 2024	31 March, 2023
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	5	14,231.10	13,874.13
Capital work-in-progress	5a	826.82	654.43
Right of use assets	5b	549.83	570.93
Intangible assets	5c	1,031.64	1,041.44
Financial assets			
(i) Investments	6a	247.03	233.63
(ii) Loans	7	53.78	25.92
(iii) Other financial assets	8	1,144.45	1,184.34
Income tax assets (net)	9	4.80	2.93
Other non-current assets	10	50.99	58.17
<b>Total non-current assets</b>		<b>18,140.44</b>	<b>17,645.92</b>
<b>Current assets</b>			
Inventories	11	178.87	92.75
Financial assets			
(i) Investments	6b	34.56	767.66
(ii) Trade receivables	12	469.15	452.27
(iii) Cash and cash equivalents	13	286.40	90.60
(iv) Bank balances other than (iii) above	14	628.22	622.45
(v) Loans	7	6.68	6.87
(vi) Other financial assets	8	656.30	623.06
Other current assets	10	131.02	138.84
<b>Total current assets</b>		<b>2,391.20</b>	<b>2,794.50</b>
Total Assets before regulatory deferral account		20,531.64	20,440.42
Regulatory deferral account - assets	43	1,571.36	1,961.73
<b>Total assets</b>		<b>22,103.00</b>	<b>22,402.15</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share capital	15	4,020.82	4,020.82
Other equity	16	567.69	811.02
<b>Total equity</b>		<b>4,588.51</b>	<b>4,831.84</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
(i) Borrowings	17	12,098.20	12,888.62
(ii) Lease liabilities	18	7.43	14.47
(iii) Trade payables	19		
(A) total outstanding dues of micro enterprises and small enterprises; and		-	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		37.39	32.76
(iv) Other financial liabilities	20	62.80	3.71
Provisions	21	597.21	502.60
Deferred tax liabilities (net)	22	233.38	144.83
Other non current liabilities	23	292.87	265.64
<b>Total non-current liabilities</b>		<b>13,329.28</b>	<b>13,852.63</b>
<b>Current liabilities</b>			
Financial liabilities			
(i) Borrowings	24	1,050.00	500.00
(ii) Lease liabilities	18	11.71	16.27
(iii) Trade payables	19		
(A) total outstanding dues of micro enterprises and small enterprises; and		44.25	42.87
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		1,398.33	1,551.87
(iv) Other financial liabilities	20	1,159.71	1,208.72
Provisions	21	63.93	98.74
Other current liabilities	23	457.28	299.21
<b>Total current liabilities</b>		<b>4,185.21</b>	<b>3,717.68</b>
<b>Total liabilities</b>		<b>17,514.49</b>	<b>17,570.31</b>
<b>Total equity and liabilities</b>		<b>22,103.00</b>	<b>22,402.15</b>

The accompanying notes form an integral part of the financial statements

As per our attached report of even date

For Walker Chandio &amp; Co LLP

Chartered Accountants

Firm Registration Number : 001076N / N500013

Neeraj Goel

Partner

Membership No. 99514

For and on behalf of the Board of Directors

ADANI ELECTRICITY MUMBAI LIMITED

Anil Sardana

Chairman

DIN: 00006867

Kandarp Patel

Managing Director &amp; CEO

DIN.: 02947643

Kunjai Mehta

Chief Financial Officer

Jaladhi Shukla

Company Secretary

Place : Mumbai

Date : 30 April, 2024

Place : Mumbai

Date : 30 April, 2024

# Statement of Profit and Loss

for the year ended 31 March, 2024

(Amount in ₹ crores, unless otherwise stated)

Particulars	Notes	For the year ended 31 March, 2024	For the year ended 31 March, 2023
<b>INCOME</b>			
Revenue from operations	25	9,747.95	8,360.96
Other income	26	356.82	331.07
<b>Total income</b>		<b>10,104.77</b>	<b>8,692.03</b>
<b>EXPENSES</b>			
Cost of power purchased		3,992.80	3,658.69
Cost of fuel		1,119.09	1,384.18
Transmission charges		493.56	482.31
Purchases of traded goods		–	3.59
Employee benefits expense	27	828.21	878.00
Finance costs	28	1,074.05	1,434.26
Depreciation and amortisation expenses	5, 5b & 5c	796.87	742.62
Other expenses	29	916.86	940.32
<b>Total expenses</b>		<b>9,221.44</b>	<b>9,523.97</b>
<b>Profit/(Loss) before movement in regulatory deferral account balance and tax</b>		<b>883.33</b>	<b>(831.94)</b>
(Less) / add : net movement in regulatory deferral account balance	43	(404.00)	1,035.58
<b>Profit before tax for the year</b>		<b>479.33</b>	<b>203.64</b>
<b>Tax expense:</b>	30		
Current tax		84.54	27.20
Deferred tax		164.93	81.26
		<b>249.47</b>	<b>108.46</b>
<b>Profit after tax for the year</b>	<b>Total A</b>	<b>229.86</b>	<b>95.18</b>
<b>Other comprehensive income / (loss)</b>			
(a) Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit plans		(13.91)	47.94
Movement in regulatory deferral account balance		13.91	(47.94)
(b) Tax related to items that will not be reclassified to profit or loss		–	(8.38)
(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		(218.59)	(65.55)
(d) Tax related to items that will be reclassified to profit or loss		76.38	22.91
<b>Other comprehensive loss</b>	<b>Total B</b>	<b>(142.21)</b>	<b>(51.02)</b>
<b>Total comprehensive income for the year net of tax</b>	<b>Total (A+B)</b>	<b>87.65</b>	<b>44.16</b>
<b>Earnings per share (EPS) (in ₹)</b>	31		
<b>(Face value ₹ 10 per share)</b>			
Basic / Diluted earnings per equity share after net movement in regulatory deferral account balance		0.57	0.24
Basic / Diluted earnings per equity share before net movement in regulatory deferral account balance		1.40	(1.89)

The accompanying notes form an integral part of the financial statements

As per our attached report of even date

**For Walker Chandiok & Co LLP**

Chartered Accountants

Firm Registration Number : 001076N / N500013

**Neeraj Goel**

Partner

Membership No. 99514

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

Chairman

DIN: 00006867

**Kunjal Mehta**

Chief Financial Officer

**Kandarp Patel**

Managing Director &amp; CEO

DIN.: 02947643

**Jaladhi Shukla**

Company Secretary

Place : Mumbai

Date : 30 April, 2024

Place : Mumbai

Date : 30 April, 2024

## Statement of changes in equity for the year ended 31 March, 2024

(Amount in ₹ crores, unless otherwise stated)

### A. Equity share capital

Particulars	No. Shares	Amount
<b>Balance as at 01 April, 2022</b>	<b>4,02,08,23,535</b>	<b>4,020.82</b>
Changes during the year ended 31 March, 2023	-	-
<b>Balance as at 31 March, 2023</b>	<b>4,02,08,23,535</b>	<b>4,020.82</b>
Changes during the year ended 31 March, 2024	-	-
<b>Balance as at 31 March, 2024</b>	<b>4,02,08,23,535</b>	<b>4,020.82</b>

### B. Other equity

Particulars	Reserves and surplus						Total
	Capital reserve	Restructuring reserve	Contingency reserve fund	Securities premium	Retained earnings	Items of other comprehensive income	
<b>Balance as at 01 April, 2022</b>	<b>230.78</b>	-	<b>245.43</b>	<b>120.43</b>	<b>343.12</b>	<b>(265.77)</b>	<b>673.99</b>
Impact on account of restatement (refer note 38)	-	-	-	-	-	92.87	92.87
Profit for the year	-	-	-	-	95.18	-	95.18
Other comprehensive (loss) for the year	-	-	-	-	(8.38)	(42.64)	(51.02)
<b>Total comprehensive income</b>	-	-	-	-	<b>86.80</b>	<b>(42.64)</b>	<b>44.16</b>
Transfer from / to Contingency reserve fund	-	-	7.36	-	(7.36)	-	-
<b>Balance as at 31 March, 2023</b>	<b>230.78</b>	-	<b>252.79</b>	<b>120.43</b>	<b>422.56</b>	<b>(215.54)</b>	<b>811.02</b>
<b>Balance as at 01 April, 2023</b>	<b>230.78</b>	-	<b>252.79</b>	<b>120.43</b>	<b>422.56</b>	<b>(215.54)</b>	<b>811.02</b>
Profit for the year	-	-	-	-	229.86	-	229.86
Other comprehensive (loss) for the year	-	-	-	-	-	(142.21)	(142.21)
<b>Total comprehensive income</b>	-	-	-	-	<b>229.86</b>	<b>(142.21)</b>	<b>87.65</b>
Transfer from / to contingency reserve fund	-	-	6.92	-	(6.92)	-	-
Payment of dividend on equity shares	-	-	-	-	(341.77)	-	(341.77)
Adjustment on account of capital reorganisation (refer note 36)	-	10.79	-	-	-	-	10.79
<b>Balance as at 31 March, 2024</b>	<b>230.78</b>	<b>10.79</b>	<b>259.71</b>	<b>120.43</b>	<b>303.73</b>	<b>(357.75)</b>	<b>567.69</b>

The accompanying notes form an integral part of the financial statements

As per our attached report of even date

**For Walker Chandiook & Co LLP**

Chartered Accountants

Firm Registration Number : 001076N / N5000013

**For and on behalf of the Board of Directors**

**ADANI ELECTRICITY MUMBAI LIMITED**

**Neeraj Goel**

Partner

Membership No. 99514

Place : Mumbai

Date : 30 April, 2024

**Anil Sardana**

Chairman

DIN: 00006867

Place : Mumbai

Date : 30 April, 2024

**Kandarp Patel**

Managing Director & CEO

DIN.: 02947643

**Kunjai Mehta**

Chief Financial Officer

**Jaladhi Shukla**

Company Secretary

# Statement of cash flows

for the year ended 31 March, 2024  
(Amount in ₹ crores, unless otherwise stated)

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before tax	479.33	203.64
<i>Adjustments for:</i>		
Interest income	(147.30)	(263.14)
Delayed payment charges	(26.50)	(35.49)
Gain on partial repurchase of senior secured note	(136.42)	–
Unrealised foreign exchange fluctuation loss (net of hedge costs) on borrowings	–	352.23
Amortisation of service line contribution	(13.90)	(11.86)
Gain on sale and changes in fair value of current investments measured at FVTPL	(11.62)	(4.73)
Finance costs	1,074.05	1,082.03
Depreciation and amortisation expense	796.87	742.62
Profit on sale of property, plant and equipment (net)	(3.77)	(2.78)
Sundry creditors balances written back	(1.78)	(2.44)
Bad debts written off	17.09	15.21
Allowance for doubtful debts / advances / deposits	–	5.58
<b>Operating profit before working capital changes</b>	<b>2,026.05</b>	<b>2,080.87</b>
<i>Changes in working capital:</i>		
Adjustments for (increase) / decrease in assets :		
Trade receivables	(33.97)	18.37
Inventories	(86.12)	111.74
Financial assets - current / non current	(30.13)	(8.64)
Other assets - current / non current	9.00	6.04
Regulatory deferral account - assets	390.37	(839.81)
Adjustment for increase / (decrease) in liabilities :		
Trade payables - current / non current	(145.75)	106.77
Financial liabilities - current / non current	73.10	39.14
Provisions - current / non current	59.80	(34.74)
Other liabilities - current / non current	155.73	5.73
Regulatory deferral account - liabilities	–	(271.56)
<b>Cash generated from operations</b>	<b>2,418.08</b>	<b>1,213.91</b>
Tax paid (net)	(86.41)	(36.73)
<b>Net cash generated from operating activities (A)</b>	<b>2,331.67</b>	<b>1,177.18</b>

## Statement of cash flows

for the year ended 31 March, 2024  
(Amount in ₹ crores, unless otherwise stated)

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Capital expenditure on property, plant & equipment and intangible assets (including capital advances and work in progress)	(1,414.18)	(1,154.70)
Proceeds from sale of property, plant and equipment	53.17	13.28
Sale / (purchase) of mutual funds / other investments (net)	744.82	(767.08)
Investment in subsidiary	(13.50)	-
Bank balances other than cash & cash equivalents	37.33	(90.37)
Loans (given) / repaid	(27.67)	1,042.62
Delayed payment charges received	26.50	35.49
Interest income received	147.30	263.14
<b>Net cash used in investing activities (B)</b>	<b>(446.23)</b>	<b>(657.62)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Increase in service line contribution	43.47	33.81
Gain on partial repurchase of senior secured note	136.42	-
Repayment of long-term borrowings	(854.95)	-
Proceeds from short-term borrowings (net)	550.00	500.00
Payment of dividend on equity shares	(341.77)	-
Principal portion of lease liabilities	(11.60)	(14.10)
Interest of lease liabilities	(3.07)	(4.48)
Interest & other borrowing cost	(1,208.14)	(1,018.60)
<b>Net cash used in financing activities (C)</b>	<b>(1,689.64)</b>	<b>(503.37)</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>195.80</b>	<b>16.19</b>
<b>Cash and cash equivalents as at 01 April (Opening Balance)</b>	<b>90.60</b>	<b>74.41</b>
<b>Cash and cash equivalents as at 31 March (Closing Balance)</b>	<b>286.40</b>	<b>90.60</b>

Particulars	As at 31 March, 2024	As at 31 March, 2023
Cash and Cash Equivalents includes		
Balances with banks		
- In current accounts	80.89	56.13
- In fixed deposits	190.05	20.00
Cheques / drafts on hand	14.08	14.04
Cash on hand	1.38	0.43
<b>Total cash &amp; cash equivalents</b>	<b>286.40</b>	<b>90.60</b>

# Statement of cash flows

for the year ended 31 March, 2024

(Amount in ₹ crores, unless otherwise stated)

## Note

- The statement of cash flows has been prepared under the indirect method as set out in Ind AS 7 "Statement of Cash Flows"
- Disclosure under Para 44A as set out in Ind AS 7 on Statement of Cash Flows under Companies (Indian Accounting Standards) Rules, 2017 (as amended) is given below:

Particulars	As at 01 April, 2023	Cash flows		Non-cash transaction	As at 31 March, 2024
		Proceeds / Expenses	Payment		
Non-current borrowings	12,888.62	–	(854.95)	64.53	12,098.20
Current borrowings	500.00	550.00	–	–	1,050.00
Lease Liabilities	30.74	3.07	(11.60)	(3.07)	19.14
Accrued Interest on borrowings	123.25	1,206.30	(1,211.21)	–	118.34
<b>Total</b>	<b>13,542.61</b>	<b>1,759.37</b>	<b>(2,077.76)</b>	<b>61.46</b>	<b>13,285.68</b>

Particulars	As at 01 April, 2022	Cash flows		Non-cash transaction	As at 31 March, 2023
		Proceeds / Expenses	Payment		
Non-current borrowings	11,864.65	–	–	1,023.97	12,888.62
Current borrowings	–	4,506.78	(4,006.78)	–	500.00
Lease Liabilities	44.84	4.48	(14.10)	(4.48)	30.74
Accrued Interest on borrowings	111.12	1,026.25	(1,014.12)	–	123.25
<b>Total</b>	<b>12,020.61</b>	<b>5,537.51</b>	<b>(5,035.00)</b>	<b>1,019.49</b>	<b>13,542.61</b>

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

The accompanying notes form an integral part of the financial statements

As per our attached report of even date

**For Walker Chandiok & Co LLP**

Chartered Accountants

Firm Registration Number : 001076N / N500013

**Neeraj Goel**

Partner

Membership No. 99514

**For and on behalf of the Board of Directors**

**ADANI ELECTRICITY MUMBAI LIMITED**

**Anil Sardana**

Chairman

DIN: 00006867

**Kandarp Patel**

Managing Director & CEO

DIN.: 02947643

**Kunjal Mehta**

Chief Financial Officer

**Jaladhi Shukla**

Company Secretary

Place : Mumbai

Date : 30 April, 2024

Place : Mumbai

Date : 30 April, 2024

# Notes to financial statements

(Amount in ₹ crores, unless otherwise stated)

## 1 Corporate information

Adani Electricity Mumbai Limited ("AEML") ("The Company") is a public limited company incorporated and domiciled in India having its registered office at Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad 382421, Gujarat, India, and its principal office at Devidas Lane, Off SVP Road, Near Devidas Telephone Exchange, Borivali(W), Mumbai 400105, Maharashtra, India.

It is subsidiary of Adani Energy Solutions Limited (AESL) formerly known as Adani Transmission Limited ("the Holding Company") and ultimate holding entity is S. B. Adani Family Trust (SBAFT).

The integrated Mumbai Generation, Transmission and Distribution (GTD) Business, under a license, transmits and distributes electricity to consumers in and around suburbs of Mumbai inclusive of areas covered under the Mira Bhayander Municipal Corporation, making it the country's largest private sector integrated power utility. The Tariff to be charged to the consumers is regulated by Maharashtra Electricity Regulatory Commission ("MERC").

The Company has USD bonds which are listed at Singapore Stock Exchange.

These financial statements of the Company for the year ended 31 March 2024 were authorised for issue by the board of directors on 24 April, 2024.

## 2 Basis of preparation and presentation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (IndAS) as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with section 133 of the Companies Act, 2013 ("the Act") (as amended from time to time).

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

The financial statements have been prepared in "Indian Rupees" which is also the Company's functional currency and all amounts, are rounded to the nearest Crore with two decimals, (Transactions below ₹50,000.00 denoted as ₹0.00), unless otherwise stated.

## 3 Material accounting policies

### 3.1 Current versus Non-Current Classification

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

### 3.2 Property, plant and equipment ("PPE")

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

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

Capital work-in-progress is stated at cost, net of accumulated impairment loss, if any. Other indirect

# Notes to financial statements

(Amount in ₹ crores, unless otherwise stated)

expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre-operative expenses and disclosed under capital work-in-progress.

## Derecognition

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

## Depreciation

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

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

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

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

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

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

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

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

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

# Notes to financial statements

(Amount in ₹ crores, unless otherwise stated)

## 3.3 Intangible assets

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

In respect of intangible asset ("assets") pertaining to Mumbai generation, transmission and distribution business acquired from Reliance Infrastructure Limited (RIL) under a Court sanctioned scheme of arrangement with an appointed date of 01 April 2018, in line with the requirements of the Court Scheme, the Company has accounted for such Assets at their respective fair values as at 01 April, 2018 based on valuation done by professional valuation firm.

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

Derecognition of Intangible assets.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognised in Statement of Profit and Loss when the asset is derecognised.

### Useful life

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

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

Estimated useful lives of the intangible assets are as follows:

Type of Assets	Useful lives
Transmission license	Indefinite
Computer software	3 years

## 3.4 Impairment of PPE and intangible assets

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

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

# Notes to financial statements

(Amount in ₹ crores, unless otherwise stated)

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

## 3.5 Financial instruments

Financial assets (except for trade receivables which are measured at transaction cost) and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities measured at fair value through profit or loss are recognised immediately in the 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 Company commits to purchase or sell the asset.

#### Subsequent measurement:

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

#### i) Classification and measurement of financial assets

##### a) Financial assets at amortised cost

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

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

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

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

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

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

#### ii) Impairment of financial assets

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

# Notes to financial statements

(Amount in ₹ crores, unless otherwise stated)

## iii) Derecognition

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

- the right to receive cash flows from the asset have expired, or
- the Company 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 Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company 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 Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company 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 Company 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 Statement of Profit and Loss if such gain or loss would have otherwise been recognised in the 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 Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

### ii) Financial liabilities

#### Initial recognition and measurement

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

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

#### Subsequent measurement

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

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

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

# Notes to financial statements

(Amount in ₹ crores, unless otherwise stated)

Trade and other payables are recognised at the transaction cost, which is its fair value, and subsequently measured at amortised cost. Similarly, interest bearing loans (loans to related parties), trade credits and borrowings (including bonds) are subsequently measured at amortised cost using effective interest rate method. Trade credits include buyer's credit, foreign letter of credit and inland letter of credit.

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

### iii) Derecognition of Financial Liability

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

## 3.6 Derivative financial instruments and hedge accounting

### Initial recognition and subsequent measurement:

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

Any gains or losses arising from changes in the fair value of derivatives are taken directly to the Statement of Profit and Loss, except for the effective portion of cash flow hedges, which is recognised in Other Comprehensive Income (OCI) and later reclassified to the Statement of Profit and Loss when the hedge item affects profit or loss. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as OCI are transferred to the initial carrying amount of the non-financial asset or liability.

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

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

### Cash flow hedges

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

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

If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer

# Notes to financial statements

(Amount in ₹ crores, unless otherwise stated)

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.

## 3.7 Inventories

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

## 3.8 Foreign currencies

The functional currency of the Company is Indian Rupee ₹.

In preparing the financial statements of the Company, 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.

## 3.9 Fair value measurement

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

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

## 3.10 Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred

# Notes to financial statements

(Amount in ₹ crores, unless otherwise stated)

to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

## 1. Transmission of power

Revenue from transmission of power is recognised net of cash discount over time for transmission of electricity. 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.

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

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

## 2. Sale of power - Distribution

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

## 3. Rendering of services

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

## 4. Interest on Overdue Receivables / Delay Payment Charges

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

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

## 5. Sale of traded goods

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

- the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the amount of revenue can be measured reliably; and
- it is probable that the economic benefits associated with the transaction will flow to The Company.

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

## 6. Amortisation of Service line contribution

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

# Notes to financial statements

(Amount in ₹ crores, unless otherwise stated)

## 7. Interest 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.

## 8. Rental income:

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

### 3.11 Regulatory deferral account

The Company determines revenue gaps (i.e. surplus/shortfall in actual returns over returns entitled) in respect of its regulated operations in accordance with the provisions of Ind AS 114 "Regulatory Deferral Accounts" read with the guidance note on Rate Regulated Activities issued by The Institute of Chartered Accountants of India (ICAI) and based on the principles laid down under the relevant Tariff Regulations/Tariff Orders notified by the Electricity Regulator and the actual or expected actions of the regulator under the applicable regulatory framework. Appropriate adjustments in respect of such revenue gaps are made in the regulatory deferral account of the respective year for the amounts which are reasonably determinable, and no significant uncertainty exists in such determination. These adjustments/accruals representing revenue gaps are carried forward as Regulatory deferral accounts debit/credit balances (Regulatory Assets/Regulatory Liabilities) as the case may be in the financial statements, which would be recovered/refunded through future billing based on future tariff determination by the regulator in accordance with the electricity regulations.

The Company presents separate line items in the balance sheet for:

- i. the total of all regulatory deferral account debit balances; and
- ii. the total of all regulatory deferral account credit balances.

A separate line item is presented in the Statement of Profit and Loss for the net movement in regulatory deferral account. Regulatory assets/ liabilities on deferred tax expense/income is presented separately in the tax expense line item.

### 3.12 Borrowing costs

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

### 3.13 Employee benefits

#### (i) Defined contribution plan:

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

#### (ii) Defined benefit plans:

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

# Notes to financial statements

(Amount in ₹ crores, unless otherwise stated)

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.

### (iii) Compensated absences:

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

### (iv) Short-term and other long-term employee benefits:

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

## 3.14 Leases

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

The Company recognises a right-of-use asset and a lease liability at the lease commencement date except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the lease payments associated with these leases as an expense on a straight-line basis over the lease term

### Right-of-use assets

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

### Lease Liabilities

The lease liability is initially measured at the present value of the lease payments to be paid over the lease term at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate. Subsequently, the lease liability is measured at amortised cost using the effective interest method.

## 3.15 Taxation

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

# Notes to financial statements

(Amount in ₹ crores, unless otherwise stated)

## 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.

## 4 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the year ended 31 March 2024 MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

# Notes to financial statements

(Amount in ₹ crores, unless otherwise stated)

## Note 5 : Property, plant and equipment (PPE)

Particulars	Freehold Land	Buildings - Residential	Buildings - Others	Plant and Equipment	Distribution Systems	Street Light	Railway Siding	Jetty	Furniture and Fixtures	Vehicles	Office Equipment	Computers	Electrical Installations	Total
<b>Gross carrying amount</b>														
As at 01 April, 2022	2,636.87	104.91	871.34	5,284.42	6,188.82	232.13	6.87	1.39	21.53	46.22	28.46	183.51	47.18	15,653.65
Additions	-	1.55	29.47	422.83	516.39	45.95	-	-	0.49	31.99	3.56	35.04	8.11	1,095.38
Disposals	-	-	0.01	22.06	-	2.68	-	-	-	2.23	0.02	3.26	0.41	30.67
<b>Gross carrying amount as at 31 March, 2023</b>	<b>2,636.87</b>	<b>106.46</b>	<b>900.80</b>	<b>5,685.19</b>	<b>6,705.21</b>	<b>275.40</b>	<b>6.87</b>	<b>1.39</b>	<b>22.02</b>	<b>75.98</b>	<b>32.00</b>	<b>215.29</b>	<b>54.88</b>	<b>16,718.36</b>
<b>Accumulated depreciation</b>														
As at 01 April, 2022	-	15.67	113.24	1,058.45	823.95	43.07	1.66	0.32	12.00	12.87	15.06	55.61	14.04	2,165.94
Depreciation charge for the year	-	5.00	31.10	315.94	277.06	13.05	0.41	0.09	1.16	3.30	3.72	43.25	4.38	698.46
Eliminated on disposal of assets	-	-	0.01	14.20	-	1.00	-	-	-	1.30	0.02	3.26	0.38	20.17
<b>Accumulated depreciation as at 31 March, 2023</b>	<b>-</b>	<b>20.67</b>	<b>144.33</b>	<b>1,360.19</b>	<b>1,101.01</b>	<b>55.12</b>	<b>2.07</b>	<b>0.41</b>	<b>13.16</b>	<b>14.87</b>	<b>18.76</b>	<b>95.60</b>	<b>18.04</b>	<b>2,844.23</b>
<b>Net carrying amount as at 31 March, 2023</b>	<b>2,636.87</b>	<b>85.79</b>	<b>756.47</b>	<b>4,325.00</b>	<b>5,604.20</b>	<b>220.28</b>	<b>4.80</b>	<b>0.98</b>	<b>8.86</b>	<b>61.11</b>	<b>13.24</b>	<b>119.69</b>	<b>36.84</b>	<b>13,874.13</b>
<b>Gross carrying amount</b>														
As at 01 April, 2023	2,636.87	106.46	900.80	5,685.19	6,705.21	275.40	6.87	1.39	22.02	75.98	32.00	215.29	54.88	16,718.36
Additions	-	-	33.31	351.88	676.93	36.06	-	-	0.20	1.93	1.34	36.73	3.35	1,141.73
Transferred on capital reorganisation (refer note 36)	-	-	1.91	10.32	31.05	0.01	-	-	-	-	-	-	0.34	43.63
Disposals	-	-	0.07	13.05	-	1.52	-	-	0.06	0.17	0.02	0.66	0.01	15.56
<b>Gross carrying amount as at 31 March, 2024</b>	<b>2,636.87</b>	<b>106.46</b>	<b>932.13</b>	<b>6,013.70</b>	<b>7,351.09</b>	<b>309.93</b>	<b>6.87</b>	<b>1.39</b>	<b>22.16</b>	<b>77.74</b>	<b>33.32</b>	<b>251.36</b>	<b>57.88</b>	<b>17,800.90</b>
<b>Accumulated depreciation</b>														
As at 01 April, 2023	-	20.67	144.33	1,360.19	1,101.01	55.12	2.07	0.41	13.16	14.87	18.76	95.60	18.04	2,844.23
Depreciation charge for the year	-	3.76	33.19	338.85	301.10	14.96	0.41	0.09	0.98	4.43	4.28	39.26	4.84	746.15
Transferred on capital reorganisation (refer note 36)	-	-	0.27	3.32	6.09	-	-	-	-	-	-	-	0.01	9.69
Eliminated on disposal	-	-	0.07	9.34	-	0.65	-	-	0.06	0.08	0.02	0.66	0.01	10.89
<b>Accumulated depreciation as at 31 March, 2024</b>	<b>-</b>	<b>24.43</b>	<b>177.18</b>	<b>1,686.38</b>	<b>1,396.02</b>	<b>69.43</b>	<b>2.48</b>	<b>0.50</b>	<b>14.08</b>	<b>19.22</b>	<b>23.02</b>	<b>134.20</b>	<b>22.86</b>	<b>3,569.80</b>
<b>Net carrying amount as at 31 March, 2024</b>	<b>2,636.87</b>	<b>82.03</b>	<b>754.95</b>	<b>4,327.32</b>	<b>5,955.07</b>	<b>240.50</b>	<b>4.39</b>	<b>0.89</b>	<b>8.08</b>	<b>58.52</b>	<b>10.30</b>	<b>117.16</b>	<b>35.02</b>	<b>14,231.10</b>

## Notes to financial statements

(Amount in ₹ crores, unless otherwise stated)

### Note 5 : Property, plant and equipment (PPE) (contd...)

#### Notes:

- (i) Refer note 17 (iii) for security charges created on aforesaid assets
- (ii) Refer note 34 (B) for capital commitments
- (iii) Details of Immovable Properties for which title deeds are not in the name of Company are given below:

Relevant line item in balance sheet	Description of Property	Gross carrying value (₹ in Crores)	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	Free hold land	2,240.15	BSES / Reliance Energy Limited / Reliance Infrastructure Limited	No		The title deeds in respect of land and certain residential properties are either in the erstwhile names of the Company viz: "Bombay Suburban Electric Supply Limited" (BSES) / "Reliance Energy Limited" / "Reliance Infrastructure Limited". The Company is in process of updating the same from erstwhile Company's name to the name of the Company.
Property, Plant and Equipment	Building	587.86	BSES / Reliance Energy Limited / Reliance Infrastructure Limited	No	28 August, 2018	
Right-of-Use Assets	Leasehold Land	7.88	BSES / Reliance Energy Limited / Reliance Infrastructure Limited	No		
Right-of-Use Assets	Leasehold Land	510.00	Mumbai Metropolitan Region Development Authority	No		The Company received the possession letter dated 18 September 2021 and will enter into formal lease agreement on completion of the construction of the substation as per the applicable regulatory requirements.

## Notes to financial statements

(Amount in ₹ crores, unless otherwise stated)

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

Particulars	As at 31 March, 2024	As at 31 March, 2023
Opening Balance	654.43	315.48
Expenditure incurred during the year	1,248.44	1,375.10
<i>Less : Capitalised during the year</i>	(1,076.05)	(1,036.15)
<b>Closing Balance</b>	<b>826.82</b>	<b>654.43</b>

Refer note 17 (iii) for security charges created on aforesaid assets

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

Particulars	Amount in CWIP for a period of				Total
	<1 year	1-2 years	2-3 years	> 3 years	
<b>As at 31 March, 2024</b>					
- Projects in progress	435.56	298.45	61.43	31.38	826.82
- Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>435.56</b>	<b>298.45</b>	<b>61.43</b>	<b>31.38</b>	<b>826.82</b>
<b>As at 31 March, 2023</b>					
- Projects in progress	521.86	85.25	13.51	32.11	652.73
- Projects temporarily suspended	0.97	0.67	-	0.06	1.70
<b>Total</b>	<b>522.83</b>	<b>85.92</b>	<b>13.51</b>	<b>32.17</b>	<b>654.43</b>

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

Particulars	To be completed in				Total
	<1 year	1-2 years	2-3 years	> 3 years	
<b>As at 31 March, 2024</b>					
- Projects in progress	-	-	-	-	-
- Projects temporarily suspended	-	-	-	-	-
<b>As at 31 March, 2023</b>					
- Projects in progress					
11kV Network_New Supply_FY 2019-20	0.24	-	-	-	0.24
- Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>0.24</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.24</b>

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

## Notes to financial statements

(Amount in ₹ crores, unless otherwise stated)

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

Particulars	To be completed in				Total
	<1 year	1-2 years	2-3 years	> 3 years	
<b>As at 31 March, 2024</b>					
- Projects in progress	-	-	-	-	-
- Projects temporarily suspended	-	-	-	-	-
	-	-	-	-	-
<b>Total</b>	-	-	-	-	-
<b>As at 31 March, 2023</b>					
- Projects in progress					
Main Plant DPR Jobs	0.12	0.01	-	-	0.13
Other DPR Jobs	0.06	-	-	-	0.06
11kV Network Strengthening 2017-18_New Supply	1.63				1.63
33-22/11 kV Receiving Station Schemes (11-12)	1.38	-	-	-	1.38
11kV Network strengthening 2013-14	0.08	-	-	-	0.08
11kV Network_New Supply_FY 2019-20	0.24	-	-	-	0.24
Services New Supply (2019-20)	0.26	-	-	-	0.26
IT Network_Revamping_FY 2020-21	2.44	-	-	-	2.44
LT Mains_Improvement_FY 2020-21 & FY 2021-22	0.43	-	-	-	0.43
Receiving Station_R M Prabodhani_FY 2020-21	1.51	-	-	-	1.51
DPR - Security Automation Augmentation_FY 2021-22	0.21	-	-	-	0.21
- Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>8.36</b>	<b>0.01</b>	<b>-</b>	<b>-</b>	<b>8.37</b>

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

# Notes to financial statements

(Amount in ₹ crores, unless otherwise stated)

## Note 5b: Right of use assets

Particulars	Right of Use			
	Land	Building	Right of Way	Total
<b>Gross carrying amount</b>				
As at 01 April, 2022	524.07	102.09	40.16	666.32
Additions	0.23	–	1.32	1.55
Derecognition	–	–	–	–
<b>Gross carrying amount as at 31 March, 2023</b>	<b>524.30</b>	<b>102.09</b>	<b>41.48</b>	<b>667.87</b>
<b>Accumulated depreciation / amortisation</b>				
As at 01 April, 2022	4.31	62.59	6.63	73.53
Depreciation / amortisation charge for the year	6.42	13.81	3.18	23.41
Derecognition	–	–	–	–
<b>Accumulated depreciation / amortisation as at 31 March, 2023</b>	<b>10.73</b>	<b>76.40</b>	<b>9.81</b>	<b>96.94</b>
<b>Net carrying amount as at 31 March, 2023</b>	<b>513.57</b>	<b>25.69</b>	<b>31.67</b>	<b>570.93</b>
<b>Gross carrying amount</b>				
As at 01 April, 2023	524.30	102.09	41.48	667.87
Additions	–	–	–	–
Derecognition	–	–	–	–
<b>Gross carrying amount as at 31 March, 2024</b>	<b>524.30</b>	<b>102.09</b>	<b>41.48</b>	<b>667.87</b>
<b>Accumulated depreciation / amortisation</b>				
As at 01 April, 2023	10.73	76.40	9.81	96.94
Depreciation / amortisation charge for the year	6.41	10.31	4.38	21.10
Derecognition	–	–	–	–
<b>Accumulated depreciation / amortisation as at 31 March, 2024</b>	<b>17.14</b>	<b>86.71</b>	<b>14.19</b>	<b>118.04</b>
<b>Net carrying amount as at 31 March, 2024</b>	<b>507.16</b>	<b>15.38</b>	<b>27.29</b>	<b>549.83</b>

(i) Refer note 33 for lease liabilities disclosure under IndAS 116

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

During the financial year 2021-22, the Company had entered into memorandum of understanding in name of the Company with M/s. Super heights Infraspace Private Limited (SIPL) (related party) for an amount of ₹ 510.00 crores towards acquiring leasehold rights of land parcel at BKC, Mumbai for construction of Extra High Voltage (EHV) substation to meet the incremental load requirement.

## Notes to financial statements

(Amount in ₹ crores, unless otherwise stated)

### Note 5c: Intangible assets

Particulars	Computer Softwares	Transmission License	Total
<b>Gross carrying amount</b>			
As at 01 April, 2022	92.65	981.62	1,074.27
Additions	30.07	–	30.07
Disposal	–	–	–
<b>Gross carrying amount as at 31 March, 2023</b>	<b>122.72</b>	<b>981.62</b>	<b>1,104.34</b>
<b>Accumulated amortisation</b>			
As at 01 April, 2022	36.08	–	36.08
Amortisation charge for the year	26.82	–	26.82
Eliminated on disposal of assets	–	–	–
<b>Accumulated amortisation as at 31 March, 2023</b>	<b>62.90</b>	<b>–</b>	<b>62.90</b>
<b>Net carrying amount as at 31 March, 2023</b>	<b>59.82</b>	<b>981.62</b>	<b>1,041.44</b>
<b>Gross carrying amount</b>			
As at 01 April, 2023	122.72	981.62	1,104.34
Additions	25.88	–	25.88
Disposal	–	–	–
<b>Gross carrying amount as at 31 March, 2024</b>	<b>148.60</b>	<b>981.62</b>	<b>1,130.22</b>
<b>Accumulated amortisation</b>			
As at 01 April, 2023	62.90	–	62.90
Amortisation charge for the year	35.68	–	35.68
Eliminated on disposal of assets	–	–	–
<b>Accumulated amortisation as at 31 March, 2024</b>	<b>98.58</b>	<b>–</b>	<b>98.58</b>
<b>Net carrying amount as at 31 March, 2024</b>	<b>50.02</b>	<b>981.62</b>	<b>1,031.64</b>

#### Notes:

- (i) The above intangible assets are other than internally generated intangible assets.
- (ii) Transmission license was acquired as part of the business acquisition. The License is valid for 25 years from 16 August, 2011 to 15 August, 2036. The license is expected to be further extended at minimal cost, considering similar extensions have happened in the past. Based on an analysis of all of the relevant factors, the license is considered by the Company as having an indefinite useful life, as there is no foreseeable limit to the period over which the transmission business related assets are expected to generate net cash inflows for the Company.
- (iii) Transmission License is pledged as security with the Lenders against borrowings. [refer note 17 (iii)]

### Note 5d: Depreciation and amortisation expense

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Depreciation on property, plant and equipment	746.15	698.46
Amortisation on intangible assets	35.68	26.82
Depreciation / amortisation on right of use assets	21.10	23.41
<b>Total</b>	<b>802.93</b>	<b>748.69</b>
Less : Transferred to capital work in progress	(6.06)	(6.07)
<b>Net depreciation and amortisation charged to the Statement of Profit and loss</b>	<b>796.87</b>	<b>742.62</b>

# Notes to financial statements

(Amount in ₹ crores, unless otherwise stated)

## 6 Investments

### 6a Non-current investments

Particulars	Face value in ₹ unless otherwise specified	No of shares / units	As at 31 March, 2024	As at 31 March, 2023
Investment in equity shares of subsidiary fully paid up (unquoted) (cost)				
Adani Electricity Mumbai Infra Limited	10 (10)	10,000 (10000)	0.01	0.01
AEML SEEPZ Limited	10 (10)	13,510,000 (10000)	13.51	0.01
Investment in Government Securities fully paid up at amortised cost				
Contingency reserve Investments (quoted) - refer note 16 (d)				
Investment In Govt. Securities				
7.16% Government Stock - 2050	100 (100)	1,87,50,000 (1,87,50,000)	200.92	201.16
9.23% Government Stock - 2043	100 (100)	2,20,000 (2,20,000)	2.81	2.88
5.63% Government Stock - 2026	100 (100)	30,00,000 (30,00,000)	29.78	29.57
<b>Total</b>			<b>247.03</b>	<b>233.63</b>
Aggregate market value of quoted investments			220.31	214.32
Aggregate carrying value of quoted investments			233.51	233.61
Aggregate carrying value of unquoted investments			13.52	0.02
Aggregate amount of impairment in the value of investments			-	-

## Notes to financial statements

(Amount in ₹ crores, unless otherwise stated)

### 6b Current investments

Particulars	Face value in ₹ unless otherwise specified	No of Units	As at 31 March, 2024	As at 31 March, 2023
<b>Investment in Treasury Bill (Quoted)</b>				
<b>Contingency reserve investments - refer note 16 (d)</b>				
Investment in treasury bills at FVTPL (quoted)	100 (100)	35,00,000 (25,00,000)	34.56	24.75
Investment in mutual funds at FVTPL (quoted)				
SBI Overnight Direct Growth {NA (NAV ₹ 3,649.25)}		(Nil) (7,37,653.15)	–	269.19
ABSL Overnight Direct Growth {NA (NAV ₹ 1,212.45)}		Nil (8,99,491.49)	–	109.06
ABSL Liquid Direct Growth {NA (NAV ₹ 363.08)}		Nil (100,43,309.82)	–	364.66
<b>Total</b>			<b>34.56</b>	<b>767.66</b>
Aggregate market value of quoted investments			34.56	767.66
Aggregate carrying value of quoted investments			34.56	767.66
Aggregate carrying value of unquoted investments			–	–
Aggregate amount of impairment in the value of investments			–	–

### 7 Loans

Particulars	Non-current		Current	
	As at 31 March, 2024	As at 31 March, 2023	As at 31 March, 2024	As at 31 March, 2023
Housing loans to employees, considered good - secured	13.28	16.85	2.75	2.98
Loans to related party - considered good - unsecured	31.50	0.28	–	–
Loans to employees -considered good - unsecured	9.00	8.79	3.93	3.89
Less: Allowance for bad and doubtful loans	–	–	–	–
<b>Total</b>	<b>53.78</b>	<b>25.92</b>	<b>6.68</b>	<b>6.87</b>

# Notes to financial statements

(Amount in ₹ crores, unless otherwise stated)

## Details of loans to specified persons

Particulars	Amount of loan in the nature of loan outstanding		Percentage to the total Loan in the nature of loan	
	As at 31 March, 2024	As at 31 March, 2023	As at 31 March, 2024	As at 31 March, 2023
Promoter	-	-	-	-
Director	-	-	-	-
Key Managerial Personnel	-	-	-	-
Related Party	31.50	0.28	52.10%	0.85%

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

## 8 Other financial assets

Particulars	Non-current		Current	
	As at 31 March, 2024	As at 31 March, 2023	As at 31 March, 2024	As at 31 March, 2023
(Unsecured, considered good unless otherwise stated)				
Security deposits - unsecured				
Considered good	19.12	22.23	-	-
Considered doubtful	6.37	6.63	-	-
	25.49	28.86	-	-
Less : Allowance For doubtful deposits	(6.37)	(6.63)	-	-
<b>Total</b>	<b>19.12</b>	<b>22.23</b>	<b>-</b>	<b>-</b>
Deposit with banks having maturity more than 12 months	565.64	608.74	-	-
Derivative instruments designated in hedge accounting relationship	559.69	553.37	-	-
Unbilled revenue	-	-	655.04	597.55
Regulatory assets other than distribution	-	-	-	18.33
Others	-	-	1.26	7.18
<b>Total</b>	<b>1,144.45</b>	<b>1,184.34</b>	<b>656.30</b>	<b>623.06</b>

**Note :**

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

# Refer note 18 (i) for security/charges created on hedging instruments.

# Notes to financial statements

(Amount in ₹ crores, unless otherwise stated)

## 9 Income tax assets (net)

Particulars	As at 31 March, 2024	For the year ended 31 March, 2023
Income tax assets (net)	4.80	2.93
<b>Total</b>	<b>4.80</b>	<b>2.93</b>

Note : Tax Provision 31 March 2024 : ₹ 84.54 Cr [31 March 2023 ₹ 27.20 Cr]

## 10 Other assets

Particulars	Non-current		Current	
	As at 31 March, 2024	As at 31 March, 2023	As at 31 March, 2024	As at 31 March, 2023
Advances to suppliers	–	–	111.02	113.34
Balances with government authorities	–	–	0.05	5.46
Prepaid expenses	1.48	0.46	12.08	16.35
Capital advances	47.75	53.75	–	–
Advance to employees	1.76	3.96	7.87	3.69
<b>Total</b>	<b>50.99</b>	<b>58.17</b>	<b>131.02</b>	<b>138.84</b>

## 11 Inventories

Particulars	As at 31 March, 2024	As at 31 March, 2023
Fuel	98.84	39.78
Fuel - in transit	38.47	17.00
Stores and spares	41.56	35.97
<b>Total</b>	<b>178.87</b>	<b>92.75</b>

Refer note 17 (iii) for security charges created on aforesaid assets

## 12 Trade receivables

Particulars	As at 31 March, 2024	As at 31 March, 2023
Considered good, secured	133.74	127.37
Considered good, unsecured	299.13	284.90
Having significant increase in credit risk	36.28	40.00
Credit impaired	1.39	1.39
	470.54	453.66
Less : Loss allowance	(1.39)	(1.39)
<b>Total</b>	<b>469.15</b>	<b>452.27</b>

Note :

- (i) The Company holds security deposit from its customers (refer note 20) in respect of trade receivables to the extent covered by such deposits are presented as secured,
- (ii) Above trade receivables are pledged as security with the Lenders against borrowings [refer note 17 (iii)].
- (iii) The average credit period for the Company's receivables from its transmission and distribution (including street light maintenance) business is in the range of 15 to 30 days. No interest or delayed payment is charged on trade receivables till the due date. Thereafter, one time delayed payment charges at the rate of 1.25% & interest after 30 / 60 days from bill date is charged in the range of 12% to 15% per annum.

## Notes to financial statements

(Amount in ₹ crores, unless otherwise stated)

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

(v) The Company considers for impairment of its receivables from customers in its Mumbai distribution business. The risk of recovery in these businesses is reduced to the extent of security deposits already collected and held as collateral. Balance amount receivable over and above the deposit is assessed for expected credit loss allowances. The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experienced and adjusted for forward-looking information. The expected credit loss allowance is based on ageing of the days the receivables are due.

### 12.1 Trade receivables ageing schedule

Particulars	Outstanding for following periods from due date						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
<b>As at 31 March, 2024</b>							
(i) Undisputed trade receivables – considered good	288.40	135.84	1.64	4.06	–	–	429.94
(ii) Undisputed trade receivables – which have significant increase in credit risk	16.99	9.92	3.62	5.72	–	–	36.25
(iii) Undisputed trade receivables – credit impaired	–	–	–	1.39	–	–	1.39
(iv) Disputed trade receivables considered good	0.43	1.69	0.40	0.41	–	–	2.93
(v) Disputed trade receivables - which have significant increase in credit risk	0.03	–	–	–	–	–	0.03
(vi) Disputed trade receivables – credit impaired	–	–	–	–	–	–	–
(vii) Loss Allowance	–	–	–	(1.39)	–	–	(1.39)
<b>Total</b>	<b>305.85</b>	<b>147.45</b>	<b>5.66</b>	<b>10.19</b>	<b>–</b>	<b>–</b>	<b>469.15</b>
<b>As at 31 March, 2023</b>							
(i) Undisputed trade receivables – considered good	291.40	112.25	0.26	5.10	–	–	409.01
(ii) Undisputed trade receivables – which have significant increase in credit risk	17.23	14.72	2.87	5.15	–	–	39.97
(iii) Undisputed trade receivables – credit impaired	–	–	–	1.39	–	–	1.39
(iv) Disputed trade receivables considered good	0.92	1.54	0.32	0.48	–	–	3.26
(v) Disputed trade receivables - which have significant increase in credit risk	0.03	–	–	–	–	–	0.03
(vi) Disputed trade receivables – credit impaired	–	–	–	–	–	–	–
(vii) Loss Allowance	–	–	–	(1.39)	–	–	(1.39)
<b>Total</b>	<b>309.58</b>	<b>128.51</b>	<b>3.45</b>	<b>10.73</b>	<b>–</b>	<b>–</b>	<b>452.27</b>

# Notes to financial statements

(Amount in ₹ crores, unless otherwise stated)

## 12.2 Movement in the provision for doubtful trade receivables

Particulars	As at 31 March, 2024	As at 31 March, 2023
Balance at the beginning of the year	1.39	1.39
Add : Loss allowance during the year (net of recoveries)	17.09	15.21
(Less) : Written off during the year	(17.09)	(15.21)
<b>Balance at the end of the year</b>	<b>1.39</b>	<b>1.39</b>

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

## 13 Cash and cash equivalents

Particulars	As at 31 March, 2024	As at 31 March, 2023
Balances with banks		
- In current accounts	80.89	56.13
- In fixed deposits	190.05	20.00
Cheques / drafts on hand	14.08	14.04
Cash on hand	1.38	0.43
<b>Total</b>	<b>286.40</b>	<b>90.60</b>

*Cash and cash equivalents includes balance with banks which are unrestricted for withdrawal and usage.*

*Refer note 17 (iii) for security charges created on aforesaid assets*

## 14 Bank balance other than cash and cash equivalents

Particulars	As at 31 March, 2024	As at 31 March, 2023
Bank Deposits with original maturity of more than 3 months but less than 12 months	628.22	622.45
<b>Total</b>	<b>628.22</b>	<b>622.45</b>

*Refer note 17 (iii) for security charges created on aforesaid assets*

## 15 Equity share capital

Particulars	As at 31 March, 2024	As at 31 March, 2023
<b>Authorised Equity Share capital</b>		
5,000,000,000 (5,000,000,000) equity shares of ₹ 10 each.	5,000.00	5,000.00
	<b>5,000.00</b>	<b>5,000.00</b>
<b>Issued, Subscribed and Paid-up Equity Share capital</b>		
4,020,823,535 (4,020,823,535) fully paid up equity shares of ₹ 10 each.	4,020.82	4,020.82
	<b>4,020.82</b>	<b>4,020.82</b>

## Notes to financial statements

(Amount in ₹ crores, unless otherwise stated)

### a. Reconciliation of the shares outstanding at the beginning and at the end of the year

Equity shares	As at 31 March, 2024		As at 31 March, 2023	
	No of Shares	Amount	No of Shares	Amount
At the beginning of the year	4,02,08,23,535	4,020.82	4,02,08,23,535	4,020.82
Issued during the year	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>4,02,08,23,535</b>	<b>4,020.82</b>	<b>4,02,08,23,535</b>	<b>4,020.82</b>

#### Details of shares allotted for consideration other than cash

During the year ended 31 March, 2020 620,773,535 numbers Equity Shares of ₹ 10 each at a premium of ₹ 1.94 per share, have been issued through Preferential allotment to Parent Company on conversion of intercorporate deposit (including interest accrued amounting to ₹ 40 Crores) ₹ 460.25 Crores and unsecured perpetual Instrument.

### b. Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The dividend if proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting. During the current year, the Company has paid dividend of ₹ Nil (PY : ₹ 341.77 Crores) after obtaining the necessary approval. In the event of liquidation of the Company the holders of the equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

### c. Details of shareholding of the promoters, holding company and shareholders holding more than 5% shares in the Company

Equity shares of ₹ 10 each fully paid	As at 31 March, 2024		As at 31 March, 2023	
	No. Shares	% held	No. Shares	% held
Adani Energy Solutions Limited and its nominees (Promoters and holding company)##	3,01,15,96,827	74.90%	3,01,15,96,827	74.90%
Qatar Holding LLC ##	1,00,92,26,708	25.10%	1,00,92,26,708	25.10%
	<b>4,02,08,23,535</b>	<b>100.00%</b>	<b>4,02,08,23,535</b>	<b>100.00%</b>
## Shares pledged				
Number of equity shares pledged to lenders - 100% (31 March, 2023 - 100%)		4,02,08,23,529		4,02,08,23,529

### d. Details of Shareholding of Promoters

Particulars	No. of shares	% of total shares	% Change during the year	Remark if change is more than 25%
<b>As at 31 March, 2024</b>				
Adani Energy Solutions Limited and its nominees (Promoters and holding company)	3,01,15,96,827	74.90%	Nil	Not applicable
	<b>3,01,15,96,827</b>	<b>74.90%</b>		
<b>As at 31 March, 2023</b>				
Adani Energy Solutions Limited and its nominees (Promoters and holding company)	3,01,15,96,827	74.90%	Nil	Not applicable
	<b>3,01,15,96,827</b>	<b>74.90%</b>		

# Notes to financial statements

(Amount in ₹ crores, unless otherwise stated)

## 16 Other equity

### a. Capital reserve

Particulars	As at 31 March, 2024	As at 31 March, 2023
Opening balance	230.78	230.78
Add : Additions during the year	–	–
<b>Closing balance</b>	<b>230.78</b>	<b>230.78</b>

Capital reserve represents the gain arising on accounting of business combination, wherein on the acquisition date the net amounts of the identifiable assets acquired and the liabilities assumed exceeded the consideration amount paid.

### b. Restructuring reserve

Particulars	As at 31 March, 2024	As at 31 March, 2023
Opening balance	–	–
Add : Adjustment on account of capital reorganisation (refer note 36)	10.79	–
<b>Closing balance</b>	<b>10.79</b>	<b>–</b>

### c. Cashflow hedge reserve

Particulars	As at 31 March, 2024	As at 31 March, 2023
Opening balance	(215.54)	(265.77)
Impact on account of restatement (refer note 38)	–	92.87
Add : Other comprehensive (loss) during the year	(142.21)	(42.64)
<b>Closing balance</b>	<b>(357.75)</b>	<b>(215.54)</b>

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.

### d. Contingency reserve fund

Particulars	As at 31 March, 2024	As at 31 March, 2023
Opening balance	252.79	245.43
Transfer from retained earnings	6.92	7.36
<b>Closing balance</b>	<b>259.71</b>	<b>252.79</b>

As per the provisions of MERC MYT Regulations read with Tariff orders passed by MERC, the Company being a Distribution and Transmission Licensee, makes an appropriation to the Contingency Reserve Fund to meet with certain exigencies. Investments have been made in securities issued by Government of India. (refer note 6)

### e. Securities premium

Particulars	As at 31 March, 2024	As at 31 March, 2023
Opening Balance	120.43	120.43
Add : Additions during the year	–	–
<b>Closing Balance</b>	<b>120.43</b>	<b>120.43</b>

Securities Premium is used to record the premium on issue of shares and is utilised in accordance with the provisions of the Companies Act, 2013.

## Notes to financial statements

(Amount in ₹ crores, unless otherwise stated)

### f. Retained earnings

Particulars	As at 31 March, 2024	As at 31 March, 2023
Opening balance	422.56	343.12
Profit for the year	229.86	95.18
Other comprehensive (loss) arising from tax related items that will not be classified into profit or loss	-	(8.38)
Transfer to contingency reserve fund	(6.92)	(7.36)
Payment of dividend on equity shares	(341.77)	-
<b>Closing balance</b>	<b>303.73</b>	<b>422.56</b>
<b>Total</b>	<b>567.69</b>	<b>811.02</b>

- (i) Retained earnings represents the amount that can be distributed by the Company to its shareholders as dividends considering the requirements of the Companies' Act, 2013
- (ii) The Board of Directors of the Company in their meeting held on 26 May, 2023, have declared interim dividend of ₹ 0.85 per equity share of ₹ 10 each for the financial year 2022-23 amounting to ₹ 341.77 crores.

### 17 Non-current borrowings

Particulars	As at 31 March, 2024	As at 31 March, 2023
<b>Secured</b>		
External Commercial Borrowings in Foreign Currency		
Senior Secured Note - 3.949%	7,289.87	8,158.69
Sustainability Linked Notes - 3.867%	2,480.45	2,440.41
<b>Unsecured</b>		
External Commercial Borrowings in Foreign Currency from related party		
Shareholders Affiliated Debts - 6.365%	2,327.88	2,289.52
<b>Total</b>	<b>12,098.20</b>	<b>12,888.62</b>

#### Notes 17 (i)

During the year the Company has complied with all the covenants as required under bond agreement.

#### Notes 17 (ii)

Pursuant to approval by Board of Directors held on 26 May 2023, and approval of management committee of the Board of Directors of the Company in their meeting held on 13 November 2023, during the year ended 31 March, 2024 the Company has completed partial re-purchase of US\$ 120 million of its outstanding 3.949% US\$ 1000 million senior secured notes due 2030, through cash Tender Offer for purchase price of US\$ 850 for early bid and US\$ 800 for post early bid per US\$ 1000 principal amount based on the terms and conditions mentioned in tender offer memorandum on 30 November 2023.

Post re-purchase, the Company has recognised one time income of ₹ 136.49 crores (net of expenses ₹ 13.57 crores) on derecognition of liability and the Company has cancelled the aforementioned 3.949% US\$ 120 million Senior Secured Notes.

## Notes to financial statements

(Amount in ₹ crores, unless otherwise stated)

### Note 17 (iii)

Borrowings	Security	Terms of repayment of borrowings
Sustainability Linked Notes - 3.87% (and related hedging instruments)	a) a first pari passu mortgage over certain identified immovable properties; b) a first pari passu charge on the movable assets (both present and future); c) a first pari passu charge on all book debts, operating cash flows, receivables (excluding Past Period Regulatory Assets, monies in the Debenture Liquidity Account and the post distribution cash flows), commissions or revenues whatsoever arising out of the expansion of capex in relation to existing business (both present and future);	By way of bullet payment in July 2031 with an obligation to prepay the debt on occurrence of certain events. The Company can voluntarily prepay the Bond on payment of premium.
Senior Secured Note - 3.949% (and related hedging instruments)	d) a first pari passu charge on the accounts under the Project Accounts Deed (except the Excluded Accounts (which means the AEML PPRA Account, the Debenture Liquidity Account, each of the AEML Post Distribution Cash Flow Accounts; any accounts opened for the purpose of managing any Excluded Cash Flows; and the AEML Distributions Account)) and amounts lying to the credit of such accounts (both present and future); e) a first pari passu assignment in relation to Transmission License and Distribution License, subject to approval from the MERC;	By way of bullet payment in February 2030 with an obligation to prepay the debt on occurrence of certain events. The Company can voluntarily prepay the Bond on payment of premium.
Working capital short term loan	f) a pledge over 100% of the entire paid up equity and preference share capital of the Company if any; g) a non-disposal undertaking over immovable properties other than certain identified immovable properties; h) a non-disposal undertaking over the immovable and moveable assets (including all book debts, operating cash flows, receivables, commissions or revenues whatsoever) of Power Distribution Services Limited [PDSL, the Service Company] (both present and future); and i) a non-disposal undertaking over 100% of the equity and preference share capital of the Service Company, if any:  In addition to the aforesaid, the Collateral shall also include such security interest as may be required to be created by other group entities of the Issuer in the future, and such collateral may be shared in the same manner as aforementioned with other lenders of the Company, and such future obligors.	Working capital short term loans outstanding as on 31 March, 2024 are repayable within 03 months and the rate of interest ranges from 7.60% p.a. to 8.98% p.a. (refer note 24)
Shareholders Affiliated Debts - 6.365%	<b>Ranking of Security</b> The Collateral will be a first charge ranking pari passu among the debt security holders, without any preference or priority and shall rank pari passu with all the senior secured debt of the Company in accordance with the Senior Secured Note Documents and the intercreditor agreement.  (i) First-ranking fixed charge over all its present and future right, title, benefit and interest in the Excluded Loan Accounts  (ii) First-ranking floating charge over all of its present and future right, title, benefit and interest in the equity distribution account	Shareholders Affiliated Debts are repayable commencing from February 2027 through February 2040 with an obligation to prepay the debt on occurrence of certain events. The Company can voluntarily prepay the debt on payment of premium.

## Notes to financial statements

(Amount in ₹ crores, unless otherwise stated)

### 18 Lease liabilities

Particulars	Non-current		Current	
	As at 31 March, 2024	As at 31 March, 2023	As at 31 March, 2024	As at 31 March, 2023
Lease liabilities (refer note 33)	7.43	14.47	11.71	16.27
<b>Total</b>	<b>7.43</b>	<b>14.47</b>	<b>11.71</b>	<b>16.27</b>

### 19 Trade payables

Particulars	Non-current		Current	
	As at 31 March, 2024	As at 31 March, 2023	As at 31 March, 2024	As at 31 March, 2023
(A) total outstanding dues of micro enterprises and small enterprises; and	–	–	44.25	42.87
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.	37.39	32.76	1,398.33	1,551.87
<b>Total</b>	<b>37.39</b>	<b>32.76</b>	<b>1,442.58</b>	<b>1,594.74</b>

This information as required to be disclosed under Micro, Small and Medium Enterprises Development Act 2006, to whom the Company owes dues (including interest on outstanding dues), which are outstanding as at the Balance Sheet date. The above information has been determined to the extent such parties have been identified on the basis of information available with the Company.

Particulars	As at 31 March, 2024	As at 31 March, 2023
(a) the principal amount remaining unpaid to any supplier at the end of each accounting year (including payable for Property, Plant & equipment)	217.26	232.41
(b) Interest due on principal amount remaining unpaid to any supplier at the end of each accounting year	0.67	0.67
(c) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	–	–
(d) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	0.67	0.67
(e) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	0.67	0.67
(f) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	0.67	0.67

## Notes to financial statements

(Amount in ₹ crores, unless otherwise stated)

### Trade payables ageing schedule

Particulars	Outstanding for following periods from due date of payment					
	Not Due	<1 year	1-2 years	2-3 years	More than 3 years	Total
<b>As at 31 March, 2024</b>						
(a) MSME	29.92	6.88	2.53	1.31	3.61	44.25
(b) Others	1,047.58	73.66	100.83	24.16	97.42	1,343.65
(c) Disputed dues – MSME	–	–	–	–	–	–
(d) Disputed dues - Others	–	–	–	92.07	–	92.07
<b>Total</b>	<b>1,077.50</b>	<b>80.54</b>	<b>103.36</b>	<b>117.54</b>	<b>101.03</b>	<b>1,479.97</b>
<b>As at 31 March, 2023</b>						
(a) MSME	26.07	10.79	1.67	1.27	3.07	42.87
(b) Others	903.28	273.14	156.50	97.89	61.75	1,492.56
(c) Disputed dues – MSME	–	–	–	–	–	–
(d) Disputed dues - Others	–	–	92.07	–	–	92.07
<b>Total</b>	<b>929.35</b>	<b>283.93</b>	<b>250.24</b>	<b>99.16</b>	<b>64.82</b>	<b>1,627.50</b>

### 20 Other financial liabilities

Particulars	Non-current		Current	
	As at 31 March, 2024	As at 31 March, 2023	As at 31 March, 2024	As at 31 March, 2023
Interest accrued but not due on borrowings	–	–	118.34	123.25
Interest accrued but not due on security deposit from consumers	–	–	2.79	2.79
Payable towards purchase of property, plant and equipment				
(A) total outstanding dues of micro enterprises and small enterprises; and	–	–	173.68	190.21
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	–	–	262.77	363.44
Security deposit:				
-From consumers	–	–	559.01	507.02
-From customers / vendors	–	–	15.82	14.07
Regulatory liabilities other than distribution	–	–	19.36	–
Others	–	–	7.94	7.94
# Derivative instruments designated in hedge accounting relationship	62.80	3.71	–	–
<b>Total</b>	<b>62.80</b>	<b>3.71</b>	<b>1,159.71</b>	<b>1,208.72</b>

# Refer note 17 (iii) for security/charges created on hedging instruments.

# Notes to financial statements

(Amount in ₹ crores, unless otherwise stated)

## 21 Provisions

Particulars	Non-current		Current	
	As at 31 March, 2024	As at 31 March, 2023	As at 31 March, 2024	As at 31 March, 2023
Provision for gratuity (refer note 42)	206.27	152.48	32.56	29.07
Provision for compensated absences	373.75	332.98	29.59	67.85
Provision for other employment benefits	17.19	17.14	1.78	1.82
<b>Total</b>	<b>597.21</b>	<b>502.60</b>	<b>63.93</b>	<b>98.74</b>

## 22 Deferred tax liabilities (net)

Particulars	As at 31 March, 2024	As at 31 March, 2023
<b>Deferred tax liabilities in relation to</b>		
Difference between book base and tax base of property, plant and equipment	1,986.96	1,759.95
<b>Deferred Tax Liabilities</b>	<b>1,986.96</b>	<b>1,759.95</b>
<b>Deferred tax assets in relation to</b>		
Impact on account of restatement (refer note 38)	–	92.87
Tax related to items that will be reclassified to profit or loss	192.16	22.91
Allowance for doubtful debts, deposits and advances	13.06	8.66
Provisions for employee benefits and others	252.83	203.5
Unabsorbed depreciation	1,295.53	1,287.18
<b>Deferred Tax Assets</b>	<b>1,753.58</b>	<b>1,615.12</b>
<b>Deferred Tax (Assets)/Liabilities (net)</b>	<b>233.38</b>	<b>144.83</b>

## 23 Other liabilities

Particulars	Non-current		Current	
	As at 31 March, 2024	As at 31 March, 2023	As at 31 March, 2024	As at 31 March, 2023
Deferred revenue - service line contributions from consumers	292.87	265.64	15.24	12.90
Statutory dues payable	–	–	352.38	215.25
Advances from customer	–	–	76.12	64.56
Other payables	–	–	13.54	6.50
<b>Total</b>	<b>292.87</b>	<b>265.64</b>	<b>457.28</b>	<b>299.21</b>

# Notes to financial statements

(Amount in ₹ crores, unless otherwise stated)

## 24 Current borrowings

Particulars	As at 31 March, 2024	As at 31 March, 2023
<b>Secured</b>		
Working capital short term loan	1,050.00	500.00
<b>Total</b>	<b>1,050.00</b>	<b>500.00</b>

Security and rate of interest

- (i) For security of working capital loans - {refer note 17 (iii)}
- (ii) There are no charges or satisfaction which are to be registered with Registrar of Companies beyond the statutory period.
- (iii) The Company has been sanctioned working capital from banks on the basis of security of current assets. The Company in this regard has been duly submitting with all such banks from whom such facilities are taken, the quarterly statements comprising details of said current assets viz. raw material, stores and spares, finished goods, advances for power purchases and coal, book debts (including unbilled revenue), other receivable (<90 days) and regulatory assets recoverable within 1 year reduced by relevant trade payables (i.e. net of provisions, regulatory payables and other payables). The said quarterly statements are in agreement with the unaudited books of account of the Company of the respective quarters based on draft figures at the point of time of reporting and there are no material discrepancies.

## 25 Revenue from operations

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
<b>a) Income from sale of power and transmission charges</b>		
* Income from sale of power and transmission charges (net)	9,550.35	8,125.95
(Less)/add: Income from transmission charges to be adjusted in future tariff determination (net)	(38.00)	21.26
	<b>9,512.35</b>	<b>8,147.21</b>
<b>b) Other operating income</b>		
Street light maintenance charges	122.79	119.73
Income in respect of services rendered	68.94	48.41
Sale of coal rejects / fly ash	13.44	13.90
Amortisation of service line contribution	13.90	11.86
Insurance claim received	0.15	-
Miscellaneous revenue	16.36	16.17
	<b>235.58</b>	<b>210.07</b>
<b>c) Sale of traded goods</b>		
Sale of traded goods	0.02	3.68
	<b>0.02</b>	<b>3.68</b>
<b>Total</b>	<b>9,747.95</b>	<b>8,360.96</b>

\* Refer note 43 with respect to revenue recognised for performance obligation satisfied in previous periods.

# Notes to financial statements

(Amount in ₹ crores, unless otherwise stated)

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

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Income from sale of power	9,170.80	7,786.05
Income from transmission charges (net)	341.55	361.16
Income in respect of services rendered	68.94	48.41
Sale of coal rejects / fly ash	13.44	13.90
Street light maintenance charges	122.79	119.73
Sale of traded goods	0.02	3.68
Total revenue from contract with customers	9,717.54	8,332.93
Add: Cash discount / rebates etc.	51.87	41.65
Add: Income from transmission charges to be adjusted in future tariff determination (net)	38.00	(21.26)
<b>Total revenue as per contracted price</b>	<b>9,807.41</b>	<b>8,353.32</b>

## B Timing of Revenue recognition

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Goods and services are transferred at a point in time.	98.91	82.16
Goods and services transferred over the time	9,649.04	8,278.80
	<b>9,747.95</b>	<b>8,360.96</b>

## C Transaction Price - allocated to the remaining performance obligation

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

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

Contract balances	For the year ended 31 March, 2024	For the year ended 31 March, 2023
<b>Contract assets</b>		
Recoverable from consumers		
Non-current	-	-
Current	-	18.33
<b>Total</b>	<b>-</b>	<b>18.33</b>
<b>Contract liabilities</b>		
Liabilities towards consumers		
Non-current	-	-
Current	19.36	-
<b>Total</b>	<b>19.36</b>	<b>-</b>

# Notes to financial statements

(Amount in ₹ crores, unless otherwise stated)

Contract balances	For the year ended 31 March, 2024	For the year ended 31 March, 2023
<b>Net receivables</b>		
Trade receivables (gross)	470.54	453.66
Unbilled revenue	655.04	597.55
Regulatory assets other than distribution	–	18.33
(Less): Advance from consumers	(76.12)	(64.56)
(Less): Allowance for doubtful debts	(1.39)	(1.39)
	1,048.07	1,003.59

## Contract assets

Contract asset is the right to consideration in exchange for goods or services transferred to the customer when that right is conditioned on something other than passage of time. Contract Assets are transferred to receivables when the rights become unconditional.

## Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If the customer pays contribution before the Company transfers goods or services to the customers, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the performance of obligation is satisfied.

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

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Opening balance		
Recoverable from consumers - regulatory assets other than distribution	18.33	–
Liabilities towards consumers - regulatory liabilities other than distribution	–	2.94
<b>A</b>	<b>18.33</b>	<b>2.94</b>
Income from transmission charges to be adjusted in future tariff determination (net)	38.00	(21.27)
Movement in regulatory deferral balance other comprehensive income - Transmission	(0.31)	–
<b>B</b>	<b>37.69</b>	<b>(21.27)</b>
Closing balance		
Recoverable from consumers - regulatory assets other than distribution	–	18.33
Liabilities towards consumers - regulatory liabilities other than distribution	19.36	–
<b>Net</b>	<b>19.36</b>	<b>18.33</b>

## Notes to financial statements

(Amount in ₹ crores, unless otherwise stated)

### 26 Other income

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
<b>a) Interest income on :</b>		
Bank deposits	109.55	92.78
Overdue trade receivables	16.94	20.53
Investment in government securities	17.18	15.46
Loans to related party	1.34	104.73
Other interest	1.99	29.32
Unwinding of interest on security deposit	0.30	0.32
<b>b) Gain on investments</b>		
Gain on sale / fair value of current investments measured at FVTPL	11.62	4.73
<b>c) Other non-operating income</b>		
Bad debts recovery	20.91	17.89
Sale of scrap	7.42	4.10
Rental income	1.03	0.47
Delayed payment charges	26.50	35.49
Foreign exchange gain (net)	–	0.03
Profit / (loss) on sale of assets (net)	3.77	2.78
Sundry credit balances written back	1.78	2.44
Gain on partial repurchase of senior secured note {refer note 17 (ii)}	136.49	–
<b>Total</b>	<b>356.82</b>	<b>331.07</b>

### 27 Employee benefits expenses

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
# Salaries, wages & bonus	679.34	831.63
Contribution to gratuity (refer note 42)	44.47	32.48
Contribution to provident and other funds	54.53	55.56
Contribution to superannuation fund	6.06	7.71
Compensated absences	65.85	17.78
Staff welfare expenses	79.56	82.48
	929.81	1,027.64
Less : Staff cost capitalised	(101.60)	(149.64)
<b>Total</b>	<b>828.21</b>	<b>878.00</b>

# A Special Voluntary Retirement Scheme (SVRS) 2023, was rolled out for employees of the Company from 28 March, 2023 to 15 April, 2023. An amount of ₹ 211.72 crores towards the expected payout was charged during the previous year. During the current financial year the Company has discharged an amount of ₹ 122.97 crores and reverse the balance amount of ₹ 88.75 crores

# Notes to financial statements

(Amount in ₹ crores, unless otherwise stated)

## 28 Finance costs

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
<b>a) Interest expense</b>		
<b>Borrowings- amortised cost</b>		
\$ Senior secured note	341.27	350.87
\$ Shareholders affiliated debts	152.73	150.67
\$ Sustainability linked notes	104.60	103.13
Working capital loans	38.96	71.43
Foreign exchange fluctuation loss (net)	o	352.23
Interest - hedging cost	430.48	430.78
<b>Others</b>		
Security deposits from consumers	32.77	20.03
Interest on lease liabilities	3.07	4.48
Interest - others	0.18	1.13
	1,104.06	1,484.75
Less : Interest cost capitalised	(30.96)	(51.87)
	1,073.10	1,432.88
<b>b) Other borrowing costs</b>		
Other finance cost	0.95	1.38
<b>Total</b>	<b>1,074.05</b>	<b>1,434.26</b>

\$ - In Foreign Currency,

### Note :

- The capitalisation rate used to determine the amount of borrowing costs to be capitalised is the weighed average interest rate applicable to the Company's general borrowing is 9.13% p.a.(31 March 2023 : 8.76% p.a.)
- Including mark to market gain of ₹ 164.98 crores (31 March 2023: ₹ 656.18 crores) on derivative instruments designated in hedge accounting relationship.
- Shareholders affiliated debts includes ₹ 3.53 crores (31 March 2023 : ₹ 3.53 crores) towards amortisation of transaction costs,

# Notes to financial statements

(Amount in ₹ crores, unless otherwise stated)

## 29 Other expenses

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Consumption of stores and spares	47.02	51.42
Repairs and maintenance		
- Plant and machinery	304.76	347.57
- Buildings	14.43	15.75
- Others	26.42	34.46
Expenses in respect of services rendered	64.89	35.49
Short term lease rental of Land, Building, Plant & Machinery etc.	11.76	16.13
Rates and taxes	12.48	11.41
Legal and Professional Expenses	216.32	166.41
Directors' sitting fees	0.09	0.08
Bank charges	8.16	6.37
@@ Payments to auditors	2.00	1.87
Communication expenses	8.53	8.68
Travelling & conveyance expenses	32.57	34.38
Insurance expenses	14.40	17.75
License fees	4.29	1.82
Security charges	29.18	31.06
Seminar & training expenses	5.73	3.16
Software expenses	25.70	40.60
Provision for doubtful deposits	-	5.58
Bad debt Written off	17.09	15.21
Bill print/collection/ distribution	15.85	13.00
Foreign exchange fluctuation loss(net)	0.36	0.48
Call centre expenses	6.16	11.99
Donations	0.79	0.60
@@@ Corporate social responsibility expenses	9.65	7.65
Electricity expenses	0.61	0.46
Printing & stationery	0.56	0.96
Advertisement & publicity	15.59	27.31
Water charges	6.31	5.23
Other miscellaneous expenses	15.16	27.44
<b>Total</b>	<b>916.86</b>	<b>940.32</b>

### @@ Payments to auditors

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
<b>As auditor:</b>		
Statutory audit fees	1.59	1.33
Other services	0.03	0.20
Out of pocket expenses	0.07	0.05
Applicable taxes	0.31	0.29
<b>Total</b>	<b>2.00</b>	<b>1.87</b>

## Notes to financial statements

(Amount in ₹ crores, unless otherwise stated)

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

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
(i) Gross amount approved by the CSR committee / required to be spent by the company during the year	9.64	7.61
(ii) Total of previous years shortfall / (excess) amounts	(0.08)	(0.04)
(iii) Amount spend during the year on :		
(a) Construction or acquisition of any assets	-	-
(b) on purpose other than (a) above	0.09	0.23
- Donation to related party trust (not controlled by the Company)	9.56	7.42
Total amount of expenditure incurred	9.65	7.65
(iv) (Excess) / Shortfall at the end of the year	(0.09)	(0.08)
(v) Provision made towards CSR expenditure	-	-
(vi) Reason for shortfall : Not applicable		
(vii) Nature of CSR activities : Primary Education, Community Health and Sanitation, Sustainable Livelihood Development and Urban / Rural Infrastructure Development.		

## 30 Tax expenses

### 1 Income taxes recognised in the statement of profit and loss

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Current income tax (MAT)	84.54	27.20
Deferred tax	164.93	81.26
<b>Total</b>	<b>249.47</b>	<b>108.46</b>

### 2 Income Tax recognised in other comprehensive income

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Tax on remeasurement of defined benefit plans	-	8.38
Tax on Effective portion of gains and losses on designated portion of hedging instruments in a cash flow hedge (refer note 38)	76.38	22.91
<b>Total income tax recognised in other comprehensive income</b>	<b>76.38</b>	<b>31.29</b>
<b>Bifurcation of the income tax recognised in other comprehensive income into:</b>		
Items that will be reclassified to statement of profit and loss	76.38	22.91
Items that will not be reclassified to statement of profit and loss	-	8.38
<b>Total income tax recognised in other comprehensive income</b>	<b>76.38</b>	<b>31.29</b>
The income tax expenses for the year can be reconciled to the accounting profit as follows:		
Profit before tax for the year	479.33	203.64
Income tax using the company's domestic tax rate @ 34.944%	167.50	71.16
Tax effect of :		
- Non deductible expenses	3.88	2.88
- MAT credit not recognised	84.54	27.20
- Tax on other Items	(6.45)	7.22
<b>Income tax expense recognised in statement of profit and loss</b>	<b>249.47</b>	<b>108.46</b>
Current tax	84.54	27.20
Deferred tax	164.93	81.26
<b>Total</b>	<b>249.47</b>	<b>108.46</b>

# Notes to financial statements

(Amount in ₹ crores, unless otherwise stated)

## Unrecognised unused tax credits

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Unrecognised tax credits	84.54	35.58

The expiry of unrecognised unused MAT credits is as described below:

Particulars	As at 31 March, 2024	As at 31 March, 2023
Within one year	–	–
Greater than one year, less than five years	–	–
Greater than five years	314.13	229.59
No expiry date	–	–
<b>Total</b>	<b>314.13</b>	<b>229.59</b>

## 3 Deferred tax

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Deferred tax assets	1,753.58	1,615.12
Deferred tax liabilities	1,986.96	1,759.95
<b>Deferred tax (liabilities) / asset (net)</b>	<b>(233.38)</b>	<b>(144.83)</b>

## 2023-24

Particulars	Opening Balance	Recognised in statement of profit and loss	Recognised in other comprehensive income	Closing Balance
<b>Deferred tax assets in relation to</b>				
Tax related to items that will be reclassified to profit or loss	115.78	–	76.38	192.16
Allowance for doubtful debts, deposits, advances and property tax payable	8.66	4.40	–	13.06
Provisions for employee benefits and others	203.50	49.33	–	252.83
Unabsorbed depreciation	1,287.18	8.35	–	1,295.53
	1,615.12	62.08	76.38	1,753.58
<b>Deferred tax liabilities in relation to</b>				
Difference between book base and tax base of property, plant and equipment	1,759.95	227.01	–	1,986.96
	1,759.95	227.01	–	1,986.96
<b>Deferred tax (liabilities) / asset (net)</b>	<b>(144.83)</b>	<b>(164.93)</b>	<b>76.38</b>	<b>(233.38)</b>

## Notes to financial statements

(Amount in ₹ crores, unless otherwise stated)

### 2022-23

Particulars	Opening Balance	Recognised in statement of profit and loss	Recognised in other comprehensive income	Closing Balance
<b>Deferred tax assets in relation to</b>				
Tax related to items that will be reclassified to profit or loss (refer note 38)	92.87	-	22.91	115.78
Allowance for doubtful debts, deposits and advances	7.70	0.96	-	8.66
Provisions for employee benefits and others	214.57	(11.07)	-	203.50
Unabsorbed depreciation	1,113.10	174.08	-	1,287.18
	1,428.24	163.97	22.91	1,615.12
<b>Deferred tax liabilities in relation to</b>				
Difference between book base and tax base of property, plant and equipment	1,514.72	245.23	-	1,759.95
	1,514.72	245.23	-	1,759.95
<b>Deferred tax (liabilities) / asset (net)</b>	<b>(86.48)</b>	<b>(81.26)</b>	<b>22.91</b>	<b>(144.83)</b>

### 31 Earnings per share (EPS)

(A) After net movement in regulatory deferral account balance

Particulars		For the year ended 31 March, 2024	For the year ended 31 March, 2023
Profit attributable to equity shareholders		229.86	95.18
<b>Net profit including regulatory balances attributable to equity shareholder</b>		<b>229.86</b>	<b>95.18</b>

Particulars		For the year ended 31 March, 2024	For the year ended 31 March, 2023
Number of weighted average equity shares, outstanding during the year for basic EPS	No.	4,02,08,23,535	4,02,08,23,535
Nominal value of equity shares	₹	10.00	10.00
<b>Basic / diluted earnings per share after net movement in regulatory deferral account balance</b>	₹	<b>0.57</b>	<b>0.24</b>

## Notes to financial statements

(Amount in ₹ crores, unless otherwise stated)

### (B) Before net movement in regulatory deferral account balance

Particulars	For the year ended 31 March, 2024		For the year ended 31 March, 2023	
Profit attributable to equity shareholders		229.86		95.18
Regulatory (expense) / income (net of tax)		(333.41)		854.64
(Less) / add : net movement in regulatory deferral account balance	(404.00)		1,035.58	
Add / (less) : income tax on regulatory income / (expense)	70.59		(180.94)	
<b>Net profit / (loss) before regulatory (expense) / income attributable to equity shareholder</b>		<b>563.27</b>		<b>(759.46)</b>

Particulars		For the year ended 31 March, 2024	For the year ended 31 March, 2023
Number of weighted average equity shares, outstanding during the year for basic / diluted EPS	No.	4,02,08,23,535	4,02,08,23,535
Nominal value of equity shares	₹	10.00	10.00
<b>Basic / diluted earnings per share before net movement in regulatory deferral account balance</b>	₹	<b>1.40</b>	<b>(1.89)</b>

**32** The Transmission licence granted to AEML is an asset specific licence which includes list of existing and proposed transmission lines as well as transmission bays in a specified area.

In accordance with the requirements of Ind AS 36 "Impairment of Assets", Transmission Cash Generating Unit ("TCGU") which includes carrying value of Transmission License having indefinite useful life being Transmission License (₹ 981.62 crores), has been tested for impairment as at 31 March, 2024 wherein, recoverable amount of the TCGU has been determined applying value in use approach. The value in use of the TCGU has been determined using Discounted Cash Flow Method (DCF).

In deriving the recoverable amount of the TCGU a discount rate (post tax) of 9.50 % (31 March 2023: 9.50%) per annum has been used. In arriving at the recoverable amount of the TCGU, financial projections have been developed for 6 years (31 March 2023: 6 years) and thereafter in perpetuity considering a terminal growth rate of 2 % (31 March 2023: 1%) per annum.

Based on the results of the TCGU impairment test, the estimated value in use of the TCGU was higher than its carrying amount, hence no impairment loss is recorded (31 March 2023 - ₹ Nil). Management believes that any reasonably possible change in the key assumptions on which recoverable amount is based would not cause the aggregate carrying amount to exceed the fair value of the Transmission License.

The key assumptions used in determining the recoverable amount of TCGU are as follows :

- (i) Discount Rate: 9.50 % (31 March 2022: 9.50 %) Post-Tax Discount rate has been derived based on current cost of borrowing and equity rate of return in line with the current market expectations
- (ii) Capital expenditure / Capitalisation: Capital expenditure and capitalisation for 6 years (31 March 2023: 5 years) is estimated based on management projections subject to regulatory approval and thereafter ₹ 675 crores per annum (31 March 2023: ₹ 500 crores per annum)
- (iii) Terminal growth : 2% (31 March, 2023 : 1%)

## Notes to financial statements

(Amount in ₹ crores, unless otherwise stated)

### 33 Leases

Disclosure under Ind AS 116 leases:

a) The following is the movement in lease liabilities during the period ended 31 March, 2024

Particulars	As at 31 March, 2024	As at 31 March, 2023
Opening balance	30.74	44.84
Interest on lease liabilities	3.07	4.48
Lease liabilities on account of leases entered / terminated during the year	-	-
Payments of lease liabilities / other adjustments	(14.67)	(18.58)
<b>Closing balance (refer note 18)</b>	<b>19.14</b>	<b>30.74</b>

b) Where the company is a lessee :

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

- i Interest expenses on lease liabilities amounts to ₹ 3.07 crores (31 March, 2023 ₹ 4.48 crores)
- ii The expense relating to payments not included in the measurement of the lease liability and recognised as expenses in the statement of profit and loss during the year is as follows :
  - Low value leases - Immaterial
  - Short-term leases - ₹ 11.76 crores (31 March, 2023 ₹ 16.13 crores)
- iii Total Cash outflow for leases amounts to ₹ 26.43 Crores (31 March, 2023 ₹ 34.71 crores) during the year including cash outflow short term and low value leases.
- iv Incremental rate of borrowing considered during the year is 10% (31 March, 2023 10%)
- v Refer note 5b for gross, addition, amortisation, depreciation and net carrying value of lease assets

### 34 Contingent liabilities and commitments

(A) Contingent liabilities :

Particulars	As at 31 March, 2024	As at 31 March, 2023
<b>Claims against the Company not probable and hence not acknowledged as debts consists of : -</b>		
(i) Demand disputed by the Company relating to Service tax on street light maintainance, wheeling charges and cross subsidy surcharges - refer note 3 below	353.55	353.55
(ii) Claims raised by the Government authorities towards unearned income arising on alleged transfer of certain land parcels - refer note 3 below	127.65	127.65
(iii) Way Leave fees claims disputed by the Company relating to rates charged - refer note 3 below	28.43	28.43
(iv) Property related disputes - refer note 3 below	2.59	2.59
(v) Other claims against the Company not acknowledged as debts.	2.12	2.12
(vi) Claims raised by Vidharbha Industries Power Limited (VIPL) in respect of increase in fuel cost for the financial year ended 31 March, 2019 - refer note 3 below and refer note 35	1,381.28	1,381.28
(vii) Demand disputed by the Company relating to Standby Charges including Interest payable - refer note 4 below	398.68	213.79
(viii) Liability in respect of termination of power purchase lease agreement - refer note 6 below	@@	@@
	<b>2,294.30</b>	<b>2,109.41</b>

# Notes to financial statements

(Amount in ₹ crores, unless otherwise stated)

@@ Amount not determinable

## Notes:

- 1 Amounts in respect of employee related claims/disputes, consumer related litigation, regulatory matters is not ascertainable.
- 2 Future cash flows in respect of above matters are determinable only on receipt of judgements/decisions pending at various forums/authorities.
- 3 In terms of the Share Purchase Agreement entered into by the Company, AESL with RINFRA, in the event the above matters are decided against the Company and are not recoverable from the consumers, the same would be recovered from RINFRA.
- 4 Appeal has been filed by the Company under Section 111 of the Electricity Act, 2003, challenging the Order dated 31 March 2023 passed by the Maharashtra Electricity Regulatory Commission directing levy of Standby charges by Maharashtra State Electricity Distribution Company Limited.
- 5 The above contingent liabilities (except interest payable of ₹ 28.67 included on vii) to the extent pertaining to regulated business, on which unfavourable outcome are recoverable from consumers subject to MERC approval.
- 6 The Company had terminated long term Power purchase agreement (PPA) due to non-performance of obligations under the PPA by VIPL, such termination has been upheld by MERC / Appellate Tribunal of Electricity ("ATE"). VIPL has filed an appeal before the Hon'ble Supreme Court against the said order issued by the ATE. The proceedings are ongoing with the Hon'ble Supreme Court.

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

## (B) Commitments :

Particulars	As at 31 March, 2024	As at 31 March, 2023
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advance)	281.05	551.90
	<b>281.05</b>	<b>551.90</b>

## (C) Other commitments :

- a) For procurement of Hybrid (Solar/Wind) power on long term basis, AEML has entered into a long term 25 years PPA of 700 MW per annum with a group entity (Adani Hybrid Energy Jaisalmer Four Limited) to purchase 700 MW per annum of Hybrid Renewable Power at ₹ 3.24 per unit.
- b) AEML has entered into a Power Purchase Agreement for procurement of Power 500 MW per annum on Medium term basis, i.e from 01 September, 2022 to 14 October 2024 with a group entity (Adani Enterprises Limited) at ₹ 5.98 per unit.

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

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

## Notes to financial statements

(Amount in ₹ crores, unless otherwise stated)

**36** Maharashtra Electricity Regulatory Commission ('MERC') vide its order dated 26 December 2022 granted an in-principal approval for the transfer of Company's distribution network infrastructure in Seepz SEZ area to AEML Seepz Limited ('ASL'), a wholly owned subsidiary of the Company. Based on the principles laid down by MERC, ASL filed requisite petitions for approval of tariff, power procurement plan and switchover/changeover protocol (i.e. shifting of consumers from other Distribution Licensees to ASL and vice versa in SEEPZ area) which have been approved by MERC on 09 October 2023.

Subsequently, the Company and ASL have entered into a Business Transfer agreement dated 1 November 2023 for transfer of Company's distribution network infrastructure (including movable and immoveable assets) in Seepz SEZ area as a going concern to ASL, on a slump sale for a total consideration of ₹ 36.96 crore. Considering this is a business restructuring, the excess of consideration over net assets transferred aggregating ₹ 10.79 crore is recognised in Balance Sheet under 'Other Equity'.

Sr. No	Details related to transaction	Amount
<b>a</b>	<b>Consideration</b>	<b>36.96</b>
<b>b</b>	<b>Assets and liabilities transferred</b>	
	Assets	
	Property plant and equipment	33.94
	Trade receivable	1.04
<b>b.1</b>	<b>Total Assets</b>	<b>34.98</b>
	Liabilities	
	Security deposit received from consumers	8.41
	Advance received from consumers	0.40
<b>b.2</b>	<b>Total Liabilities</b>	<b>8.81</b>
<b>c</b>	<b>Net assets transferred (b1-b2)</b>	<b>26.17</b>
<b>d</b>	<b>Capital Reserve (a-c)</b>	<b>10.79</b>

### 37 Transaction with Struck off companies

Name of the Struck off company	Nature of transactions with struck off company	Balance outstanding	Relation with the struck off company, if any, to be disclosed
<b>As at 31 March, 2024</b>			
<b>Receivables</b>			
United Glass Works Pvt. Ltd.	Sale of power	0.01	Consumer
Suchammedi Mover Pvt. Ltd.	Sale of power	0.01	Consumer
N R Enterprises Ltd.	Sale of power	0.01	Consumer
J V D Developers Pvt. Ltd.	Sale of power	0.01	Consumer
New Vision Pvt. Ltd.	Sale of power	0.01	Consumer
Real Infrastructure Co.	Sale of power	0.01	Consumer
Zenith Construction Co.	Sale of power	0.01	Consumer
Others - 631 Parties < 50K	Sale of power	0.14	Consumer

# Notes to financial statements

(Amount in ₹ crores, unless otherwise stated)

## 37 Transaction with Struck off companies

Name of the Struck off company	Nature of transactions with struck off company	Balance outstanding	Relation with the struck off company, if any, to be disclosed
<b>As at 31 March, 2023</b>			
<b>Payables</b>			
Saptagiri Electrical Engineering Limited	Purchase of service	0.02	Vendor
Inavit Engineering & Consulting Private Limited	Purchase of service	0.01	Vendor
Sanjyot Laser Private Limited	Purchase of service	0.01	Vendor
<b>Receivables</b>			
Shree Sai Seva Kripa Sra Socaiey Limited	Sale of power	0.01	Consumer
Shanti Sagar Realty India Private Limited	Sale of power	0.01	Consumer
N R Enterprises Limited	Sale of power	0.01	Consumer
Parekh Bldg Dev Private Limited	Sale of power	0.01	Consumer
Comet Plast Machinery Private Limited	Sale of power	0.01	Consumer
Others - 797 Parties < 50K	Sale of power	0.15	Consumer

**Note :** If any transaction with a struck off company has happened during a financial year and settled / reversed / squared off, etc., during the same financial year such that the balance outstanding is NIL as at 31 March, 2024 is less than 50K (31 March, 2023 is less than 50K)

**38** During the year, the Company has recognised the deferred tax expense/credit with respect to the effective portion of gain/(losses) on a cash flow hedge classified in Other Comprehensive Income in accordance with Ind AS 12, Income Taxes. Pursuant to the impact of aforesaid changes, the Company has restated the numbers for the comparative periods, which has resulted increase in deferred tax credit on Other Comprehensive Income by ₹ 22.91 Crores for the year ended 31 March, 2023, with corresponding increase in Total Comprehensive Income for the year. The opening balances as at 01 April, 2022 have also been restated in respect of Other Equity increased by ₹ 92.87 crores and Deferred Tax Liabilities decreased by ₹ 92.87 crores in respect of the above matter. As a result of the above, Other Equity has been increased by ₹ 115.78 Crores and Deferred Tax Liabilities has been decreased by ₹115.78 Crores as at 31 March, 2023.

**39** During the previous financial year, a short seller report ("SSR") was published in which certain allegations were made on certain Adani Group Companies including Adani Energy Solution Limited (formerly known as "Adani Transmission Limited") ("the Holding Company") and its subsidiary ("the Company"). In this regard, certain writ petitions were filed with the Hon'ble Supreme Court ("SC") seeking independent investigation of the allegations in the SSR and the Securities and Exchange Board of India ("SEBI") also commenced investigating the allegations made in the SSR for any violations of applicable SEBI Regulations. The SC also constituted an expert committee to investigate and advise into the various aspect of existing laws and regulations and directed the SEBI to consider certain additional aspects in its scope. The Expert committee submitted its report dated 06 May 2023, finding no evidence of regulatory failure, in respect of applicable laws and regulations. The SEBI also concluded its investigations in twenty two of the twenty-four matters as per the status report dated 25 August 2023, to the SC.

## Notes to financial statements

(Amount in ₹ crores, unless otherwise stated)

The SC in its order dated 03 January 2024, disposed off all matters of appeal in various petitions including petitions for separate independent investigations relating to the allegations in the SSR (including other allegation) and stated that the SEBI should complete the pending two investigations, preferably within 3 months, and take its investigations (including the twenty-two investigations already completed) to their logical conclusion in accordance with law. During the quarter, the Holding Company has received Show Cause Notice (SCN) from the SEBI relating to validity of Peer Review Certificate (PRC) of one of the former statutory auditor in respect of an earlier period, which the Holding Company has responded. Based on legal advice obtained, management believes that the matter is technical in nature and has no material consequential effects to relevant financial statements, and that there is no material non-compliance of applicable laws and regulations.

In April 23, the Holding Company had obtained a legal opinion by independent law firm, confirming (a) none of the alleged related parties mentioned in the short-seller report were related parties to its Holding Company and its Subsidiaries, under applicable frameworks; and (b) the Holding Company and its Subsidiaries are in compliance with the requirements of applicable laws and regulations.

Based on the legal opinions, the SC order and the fact that there are no pending regulatory or adjudicatory proceedings as of date, except as mentioned above, the management concludes that there are no consequences of the allegations mentioned in the SSR and other allegations on its Holding Company and its subsidiaries and accordingly, these financial statements do not have any adjustments in this regard.

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

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

### 41 Related Party Disclosure

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

#### Name of related parties & description of relationship

<b>(A) Ultimate Holding Entity</b>	S. B. Adani Family Trust (SBAFT)
<b>(B) Holding Company</b>	Adani Energy Solutions Limited ( Formerly known as Adani Transmission Limited)
<b>(C) Subsidiary Company</b>	Adani Electricity Mumbai Infra Limited AEML SEEPZ Limited
<b>(D) Key Management Personnel:</b>	Mr. Anil Sardana, Chairman and Non Executive Director Mr. Kandarp Patel, Managing Director & CEO Mr. Sagar Adani , Non Executive Director Mr. Kenneth McLaren, Non Executive Director Mr. Quinton Choi, Non Executive Director Mr. K Jairaj, Independent Director Ms. Chandra Iyengar, Independent Director Mr. Kunjal Mehta, Chief Financial Officer (w.e.f. 02 May,2022) Mr. Jaladhi Shukla, Company Secretary

# Notes to financial statements

(Amount in ₹ crores, unless otherwise stated)

<b>(E) Entity having significant influence</b>	Qatar Holding LLC
<b>(F) Enterprises over which (A) or (B) or (D) or (E) above have significant influence : (where transactions have taken place during the year and previous year / balance outstanding)</b>	Adani Power Limited
	Adani Enterprises Limited
	Adani Properties Private Limited
	Karnavati Aviation Private Limited
	Adani Power (Mundra) Limited (amalgamated in to Adani Power Limited w.e.f. 08 February 2023)
	Adani Green Energy Limited
	Mundra Solar Pv Limited
	Super heights Infraspaces Private Limited
	Adani Electricity Navi Mumbai Limited
	Power Distribution Services Limited
	Adani Power Maharashtra Limited (amalgamated in to Adani Power Limited w.e.f. 08 February 2023)
	Adani Total Gas Limited
	Adani Hybrid Energy Jaisalmer Four Limited
	Adani Foundation
	Adani Hospitals Mundra Private Limited
	Mumbai International Airport Limited
	Adani Power Rajasthan Limited (amalgamated in to Adani Power Limited w.e.f. 08 February 2023)
	Ahmedabad International Airport Limited
	Adani Ports And Special Economic Zone Limited
	Valuable Properties Private Limited
	Adani Krishnapatnam Port Limited
	Adani Petronet (Dahej) Port Limited
	Adani Airport Holdings Limited
	Ambuja Cements Limited
	Guwahati International Airport Limited
	PLR Systems Private Limited
	Mundra Petrochem Limited
	Dighi Port Limited
	Adani New Industries Limited
	Adani Sportsline Private Limited
	SBSR Power Cleantech Eleven Private Limited
	Adani Renewable Energy Holding Twelve Limited
	Alpha Design Technologies Private Limited
	Belvedere Gold and Country Club Private Limited
	ACC Limited
	Adani Digital Labs Private Limited
	Adani Infrastructure and Developers Private Limited
	Adani Skill Development Centre
	Adani Social Development Foundation
	Adani Totalenergies E-Mobility Limited
Adaniconnex Private Limited	
Dharavi Redevelopment Project Private Limited	
Kutch Copper Limited	
M P Power Transmission Package-II Limited	
Mundra Solar Energy Limited	
TRV (Kerala) International Airport Limited	
Vishakha Renewables Private Limited	
<b>(G) Employee Benefits Funds :</b>	AEML Gratuity Fund
	AEML Superannuation Fund

## Notes to financial statements

(Amount in ₹ crores, unless otherwise stated)

### Remuneration paid to Key Management Personnel (KMP):

Nature of Transaction	Name of Related Party	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Loan given	Adani Properties Private Limited	–	1,000.00
	AEML SEEPZ Limited	38.65	43.10
Loan received back	Adani Properties Private Limited	–	2,040.00
	AEML SEEPZ Limited	7.43	42.82
Investment in subsidiary	AEML SEEPZ Limited	13.50	–
Interest expenses on shareholders affiliated debts (refer note 5 below)	Qatar Holding LLC	149.20	147.14
Interest income	Adani Properties Private Limited	–	104.73
	AEML SEEPZ Limited	1.34	–
	Adani Enterprises Limited	0.64	22.69
Contribution to employee benefits	AEML Gratuity Fund	0.95	0.98
	AEML Superannuation Fund	6.06	7.71
Receipt of services	Karnavati Aviation Private Limited	–	9.00
	Adani Power (Mundra) Limited	–	0.00
	Adani Enterprises Limited	108.79	85.73
	Power Distribution Services Limited	15.00	15.00
	Adani Petronet (Dahej) Port Limited	3.61	4.04
	Mundra Solar Pv Limited	–	0.01
	Alpha Design Technologies Private Limited	1.94	3.54
	Belvedere Gold and Country Club Private Limited	0.03	0.01
	Adani Hospitals Mundra Private Limited	–	0.04
	Adani Power Limited	0.01	–
	Adani Social Development Foundation	0.20	–
Purchase of Goods / Services	Adani Power Limited	52.31	–
Purchase of assets	Adani Totalenergies E-Mobility Limited	0.54	–
Expenses incurred on behalf of wholly owned subsidiary company	AEML SEEPZ Limited	3.01	–
Services given	Kutch Copper Limited	0.57	–

# Notes to financial statements

(Amount in ₹ crores, unless otherwise stated)

Nature of Transaction	Name of Related Party	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Employee advance transferred out	Adani Airport Holdings Limited	–	0.62
Employees benefits transferred from	Adani Enterprises Limited	5.77	0.11
	Adani Ports And Special Economic Zone Limited	–	0.24
	Adani Krishnapatnam Port Limited	0.01	–
	Mundra Solar Energy Limited	0.02	–
	M P Power Transmission Package-II Limited	0.06	–
	Adani Electricity Mumbai Infra Limited	6.28	–
Employees benefits transferred to	Adani Electricity Mumbai Infra Limited	–	6.55
	Adani Airport Holdings Limited	0.23	0.44
	Adani Enterprises Limited	0.11	0.13
	Ahmedabad International Airport Limited	0.26	0.02
	Adani Krishnapatnam Port Limited	–	0.43
	Adani Green Energy Limited	–	0.18
	Mumbai International Airport Limited	–	0.50
	Ambuja Cements Limited	0.05	0.90
	Adani Power Maharashtra Limited	–	0.01
	Guwahati International Airport Limited	–	0.05
	Adani Petronet (Dahej) Port Limited	–	0.01
	PLR Systems Private Limited	0.03	0.03
	Mundra Petrochem Limited	–	0.11
	Dighi Port Limited	–	0.01
	Adani New Industries Limited	–	0.05
	Adani Sportsline Private Limited	–	0.09
	Adani Power Limited	0.02	–
	Adani Ports And Sez Limited	0.50	–
	Adani Total Gas Limited	0.10	–
	Adani Infrastructure and Developers Private Limited	0.32	–
Adaniconnex Private Limited	0.04	–	
Dharavi Redevelopment Project Private Limited	0.09	–	

## Notes to financial statements

(Amount in ₹ crores, unless otherwise stated)

Nature of Transaction	Name of Related Party	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Payment made on behalf of Group Companies	Adani Electricity Navi Mumbai Limited	0.05	0.05
	Adani Electricity Mumbai Infra Limited	–	0.23
	Power Distribution Services Limited	1.52	2.58
	AEML Seepz Limited	0.12	0.18
Payment made on behalf of Group Companies - received back	Adani Electricity Navi Mumbai Limited	–	0.09
	Adani Electricity Mumbai Infra Limited	–	0.06
Advance paid towards power purchase	Adani Enterprises Limited	–	1,409.41
Corporate social responsibility contribution	Adani Foundation	7.72	7.42
	Adani Skill Development Centre	1.84	–
Purchase of coal	Adani Enterprises Limited	–	92.74
Sale of coal	Adani Power Rajasthan Limited	–	3.86
Purchase consideration received towards capital reorganisation	AEML SEEPZ Limited	36.96	–
Sale of power	AEML SEEPZ Limited	6.47	–
Sale of material (meters)	AEML SEEPZ Limited	0.00	–
Sale of advertisement space	Adani Digital Labs Private Limited	0.07	–
Purchase of power (net of discount, if any)	Adani Enterprises Limited	2,464.83	1,971.08
	SBSR Power Cleantech Eleven Private Limited	–	0.62
	Adani Hybrid Energy Jaisalmer Four Limited	930.83	708.81
	AEML SEEPZ Limited	0.22	–
Rent paid	Mumbai International Airport Limited	1.14	1.14
Reimbursement of water expenses	Mumbai International Airport Limited	0.08	–
Earnest money deposit received	Adani Total Gas Limited	–	0.10
	Adani Renewable Energy Holding Twelve Limited	–	0.04
	Vishakha Renewables Private Limited	0.14	–
	ACC Limited	0.50	–
	Ambuja Cements Limited	0.50	–

## Notes to financial statements

(Amount in ₹ crores, unless otherwise stated)

Nature of Transaction	Name of Related Party	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Dividend Paid	Adani Energy Solutions Limited	255.99	–
	Qatar Holding LLC	85.78	–
Earnest money deposit refunded	ACC Limited	0.50	–
	Ambuja Cements Limited	0.50	–
Short term employee benefits	Mr. Kandarp Patel	7.82	5.15
	Mr. Kunjal Mehta	1.48	1.28
Post employment benefits	Mr. Kandarp Patel	0.31	0.29
	Mr. Kunjal Mehta	0.08	0.06
Sitting fees to directors	Mr. K Jairaj	0.05	0.04
	Ms. Chandra Iyengar	0.04	0.04
Balance payable	Mundra Solar Pv Limited	0.10	0.10
	Karnavati Aviation Private Limited	–	6.05
	Power Distribution Services Limited	10.48	7.63
	Adani Hybrid Energy Jaisalmer Four Limited	89.07	140.89
	Adani Enterprises Limited	–	166.91
	Super heights Infraspaces Private Limited	79.00	79.00
	Mumbai International Airport Limited	–	0.55
	Ambuja Cements Limited	0.05	0.90
	Adani Power Maharashtra Limited	–	0.01
	Guwahati International Airport Limited	–	0.05
	Adani Petronet (Dahej) Port Limited	–	0.01
	PLR Systems Private Limited	0.03	0.03
	Mundra Petrochem Limited	–	0.11
	Dighi Port Limited	–	0.01
	Adani New Industries Limited	–	0.05
	Vishakha Renewables Private Limited	0.14	–
	Adani Renewable Energy Holding Twelve Limited	0.04	0.04
	Adani Sportsline Private Limited	–	0.09
	Adani Green Energy Limited	–	0.18

## Notes to financial statements

(Amount in ₹ crores, unless otherwise stated)

Nature of Transaction	Name of Related Party	For the year ended 31 March, 2024	For the year ended 31 March, 2023
	Adani Airport Holdings Limited	0.20	0.44
	Adani Hospitals Mundra Private Limited	–	0.04
	SBSR Power Cleantech Eleven Private Limited	–	0.62
	Ahmedabad International Airport Limited	0.26	0.02
	Valuable Properties Private Limited	0.06	0.06
	Adani Power (Mundra) Limited	–	0.03
	Adani Krishnapatnam Port Limited	–	0.43
	Alpha Design Technologies Private Limited	–	0.40
	Adani Total Gas Limited	0.10	0.10
	Adani Totalenergies E-Mobility Limited	0.64	–
	Adani Power Limited	0.02	–
	TRV (Kerala) International Airport Limited	0.02	–
	Adani Ports And SEZ Limited	0.74	–
	Adani Infrastructure and Developers Private Limited	0.32	–
	Adani Electricity Mumbai Infra Limited	6.28	–
	Adaniconnex Private Limited	0.04	–
	Dharavi Redevelopment Project Private Limited	0.09	–
Balance receivable	Adani Electricity Navi Mumbai Limited	0.05	0.00
	Adani Electricity Mumbai Infra Limited	–	6.78
	AEML SEEPZ Limited	38.07	0.51
	Adani Ports And Special Economic Zone Limited	–	0.23
	Adani Enterprises Limited	57.18	–
	Adani New Industries Limited	0.22	–
	Adani Krishnapatnam Port Limited	0.01	–
	Mundra Solar Energy Limited	0.02	–
	Adani Digital Labs Private Limited	0.07	–

# Notes to financial statements

(Amount in ₹ crores, unless otherwise stated)

Nature of Transaction	Name of Related Party	For the year ended 31 March, 2024	For the year ended 31 March, 2023
	Dighi Port Limited	0.00	–
	M P Power Transmission Package-II Limited	0.06	–
Borrowings - Shareholders Affiliated Debt	Qatar Holding LLC	2,352.02	2,317.19
Interest accrued but not due on Shareholders Affiliated Debt	Qatar Holding LLC	57.39	57.77

## Note:

- The above disclosure does not include transaction with / as public utility services viz, electricity, telecommunications etc. in the normal course of business.
- Transactions amongst related parties are made on terms equivalent to those that prevail in arm's length transactions and represent the substance over the legal form. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 March 2024, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2023: ₹ Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.
- Key Managerial Personnel are entitled to post-employment benefits and other long term employee benefits recognised as per Ind AS 19 - 'Employee Benefits' in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above.
- Refer note 34 (C) for commitments with related parties.
- Amounts disclosed are contractual undiscounted cash flows.

## 42 Disclosure under Ind AS 19 "Employee benefits" :

### 1 Defined contribution plan

- Provident fund
- Superannuation fund
- State defined contribution plans
  - Employer's contribution to Employees' state insurance
  - Employees' Contribution to Employees' Pension Scheme 1995

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

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

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Contribution to Provident fund	41.84	41.50
Contribution to Employees Superannuation fund	6.06	7.71
Contribution to Employees State Insurance Corporation	0.01	0.08
Contribution to Employees Pension scheme	5.83	6.37

# Notes to financial statements

(Amount in ₹ crores, unless otherwise stated)

## 2 Defined benefit plan

### Gratuity

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

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
<b>Principal assumptions in actuarial valuation</b>		
Rate of discounting	7.21%	7.44%
Rate of salary increase	10.50%	10.25%
Rate of employee turnover	1.00%	1.00%
Mortality rate during employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)
<b>Change in the present value of defined benefit obligation</b>	<b>31-Mar-24</b>	<b>31-Mar-23</b>
Present value of benefit obligation at the beginning of the year	656.14	682.13
Liability transferred in	3.38	0.15
Liability transferred out	(8.46)	(1.38)
Interest cost	43.32	47.61
Current service cost	30.97	37.19
Liabilities extinguished on settlement	-	(18.16)
Benefit paid from the fund	(82.95)	(40.60)
Actuarial (Gain) / Losses on obligation- due to change in financial assumptions	23.49	(22.18)
Actuarial (Gain) / Losses on obligation-due to experience	(11.32)	(28.62)
<b>Present value of benefit obligation at the end of the year</b>	<b>654.57</b>	<b>656.14</b>
<b>Change in the fair value of plan assets</b>		
Fair value of plan asset at the beginning of the year	474.59	489.46
Assets transferred out	(4.93)	(6.55)
Interest income	29.81	34.16
Benefit paid from the fund	(82.95)	(40.60)
Contribution by the employer	0.95	0.98
Return on plan assets excluding interest income	(1.73)	(2.86)
<b>Fair value of plan asset at the end of the year</b>	<b>415.74</b>	<b>474.59</b>
<b>Amount recognised in the balance sheet</b>		
Present value of benefit obligation at the end of the year	654.57	656.14
Fair value of plan assets at the end of the year	415.74	474.59
<b>Funded status (Deficit)</b>	<b>(238.83)</b>	<b>(181.55)</b>
<b>Net (liability) recognized in the balance sheet</b>	<b>(238.83)</b>	<b>(181.55)</b>
Provisions - Current	32.56	29.07
Non-current	206.27	152.48

# Notes to financial statements

(Amount in ₹ crores, unless otherwise stated)

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
<b>Expenses recognized in the Statement of profit and loss</b>		
Current service cost	30.97	37.19
Net interest cost	13.50	13.45
Loss / (Gains) on curtailments and settlements	–	(18.16)
<b>Expenses recognised</b>	<b>44.47</b>	<b>32.48</b>
<b>Expenses recognised in Other comprehensive income (OCI)</b>		
Actuarial (Gains) / losses on obligation for the year	12.19	(50.80)
Return on plan assets excluding interest income	1.72	2.86
<b>Net income for the year recognised in OCI</b>	<b>13.91</b>	<b>(47.94)</b>
<b>Major categories of plan assets</b>		
Government securities	80.39%	80.39%
Debt and other instruments	9.85%	9.85%
Equity instruments	9.76%	9.76%
Total	100%	100%
<b>Expected contribution for next financial year</b>	<b>32.56</b>	<b>29.07</b>
<b>Expected maturity analysis of undiscounted defined benefit obligation is as follows</b>		
Within one year	39.54	107.25
Between 2 to 5 years	196.89	168.88
Between 6 to 10 years	336.98	310.04
Beyond 10 years	743.45	694.76
The weighted average duration of the defined benefit obligation	10.00	9.00
<b>Sensitivity analysis</b>		
Projected benefit obligation on current assumptions	654.57	656.14
Assumptions – discount rate		
Sensitivity level	1.00%	1.00%
Impact on defined benefit obligation –in % increase	(7.46%)	(6.69%)
Impact on defined benefit obligation –in ₹ crores	(48.83)	(43.90)
Impact on defined benefit obligation –in % decrease	8.51%	7.62%
Impact on defined benefit obligation –in ₹ crores	55.68	50.02
<b>Assumptions – Future salary increase</b>		
<b>Sensitivity level</b>	<b>1.00%</b>	<b>1.00%</b>
Impact on defined benefit obligation –in % increase	7.90%	7.13%
Impact on defined benefit obligation –in ₹ crores	51.73	46.77
Impact on defined benefit obligation –in % decrease	(7.07%)	(6.41%)
Impact on defined benefit obligation –in ₹ crores	(46.29)	(42.04)

# Notes to financial statements

(Amount in ₹ crores, unless otherwise stated)

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
<b>Assumptions – Employee turnover</b>		
Sensitivity level	1.00%	1.00%
Impact on defined benefit obligation –in % increase	(1.61%)	(1.28%)
Impact on defined benefit obligation –in ₹ crores	(10.52)	(8.37)
Impact on defined benefit obligation –in % decrease	1.78%	1.41%
Impact on defined benefit obligation –in ₹ crores	11.64	9.24

2. (i) The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting year) has been applied as when calculating the defined benefit liability recognised in the balance sheet.
2. (ii) The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

### 3 Risk exposure:

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

3. (i) Asset volatility:  
The plan liabilities are calculated using a discount rate set with reference to government bond yield. If plan assets underperform this yield, it will result in deficit. These are subject to interest rate risk. To offset the risk, the plan assets have been deployed in high grade insurer managed funds.
3. (ii) Inflation rate risk:  
Inflation higher than expected increase in salary could increase the defined benefit obligation.
3. (iii) Demographic risk:  
The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

### 43 Regulatory deferral account

Particulars	As at 31 March, 2024	As at 31 March, 2023
<b>Net Regulatory deferral account</b>		
Regulatory assets	1,571.36	1,961.73
<b>Net regulatory assets</b>	<b>1,571.36</b>	<b>1,961.73</b>

#### Rate regulated activities

- 1 As per the Ind AS-114 'Regulatory Deferral Accounts', the business of electricity distribution is a Rate Regulated activity wherein Maharashtra Electricity Regulatory Commission (MERC), the regulator determines Tariff to be charged from consumers based on prevailing regulations in place.
- 2 MERC Multi Year Tariff Regulations, 2019 (MYT Regulations), is applicable for the period beginning from 1 April, 2020 to 31 March, 2024. These regulations require MERC to determine tariff in a manner wherein the Company can recover its fixed and variable costs including assured rate of return on approved equity base, from its consumers. The Company determines the Revenue, Regulatory Assets and Liabilities as per the terms and conditions specified in MYT Regulations.

## Notes to financial statements

(Amount in ₹ crores, unless otherwise stated)

- 3 Maharashtra Electricity Regulatory Commission ("MERC") vide its order dated 31 March 2023, has approved the Truing -up of Annual Revenue Requirement (ARR) for FY 2019-20 to FY 2021-22, Provisional Truing -up of ARR for FY 2022-23 and revised projected ARR and Tariff for the period from 2023-24 to 2024-25 for Generation, Transmission and Distribution Business of the Company (MTR Order). Consequent to the above order, the Company has recognised net income of ₹ 242.76 crores during the year ended 31 March 2023.
- 4 Pursuant to the Mid Term Review (MTR) order issued by Maharashtra Electricity Regulatory (MERC) on 31 March 2023, the Company has recovered from customers Regulatory Asset Charge (RAC) for past years. The impact thereof on the Revenue from Operations and Net Regulatory Income/(Expense) for the reporting periods is as stated below

Sr. No	Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
a	Revenue from operations for the year	9,747.95	8,360.96
b	Less: Recovery of RAC for past years	(657.48)	-
c	<b>Revenue from operations (excluding past year recovery) (a-b)</b>	<b>9,090.47</b>	<b>8,360.96</b>
d	Regulatory income/(expense) (net)	(404.00)	1,035.58
e	Movement in regulatory deferral balance other comprehensive income - Distribution	13.60	(47.94)
f	Recovery of RAC for past years	657.48	-
g	<b>Regulatory income/(expense) (net) (d-e-f)</b>	<b>267.08</b>	<b>987.64</b>

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

Particulars	As at 31 March, 2024	As at 31 March, 2023
Opening Regulatory assets (net)	1,961.73	850.36
<b>Add:</b>		
Income recoverable from future tariff		
Revenue gap for current year	267.08	772.83
Accrued in respect of earlier year consequent to MERC MTR Order	0.03	338.54
<b>Total</b>	<b>267.11</b>	<b>1,111.37</b>
<b>Less:</b>		
Recover of RAC for previous years	(657.48)	-
Net Movement during the year	(390.37)	1,111.37
<b>Closing balance</b>	<b>1,571.36</b>	<b>1,961.73</b>

### Note :

- (i) Risk associated with future recovery/ reversal of regulatory deferral account balances (a) regulatory risk on account of changes in regulations. (b) other risks including currency or other market risks, if any. Any change in the Tariff regulations beyond the current tariff period ending on 31 March 2024 may have an impact on the recovery of Regulatory Deferral Account Balances.
- (ii) The Company will recover regulatory gap of ₹ 828.60 Crore in FY 2024-25, out of ₹. 1571.36 Crore while balance will be recovered over the life of the projects as per existing MERC regulations.

# Notes to financial statements

(Amount in ₹ crores, unless otherwise stated)

## 44 Financial instruments

### 1 Fair value measurement

Particulars	31 March, 2024		31 March, 2023	
	Book value	Fair value	Book value	Fair value
<b>Financial assets</b>				
Investment				
- Investment in mutual fund at FVTPL	–	–	742.91	742.91
- Investment in treasury bills at FVTPL	34.56	34.56	24.75	24.75
- Investment in government securities	233.51	220.31	233.61	214.32
Trade receivables	469.15	469.15	452.27	452.27
Loans	60.46	60.46	32.79	32.79
Cash and cash equivalents	286.40	286.40	90.60	90.60
Bank balance other than cash and cash equivalent	628.22	628.22	622.45	622.45
Derivative instruments designated in hedge accounting relationship	559.69	559.69	553.37	553.37
Other financial assets	1,241.06	1,241.06	1,254.03	1,254.03
<b>Total</b>	<b>3,513.05</b>	<b>3,499.85</b>	<b>4,006.78</b>	<b>3,987.49</b>
<b>Financial liabilities</b>				
Borrowings (Senior secured note - 3.949% & Sustainability linked notes - 3.867%) - fixed rate	9,770.32	8,310.57	10,599.10	7,650.03
Borrowings (Shareholders affiliated debts - 6.365%) - fixed rate	2,327.88	2,327.88	2,289.52	2,289.52
Interest accrued on borrowings	115.38	115.38	120.20	120.20
Borrowings (including interest accrued & current maturities) - floating rate	1,052.96	1,052.96	503.05	503.05
Lease liabilities	19.14	19.14	30.74	30.74
Trade payables	1,479.97	1,479.97	1,627.50	1,627.50
Derivative instruments designated in hedge accounting relationship	62.80	62.80	3.71	3.71
Other financial liabilities	1,041.37	1,041.37	1,082.68	1,082.68
<b>Total</b>	<b>15,869.82</b>	<b>14,410.07</b>	<b>16,256.50</b>	<b>13,307.43</b>

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

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

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

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

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

The Company enters into derivative financial instruments with various counterparties, principally banks and financial institutions with investment grade credit ratings. Foreign exchange forward contracts are valued using

## Notes to financial statements

(Amount in ₹ crores, unless otherwise stated)

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

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

### Level 1 :

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

### Level 2 :

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

### Level 3 :

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

Particulars	Fair Value Hierarchy as at 31 March, 2024				
	Date of Valuation	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
<b>Assets</b>					
Investments in treasury bills	31 March, 2024	34.56	–	–	34.56
Derivative financial assets	31 March, 2024	–	559.69	–	559.69
<b>Total</b>		<b>34.56</b>	<b>559.69</b>	<b>–</b>	<b>594.25</b>
<b>Liabilities</b>					
Derivative instruments designated in hedge accounting relationship					
Derivative financial Liabilities	31 March, 2024	–	62.80	–	62.80
<b>Total</b>		<b>–</b>	<b>62.80</b>	<b>–</b>	<b>62.80</b>

Particulars	Fair Value Hierarchy as at 31 March, 2023				
	Date of Valuation	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
<b>Assets</b>					
Investments in mutual funds	31 March, 2023	742.91	–	–	742.91
Investments in treasury bills	31 March, 2023	24.75	–	–	24.75
Derivative financial assets	31 March, 2023	–	553.37	–	553.37
<b>Total</b>		<b>767.66</b>	<b>553.37</b>	<b>–</b>	<b>1,321.03</b>
<b>Liabilities</b>					
Derivative financial Liabilities	31 March, 2023	–	3.71	–	3.71
<b>Total</b>		<b>–</b>	<b>3.71</b>	<b>–</b>	<b>3.71</b>

# Notes to financial statements

(Amount in ₹ crores, unless otherwise stated)

## 3 Capital Management & Gearing Ratio

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

### Gearing ratio

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

Particulars	As at 31 March, 2024	As at 31 March, 2023
Debt	13,266.54	13,511.87
Less : Cash & bank balance	1,480.26	1,321.79
<b>Net debt</b>	<b>11,786.28</b>	<b>12,190.08</b>
Total Capital	4,588.51	4,831.84
Capital & net debt	16,374.79	17,021.92
Net debt to Total Capital plus net debt ratio (%) <sup>^</sup>	72%	72%

<sup>^</sup> Net debt to Total Capital plus net debt ratio (%) excluding fair valuation of foreign loan amounting to ₹ 1,682.62 crores (31 March, 2023 ₹ 1,663.10 crores) is 69% (31 March, 2023 69%)

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

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

## 4 Financial risk management objectives and policies

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

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

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

# Notes to financial statements

(Amount in ₹ crores, unless otherwise stated)

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

## A. Market risk

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

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

### I. Foreign currency risk

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

The following table shows foreign currency exposures in US Dollar on financial instruments at the end of the reporting period. (refer note 44 (5))

#### Foreign currency exposures

Particulars	As at 31 March, 2024		As at 31 March, 2023	
	Foreign currency (in millions)	Amount	Foreign currency (in millions)	Amount
<b>In USD</b>				
(i) Interest accrued but not due	13.83	115.38	14.63	120.20
(ii) Import creditors and acceptances	2.35	19.56	0.73	5.99
(iii) Bond	880.00	7,339.65	1,000.00	8,217.00
(iv) Bond - Sustainability Linked Notes	300.00	2,502.15	300.00	2,465.10
(v) Shareholders Affiliated Debts	282.00	2,352.02	282.00	2,317.19
<b>Derivatives</b>				
- Call options	-	-	-	-
- Cross currency swaps	(993.24)	(8,284.12)	(982.00)	(8,069.09)
- Forward coupon	-	-	(2.00)	(16.43)
- Forward principal	-	-	-	-
- Coupon only swaps	(2.59)	(21.60)	(12.63)	(103.78)
- Principal only swaps	(480.00)	(4,003.46)	(600.00)	(4,930.20)
<b>Total</b>	<b>2.35</b>	<b>19.58</b>	<b>0.73</b>	<b>5.98</b>
<b>In Euro</b>				
(i) Import creditors and acceptances	0.03	0.25	0.03	0.30
<b>Total</b>	<b>0.03</b>	<b>0.25</b>	<b>0.03</b>	<b>0.30</b>

## Notes to financial statements

(Amount in ₹ crores, unless otherwise stated)

### (i) Foreign currency sensitivity analysis

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

Particulars	Effect on profit before tax and consequential impact on equity			
	As at 31 March, 2024		As at 31 March, 2023	
	Increase	Decrease	Increase	Decrease
Rupee increase / (decrease) by ₹ 1 against USD / EURO	0.24	(0.24)	0.07	(0.07)
Rupee increase / (decrease) by ₹ 2 against USD / EURO	0.48	(0.48)	0.16	(0.16)
Rupee increase / (decrease) by ₹ 3 against USD / EURO	0.72	(0.72)	0.23	(0.23)

### II. Interest rate risk

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

The long-term borrowings of the Group includes borrowings by way of Senior Secured Notes (SSN) and Shareholder's Affiliated Debts carries fixed rate of interest till maturity. During the year 2021-22, AEML issued the Sustainability Linked Bond (SLB) of USD 300 million through 10-year notes under USD 2 billion Global Medium-Term Notes program (GMTN) which carry fixed rate of interest till maturity with certain Sustainability Performance Targets (SPTs), non-attainment of which will result in increase in fixed rate of interest by 0.15 per cent p.a, for SPT 1 in March 2027 and further 0.15 per cent p.a. for SPT 2 for March 2029.

#### (i) Interest rate sensitivity:

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

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

Particulars	As at 31 March, 2024		As at 31 March, 2023	
	50 bps increase	50 bps decrease	50 bps increase	50 bps decrease
Interest expense on loan	2.31	(2.31)	5.11	(5.11)
Effect on profit before tax	(2.31)	2.31	(5.11)	5.11

### B. Credit risk

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

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

Credit risk on cash and bank balances is limited as the Company generally invests in deposits with banks with high credit ratings assigned by international and domestic credit rating agencies. Investments primarily

# Notes to financial statements

(Amount in ₹ crores, unless otherwise stated)

include investment in government securities and considered as low risk investments. Counterparty credit limits are reviewed by the Company's management on a regular basis. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

Particulars	As at 31 March, 2024	As at 31 March, 2023
Trade receivables	469.15	452.27
Loans	60.46	32.79
Other financial assets	1,800.75	1,807.40
<b>Total</b>	<b>2,330.36</b>	<b>2,292.46</b>

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

The Company has not acquired any credit impaired asset.

## C. Liquidity risk

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

Contractual maturities of Financial liabilities	Less than 1 year	1 to 5 years	More than 5 years	Total
<b>As at 31 March, 2024</b>				
Borrowings**	1,703.39	2,140.21	12,982.15	16,825.75
Trade payables	1,442.58	–	37.39	1,479.97
Lease liabilities***	2.07	4.85	9.49	16.41
Other financial liabilities	1,041.37	62.80	–	1,104.17
	<b>4,189.41</b>	<b>2,207.86</b>	<b>13,029.03</b>	<b>19,426.30</b>
<b>As at 31 March, 2023</b>				
Borrowings**	1,200.25	2,296.83	14,246.70	17,743.78
Trade payables	1,594.74	–	32.76	1,627.50
Lease liabilities***	6.36	5.67	10.74	22.77
Other financial liabilities	1,082.68	3.71	–	1,086.39
	<b>3,884.03</b>	<b>2,306.21</b>	<b>14,290.20</b>	<b>20,480.44</b>

\*\* The table has been drawn up based on the undiscounted contractual maturities of the financial liabilities including interest that will be paid on those liabilities upto the maturity of the instruments, ignoring the call and refinancing options available with the Company.

\*\*\* Carrying Value of lease liabilities is ₹ 19.14 crores (31 March, 2023 as ₹ 30.74 crores)

## Notes to financial statements

(Amount in ₹ crores, unless otherwise stated)

### 5 Derivative financial instrument

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

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

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

The Company has designated derivative contracts as cash flow hedges and recognise them at fair value. The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss. Amounts recognised in OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs. These hedges have been effective for the year ended 31 March, 2024 and 31 March, 2023.

The fair value of the Company's derivative positions recorded under other financial assets and other financial liabilities as at 31 March, 2024 are as follows :-

Derivative Financials Instruments	As at 31 March, 2024		As at 31 March, 2023	
	Assets	Liabilities	Assets	Liabilities
<b>Current</b>				
<b>Cashflow hedge*</b>				
-Cross currency swaps	81.31	58.30	367.96	3.60
-Forward	-	-	-	0.11
-Coupon only swaps	-	4.50	14.45	-
-Principal only swaps	103.58	-	170.96	-
<b>Total</b>	<b>184.89</b>	<b>62.80</b>	<b>553.37</b>	<b>3.71</b>
<b>Non Current</b>				
<b>Cashflow hedge*</b>				
-Cross currency swaps	370.29	-	-	-
-Coupon only swaps	4.51	-	-	-
<b>Total</b>	<b>374.80</b>	<b>-</b>	<b>-</b>	<b>-</b>

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

## Notes to financial statements

(Amount in ₹ crores, unless otherwise stated)

### Derivative Contracts entered into by the company and outstanding as at Balance Sheet date :

To hedge currency risks the company has entered into various derivative contracts. The category wise break-up of the amount outstanding as at Balance Sheet date is given below :-

Particulars	As at 31 March, 2024			As at 31 March, 2023		
	Foreign Currency (In Millions)	Amount	Purpose	Foreign Currency (In Millions)	Amount	Purpose
<b>In USD</b>						
-Cross currency swaps	982.00	8,190.37	Hedging of foreign currency borrowing - principal & interest liability	982.00	8,069.09	Hedging of foreign currency borrowing principal & interest liability.
-Forward currency contracts	-	-	Hedging of foreign currency borrowing - interest liability	2.00	16.43	Hedging of foreign currency borrowing principal & interest liability.
-Coupon only swaps	480.00	4,003.44	Hedging of foreign currency borrowing - interest liability	600.00	4,930.20	Hedging of foreign currency borrowing interest liability,
-Principal only swaps	480.00	4,003.46	Hedging of foreign currency borrowing - principal liability	600.00	4,930.20	Hedging of foreign currency borrowing principal liability.
<b>Total</b>	<b>1,942.00</b>	<b>16,197.27</b>		<b>2,184.00</b>	<b>17,945.92</b>	

### 45 Ratios:

Name of Ratio	Particulars	Numerator / Denominator considered	As at 31 March, 2024	As at 31 March, 2023	% change in Ratio	Remarks
Current ratio	<b>Ratio</b>		<b>0.77</b>	<b>0.93</b>	(17%)	
	Numerator	Current assets plus current portion Regulatory deferral balance recoverable in FY 2024-25	3,219.80	3,451.99		
	Denominator	Current liabilities	4,185.21	3,717.68		
Debt- Equity ratio	<b>Ratio</b>		<b>2.87</b>	<b>2.77</b>	3%	
	Numerator	Borrowings (Current & Non current)	13,148.20	13,388.62		
	Denominator	Total Equity	4,588.51	4,831.84		
Debt Service Coverage ratio	<b>Ratio</b>		<b>2.03</b>	<b>1.64</b>	23%	
	Numerator	Profit after tax before depreciation & amortisation Expenses and finance costs (EBIDTA)	2,100.78	2,272.06		
	Denominator	Interest on loan (excluding working capital loan) and lease payments	1,035.09	1,381.41		

## Notes to financial statements

(Amount in ₹ crores, unless otherwise stated)

Name of Ratio	Particulars	Numerator / Denominator considered	As at 31 March, 2024	As at 31 March, 2023	% change in Ratio	Remarks
Return on Equity ratio	<b>Ratio</b>		<b>0.05</b>	<b>0.02</b>	147%	Profit after tax is increased due to in decrease in operational efficiency of the business
	Numerator	Profit after tax	229.86	95.18		
	Denominator	Average total Equity	4,710.18	4,809.76		
Inventory Turnover ratio	<b>Ratio</b>		11.53	12.62	(9%)	
	Numerator	a. Cost of fuel b. Purchase of traded goods	1,119.09	1,387.77		
	Denominator	Average traded inventories (excluding stores and spares)	97.05	110.01		
Trade Receivables turnover ratio	<b>Ratio</b>		<b>8.99</b>	<b>8.15</b>	10%	
	Numerator	a. Income from sale of power and transmission charges b. Sale of coal rejects / fly ash street light maintenance charges d. Income in respect of Services rendered e. Sale of traded Goods f. Miscellaneous Revenue"	9,771.90	8,327.84		
	Denominator	Average trade receivables (including Unbilled revenue)	1,087.01	1,021.62		
Trade payables turnover ratio	<b>Ratio</b>		5.09	4.96	3%	
	Numerator	"a. Cost of power purchased b. Cost of fuel c. Transmission charges d. Purchases of traded goods e. Other expenses"	6,522.31	6,469.09		
	Denominator	Average trade payables (excluding provision for salary, wages and bonus provision)	1,282.54	1,305.42		
Net capital turnover ratio	<b>Ratio</b>		(5.43)	(9.06)	(40%)	Due to increase in short term borrowings to bridge temporary cash flow mis-match.
	Numerator	Total Revenue from operation	9,747.95	8,360.96		
	Denominator	Working capital (current assets minus current liabilities)	(1,794.01)	(923.18)		
Net profit ratio	<b>Ratio</b>		0.02	0.01	107%	Profit after tax is increased due to indecrease in operational efficiency of the business
	Numerator	Profit after tax	229.86	95.18		
	Denominator	Total Revenue from operation	9,747.95	8,360.96		

## Notes to financial statements

(Amount in ₹ crores, unless otherwise stated)

Name of Ratio	Particulars	Numerator / Denominator considered	As at 31 March, 2024	As at 31 March, 2023	% change in Ratio	Remarks
Return on Capital employed	Ratio		0.09	0.09	(3%)	
	Numerator	Profit before tax and interest expenses	1,553.38	1,637.90		
	Denominator	"a. Networth b. Total Debt deferred tax liability"	17,970.09	18,365.29		
Return on investment	Ratio		0.08	0.07	19%	
	Numerator	Interest income from Investments, loan given, Bank deposits	128.07	212.97		
	Denominator	Average investments (including loans given, Bank deposits)	1,576.26	3,111.67		

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

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

**47** The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the provision to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies, which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

The Company uses an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the accounting software, However, the audit trail feature is not enabled at database level for accounting software SAP S/4 HANA to log any direct data changes for users with certain privileged access rights. Further there is no instance of audit trail feature being tampered with in respect of the accounting software where such feature is enabled.

Presently, the log is enabled at the application level and the privileged access to HANA database continues to be restricted to limited set of users who necessarily require this access for maintenance and administration of the database.

### 48 Statutory disclosures

(i) The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment had released draft rules for the Code on Social Security, 2020 on November 13, 2020, and invited suggestions from stakeholders which are under consideration by the Ministry. The Company and its subsidiaries will assess the impact and its evaluation once the subject rules are notified. The Company will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

## Notes to financial statements

(Amount in ₹ crores, unless otherwise stated)

- (ii) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (iii) No funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (iv) The Company does not have any benami property, where any proceeding has been initiated or pending against the Company for holding any benami property.
- (v) The Company does not have any such transactions which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any relevant provisions of Income Tax Act, 1961)
- (vi) The Company has not been declared as wilful defaulter by any bank or financial institution or other lenders
- (vii) The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- (viii) The Company has not traded or invested in Crypto Currency or in Virtual Currency during the reporting period.

### 49 Significant events after the reporting period

There were no significant adjusting events that occurred subsequent to the reporting period other than the events disclosed in the relevant notes.

As per our attached report of even date

**For Walker Chandiok & Co LLP**

Chartered Accountants

Firm Registration Number : 001076N / N500013

**For and on behalf of the Board of Directors**

**ADANI ELECTRICITY MUMBAI LIMITED**

**Neeraj Goel**

Partner

Membership No. 99514

**Anil Sardana**

Chairman

DIN: 00006867

**Kandarp Patel**

Managing Director & CEO

DIN.: 02947643

**Kunjai Mehta**

Chief Financial Officer

**Jaladhi Shukla**

Company Secretary

Place : Mumbai

Date : 30 April, 2024

Place : Mumbai

Date : 30 April, 2024



# Consolidated Financial Statement

# Independent Auditor's Report

To

*the Members of*

**Adani Electricity Mumbai Limited**

## Report on the Audit of the Consolidated Financial Statements

### Qualified Opinion

1. We have audited the accompanying consolidated financial statements of Adani Electricity Mumbai Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), as listed in Annexure 1, which comprise the Consolidated Balance Sheet as at 31 March 2024, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, and notes to the consolidated financial statements, including a material accounting policy information and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India of the consolidated state of affairs of the Group, as at 31 March 2024, and their consolidated profit (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date..

### Basis for Qualified Opinion

3. As stated in Note 40 to the accompanying consolidated financial statements, a Short Seller Report was published during the previous year in which certain allegations were made on certain Adani Group Companies, including the Holding Company. The management of Adani Energy

Solutions Limited ('AESL'), based on internal evaluation and an independent assessment from an external law firm has represented that AESL and its subsidiaries are in compliance with the requirements of applicable laws and regulations and therefore these consolidated financial statements do not warrant any adjustment in this regard. However, pending adjudications/outcome of the investigations by the Securities and Exchange Board of India and based on our review of related documents, we are unable to comment on the possible adjustments and /or disclosures, if any, that may be required in the accompanying consolidated financial statements in respect of the above matter.

The audit report dated 26 May 2023 issued by the predecessor auditor on the Consolidated Financial Statements of the Group for the year ended 31 March 2023 was also qualified in respect of this matter.

4. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained together with the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 16 of the Other Matter section below, is sufficient and appropriate to provide a basis for our qualified opinion.

### Key Audit Matters

5. Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiary, were of most significance in our audit of the consolidated financial statements of the

current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

6. In addition to the matters described in the Basis for Qualified Opinion, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
<b>Accrual of regulatory deferral income / expense and corresponding assets / liability</b>	
<p>Refer note 3.11 in accounting policy and note 44 in notes forming part of consolidated financial statements.</p> <p>The Group recognises regulatory deferral income / expense and corresponding asset / liability basis its understanding and interpretation of regulatory provisions applicable to the distribution business of the Group as per the Electricity Act, 2003 and regulations framed thereunder by the Mumbai Electricity Regulatory Commission ('MERC') (the 'tariff regulations'), for the difference between entitled return as per tariff regulations (i.e., allowable cost plus return on equity) and revenue collected basis tariff rates approved by the regulator in provisional tariff orders, which are subject to true-ups in the future tariff orders.</p> <p>Significant judgments and assumptions including interpretation of the tariff regulations, past tariff orders, judicial pronouncements etc., are involved in recognition and assessment of recoverability of such regulatory deferral balances.</p> <p>The Group has recognised net regulatory deferral assets of ₹ 1,570.98 crores as at 31 March 2024 (including expense of ₹ 404.38 crores for the year recognised in statement of profit and loss and income of ₹ 13.91 crores recognised in other comprehensive income).</p> <p>Considering the materiality of the amounts involved, complexity and significant judgement and assumptions involved as mentioned above, accrual of regulatory deferral income / expense and corresponding assets / liability has been considered as key audit matter for the current year audit.</p>	<p>Our audit procedures in relation to accrual of regulatory deferral income / expense and corresponding assets / liability included but were not limited to the following:</p> <ol style="list-style-type: none"> <li>Obtained an understanding of the management process and evaluated the design and tested the operating effectiveness of key internal financial controls over accrual of regulatory deferrals;</li> <li>Evaluated the Group's accounting policies with respect to accrual for regulatory deferrals and assessed its compliance with the requirements of Ind AS 114 'Regulatory Deferral Accounts';</li> <li>Reviewed management's evaluation of recognition of regulatory deferral account balance including key assumptions and estimates used in such evaluation and corroborated them with the understanding obtained on prevailing tariff regulations, past tariff orders and underlying records and verified the arithmetical accuracy and reasonableness of such workings; and</li> <li>Evaluated the appropriateness and adequacy of the related disclosures in the consolidated financial statements in accordance with the applicable Indian Accounting Standards.</li> </ol>
<b>Impairment assessment of Transmission Cash Generating Unit (TCGU)</b>	
<p>Refer note 3.4 in accounting policy and notes 5c and 33 in notes forming part of the consolidated financial statements.</p>	<p>Our audit procedures in relation to impairment assessment of TCGU included but were not limited to the following:</p> <ol style="list-style-type: none"> <li>Obtained an understanding of the management's impairment assessment process and reviewed management's assessment of useful life of transmission license;</li> </ol>

Key audit matter	How our audit addressed the key audit matter
<b>Impairment assessment of Transmission Cash Generating Unit (TCGU)</b>	
<p>The Group's TCGU includes a transmission license having an indefinite life with a carrying value of ₹ 981.62 crores as at 31 March 2024. In accordance with the requirements of Ind AS 36 'Impairment of Assets', the Group has performed an annual impairment test of aforesaid transmission license, by determining the recoverable value of the TCGU to which the transmission license pertains, using discounted cash flow method with the help of external valuation experts.</p> <p>The determination of the recoverable value of TCGU requires management to make significant estimates and assumptions in forecasting the future cash flow projections including projected capital expenditure, which is subject to regulatory approvals, the estimated useful life of the transmission license and the discount rates.</p> <p>Considering the significance of the carrying amount of TCGU and auditing management judgements and estimates as mentioned above involves high degree of subjectivity and requires significant auditor judgement, impairment assessment of TCGU has been considered as a key audit matter for the current year audit.</p>	<ul style="list-style-type: none"> <li>b. Evaluated the design and tested the operating effectiveness of the key internal financial controls relating to the impairment assessment for TCGU;</li> <li>c. Assessed the professional competence and objectivity of the management's valuation expert and obtained their valuation report on determination of recoverable value of the TCGU;</li> <li>d. Traced the cash flow projections provided by management to approved business plans and tested the arithmetical accuracy of such projections;</li> <li>e. Involved auditor's experts to assist in evaluating the appropriateness of the valuation methodology and reasonableness of the assumptions used by the management's expert to calculate the recoverable value of TCGU;</li> <li>f. Performed sensitivity analysis on the key assumptions to determine estimation uncertainty involved and ascertain the sufficiency of headroom available; and</li> <li>g. Evaluated the appropriateness and adequacy of the disclosure made in the consolidated financial statements, in accordance with the applicable Indian Accounting Standards.</li> </ul>
<b>Valuation of derivative financial instruments and hedge accounting</b>	
<p>Refer note 3.5 and 44.5 for accounting policy and explanatory note, respectively, in relation to derivative financial instruments and hedge accounting.</p> <p>In line with Group's risk management policy, the Group had purchased various derivative financial instruments to hedge its foreign currency risks in relation to the long-term foreign currency debt.</p> <p>The Management has designated these derivative financial instruments and the aforesaid debt at initial recognition as cash flow hedge relationship as per Ind AS 109, Financial Instruments.</p>	<p>Our audit procedures in relation to valuation of derivative financial instruments and hedge accounting included, but were not limited to the following:</p> <ul style="list-style-type: none"> <li>a. Evaluated design and tested operating effectiveness of the key internal financial controls over the determination of a hedge, adequacy of hedge documentation, evaluation of the hedge effectiveness, valuation of derivative financial instruments and related hedge accounting;</li> <li>b. Obtained an understanding of management's process and the risk management policies of the Group in respect of derivative transactions;</li> <li>c. Engaged auditor's valuation experts to assist in evaluation of hedge effectiveness documentation and re-performing the year-end fair valuations of such derivative financial instruments;</li> </ul>

Key audit matter	How our audit addressed the key audit matter
<b>Valuation of derivative financial instruments and hedge accounting</b>	
<p>The valuation of hedging instrument is complex and necessitates a sophisticated system to record and track each contract and calculate the related valuations at each financial reporting date. Such valuation of hedging instruments and assessment of hedge effectiveness involves significant assumptions and judgements such as discount rates, forward exchange rates and future interbank rates.</p> <p>In view of material impact on the Group's consolidated financial statements and significant assumptions, judgements and complexity involved as mentioned above, we have determined valuation of derivative financial instruments and hedge accounting as a key audit matter for the current year audit.</p>	<p>d. Verified the completeness of hedging contracts by tracing from independent confirmations obtained from respective banks;</p> <p>e. Considered the consistent application of accounting policy in respect to derivative financial instruments and hedge accounting and ensured the same is in accordance with the requirements of Ind AS 109; and</p> <p>f. Evaluated the appropriateness and adequacy of the related disclosures in the consolidated financial statements in accordance with the applicable financial reporting framework.</p>

### Information other than the Consolidated Financial Statements and Auditor's Report thereon

7. The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Director's Report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. As described in the Basis for Qualified Opinion section above, pending adjudications / outcome of the investigation by the Securities

and Exchange Board of India, as described in Note 40 to the consolidated financial statements, we are unable to comment on the possible consequential adjustments and/or disclosures, if any, that may be required in the accompanying consolidated financial statements. Accordingly, we are unable to conclude whether or not the other information is materially misstated with respect to this matter.

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

8. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted

in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated 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 consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

9. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
10. The respective Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

11. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material

misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

12. As part of an audit in accordance with Standards on Auditing specified under section 143(10) of the Act, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.;
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
  - Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty

exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and
  - Obtain sufficient appropriate audit evidence regarding the financial information/ financial statements of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the consolidated financial statements, of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
13. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
14. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our

independence, and where applicable, related safeguards.

15. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Other Matter

16. We did not audit the financial statements of one subsidiary, whose financial statements reflect total assets of ₹ 1,746.39 crores as at 31 March 2024, total revenues of ₹ Nil and net cash inflows amounting to ₹ 82.96 crores for the year ended on that date, as considered in the consolidated financial statements. This financial statements have been audited by other auditors whose report has been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of section 143 of the Act in so far as it relates to the aforesaid subsidiaries are based solely on the reports of the other auditors.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

17. The consolidated financial statements of the Group for the year ended 31 March 2023 were audited by the predecessor auditor, Deloitte Haskins & Sells LLP, who have expressed a qualified opinion on those consolidated financial statements vide their audit report dated 26 May 2023.

## Report on Other Legal and Regulatory Requirements

18. As required by section 197(16) of the Act, based on our audit and on the consideration of the report of the other auditors, referred to in paragraph 16, on separate financial statements of the subsidiary, we report that the Holding Company have paid remuneration to their directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act. Further, we report that two subsidiary companies incorporated in India whose financial statements have been audited under the Act have not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable in respect of such subsidiaries.
19. As required by clause (xxi) of paragraph 3 of Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act based on the consideration of the Order reports issued till date by us and by the respective other auditors as mentioned in paragraph 16 above, of companies

Sr No.	Name	CIN	Holding Company / subsidiary / Associate / Joint Venture	Clause number of the CARO report which is qualified or adverse
1	Adani Electricity Mumbai Limited	U74999GJ2008PLC107256	Holding Company	Clauses vi, xi(a), and xiii

20. As required by section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and other financial information of the subsidiaries incorporated in India whose financial statements have been audited under the Act, we report, to the extent applicable, that:
- We have sought and except for the matter described in the Basis for Qualified Opinion section, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
  - In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements

included in the consolidated financial statements for the year ended 31 March 2024 and covered under the Act we report that following are the qualifications remarks reported by us and the other auditors in the Order reports of the companies included in the consolidated financial statements for the year ended 31 March 2024 for which such Order reports have been issued till date and made available to us:

## Report on Other Legal and Regulatory Requirements

17. As required by section 197(16) of the Act, based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
18. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure I, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

- have been kept so far as it appears from our examination of those books and the reports of the other auditors, except for the possible effects of the matter described in the Basis for Qualified Opinion section and except for the matters stated in paragraph 20(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);
- The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
  - Except for the possible effects of the matter described in the Basis for Qualified Opinion section, in our opinion, the aforesaid

consolidated financial statements comply with Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015;

- e) The matter described in paragraph 3 under the Basis for Qualified Opinion section, in our opinion, may have an adverse effect on the functioning of the Holding Company;
- f) On the basis of the written representations received from the directors of the Holding Company and its subsidiary company and taken on record by the Board of Directors of the Holding Company and its subsidiary company, respectively, and the reports of the statutory auditors of its subsidiary company, covered under the Act, none of the directors of the Group companies are disqualified as on 31 March 2024 from being appointed as a director in terms of section 164(2) of the Act;
- g) The qualification relating to the maintenance of accounts and other matters connected therewith with respect to the consolidated financial statements are as stated in the Basis for Qualified Opinion section, paragraph 20(b) above on reporting under section 143(3)(b) of the Act and paragraph 20(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);
- h) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, and its subsidiary companies covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure A' wherein we have expressed a modified opinion; and
- i) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor on separate financial statements and other financial information of the subsidiaries incorporated in India whose

financial statements have been audited under the Act:

- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, as detailed in Note 35(A) and 36 to the consolidated financial statements;
- ii. Provision has been made in these consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, on long-term contracts including derivative contracts, as detailed in note 45.5 to the consolidated financial statements;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies covered under the Act, during the year ended 31 March 2024.;
- iv. a. The respective managements of the Holding Company and its subsidiaries incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditor of such subsidiary respectively that, to the best of their knowledge and belief, as disclosed in note 48(ii) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company or its subsidiaries to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company, or any such subsidiaries ('the Ultimate Beneficiaries') or provide any

- guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- b. The respective managements of the Holding Company and its subsidiaries incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditor of such subsidiary, respectively that, to the best of their knowledge and belief, as disclosed in the note 48(iii) to the accompanying consolidated financial statements, no funds have been received by the Holding Company or its subsidiaries from any person(s) or entity(ies), including foreign entities (the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company, or any such subsidiaries shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c. Based on such audit procedures performed by us and that performed by the auditors of the subsidiary, as considered reasonable and appropriate in the circumstances, nothing has come to our or other auditor's notice that has caused us or the other auditor to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

- v. The interim dividend paid by the Holding Company during the year ended 31 March 2024 in respect of such dividend declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.
- vi. Based on our examination which included test checks, the Holding Company and its subsidiaries, which are companies incorporated in India and audited under the Act, in respect of financial year commencing on 1 April 2023, have used accounting software for maintaining its books of account which have a feature of recording audit trail (edit log) facility and the same have been operated throughout the year for all relevant transactions recorded in the software except that, audit trail feature was not enabled at database level for accounting software SAP S/4 HANA to log any direct data changes, as described in note 47 to the consolidated financial statements. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of the accounting software where such feature is enabled.

**For Walker Chandiook & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

**Neeraj Goel**

Partner

Place: Mumbai

Membership No.: 99514

Date: 30 April 2024

UDIN:24099514BKCMUK7243

## Annexure 1

### List of subsidiaries included in Consolidated Financial Statements

1. AEML Seepz Limited
2. Adani Electricity Mumbai Infra Limited

# Annexure A to the Independent Auditor's Report

## Annexure A to the Independent Auditor's Report of even date to the members of Adani Electricity Mumbai Limited on the consolidated financial statements for the year ended 31 March 2024

### Independent Auditor's Report on the internal financial controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the consolidated financial statements of Adani Electricity Mumbai Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') as at and for the year ended 31 March 2024, we have audited the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies, which are companies covered under the Act, as at that date.

### Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The respective Board of Directors of the Holding Company and its subsidiary companies, which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records,

and the timely preparation of reliable financial information, as required under the Act.

### Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies as aforesaid.

### Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion

or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Qualified Opinion

8. According to the information and explanation given to us and based on our audit, pending adjudication/ outcome of the investigations by the Securities and Exchange Board of India as stated in the 'Basis for Qualified Opinion' paragraph of our audit report, and the consequential impact it may have on the Holding Company's processes and internal controls including related party transactions and compliance with applicable laws and regulations, to that extent we are unable to comment on whether there is any material weakness in the Holding Company's internal controls as at 31 March 2024.
9. A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial controls with reference to financial statements, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.
10. In our opinion and based on the consideration of the reports of the other auditors on internal financial controls with reference to financial statements of the subsidiary companies, except for the possible effects of the material weakness described above on the achievement of the objectives of the control criteria, the Holding Company and its subsidiary has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to financial statements criteria

established by the Holding Company and its subsidiary considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

11. We have considered the material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the consolidated financial statements of the Group as at and for the year ended 31 March 2024, and we have issued a qualified opinion on the said consolidated financial statements of the Group.

#### Other Matter

12. We did not audit the internal financial controls with reference to financial statements insofar as it relates to one subsidiary company, which is company covered under the Act, whose financial statements reflect total assets of ₹ 1,746.39 crores and net assets of ₹ 423.49 crores as at 31 March 2024, total revenues of ₹ Nil and net cash inflows amounting to ₹ 82.96 crores for the year ended on that date, as considered in the consolidated financial statements. The internal financial controls with reference to financial statements

in so far as it relates to such subsidiary company have been audited by other auditors whose report has been furnished to us by the management and our report on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements for the Holding Company and its subsidiary companies, as aforesaid, under Section 143(3)(i) of the Act in so far as it relates to such subsidiary company is based solely on the report of the auditors of such company. Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and on the reports of the other auditors.

**For Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

**Neeraj Goel**

Partner

Place: Mumbai

Membership No.: 99514

Date: 30 April 2024

UDIN:24099514BKCMUK7243

# Consolidated Balance Sheet

 as at 31 March, 2024

(Amount in ₹ crores, unless otherwise stated)

Particulars	Notes	As at 31 March, 2024	As at 31 March, 2023
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	5	14,325.21	13,874.13
Capital work-in-progress	5a	1,983.88	1,094.46
Right-of-use assets	5b	549.83	570.93
Intangible assets	5c	1,032.06	1,041.44
<b>Financial assets</b>			
(i) Investments	6a	233.51	233.61
(ii) Loans	7	22.53	26.10
(iii) Other financial assets	8	1,158.55	1,214.56
Income tax assets (net)	9a	5.52	2.93
Other non-current assets	10	468.29	240.02
<b>Total non-current assets</b>		<b>19,779.38</b>	<b>18,298.18</b>
<b>Current assets</b>			
Inventories	11	178.87	92.75
<b>Financial assets</b>			
(i) Investments	6b	34.56	767.66
(ii) Trade receivables	12	469.20	452.27
(iii) Cash and cash equivalents	13	381.00	92.70
(iv) Bank balances other than (iii) above	14	628.22	622.45
(v) Loans	7	7.06	6.95
(vi) Other financial assets	8	668.10	616.11
Other current assets	10	131.67	139.10
<b>Total current assets</b>		<b>2,498.68</b>	<b>2,789.99</b>
Total Assets before regulatory deferral account		22,278.06	21,088.17
Regulatory deferral account - assets	44	1,570.98	1,961.73
<b>Total assets</b>		<b>23,849.04</b>	<b>23,049.90</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	15	4,020.82	4,020.82
Equity component of compound financial instrument	16	424.09	382.18
Other equity	17	556.53	810.51
<b>Total equity</b>		<b>5,001.44</b>	<b>5,213.51</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
(i) Borrowings	18	13,323.60	13,120.57
(ii) Lease liabilities	19	7.43	14.47
(iii) Trade payables	20		
(A) total outstanding dues of micro enterprises and small enterprises; and		-	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		37.39	32.76
(iv) Other financial liabilities	21	88.56	4.05
Provisions	22	613.11	509.21
Deferred tax liabilities (net)	23	233.80	144.83
Other non current liabilities	24	293.08	265.64
<b>Total non-current liabilities</b>		<b>14,596.97</b>	<b>14,091.53</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
(i) Borrowings	25	1,050.00	500.00
(ii) Lease liabilities	19	11.71	16.27
(iii) Trade payables	20		
(A) total outstanding dues of micro enterprises and small enterprises; and		44.25	42.87
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		1,397.58	1,551.97
(iv) Other financial liabilities	21	1,220.36	1,232.83
Provisions	22	63.93	99.07
Other current liabilities	24	462.80	301.85
<b>Total current liabilities</b>		<b>4,250.63</b>	<b>3,744.86</b>
<b>Total liabilities</b>		<b>18,847.60</b>	<b>17,836.39</b>
<b>Total equity and liabilities</b>		<b>23,849.04</b>	<b>23,049.90</b>

The accompanying notes form an integral part of the consolidated financial statements

As per our attached report of even date

**For Walker Chandiook & Co LLP**

Chartered Accountants

Firm Registration Number : 001076N / N500013

**Neeraj Goel**

Partner

Membership No. 99514

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

Chairman

DIN: 00006867

**Kunjali Mehta**

Chief Financial Officer

Place : Mumbai

Date : 30 April, 2024

**Kandarp Patel**

Managing Director &amp; CEO

DIN.: 02947643

**Jaladhi Shukla**

Company Secretary

Place : Mumbai

Date : 30 April, 2024

# Consolidated Statement of Profit and Loss

for the year ended 31 March, 2024

(Amount in ₹ crores, unless otherwise stated)

Particulars	Notes	For the year ended 31 March, 2024	For the year ended 31 March, 2023
<b>INCOME</b>			
Revenue from operations	26	9,778.90	8,360.96
Other income	27	355.55	331.07
<b>Total income</b>		<b>10,134.45</b>	<b>8,692.03</b>
<b>EXPENSES</b>			
Cost of power purchased		4,019.52	3,658.69
Cost of fuel		1,119.09	1,384.18
Transmission charges		493.56	482.31
Purchases of traded goods		-	3.59
Employee benefits expense	28	828.21	878.00
Finance costs	29	1,074.28	1,434.26
Depreciation and amortisation expenses	5,5a&5b	797.57	742.62
Other expenses	30	917.28	940.70
<b>Total expenses</b>		<b>9,249.51</b>	<b>9,524.35</b>
<b>Profit/(Loss) before movement in regulatory deferral account balance and tax</b>		<b>884.94</b>	<b>(832.32)</b>
(Less) / add : net movement in regulatory deferral account balance		(404.38)	1,035.58
<b>Profit before tax for the year</b>		<b>480.56</b>	<b>203.26</b>
<b>Tax expense:</b>	31		
Current tax		84.75	27.20
Deferred tax		165.35	81.26
		<b>250.10</b>	<b>108.46</b>
<b>Profit after tax for the year</b>	<b>Total A</b>	<b>230.46</b>	<b>94.80</b>
<b>Other comprehensive income / (loss)</b>			
(a) Items that will not be reclassified to profit or loss			
- Remeasurement of defined benefit plans		(14.37)	47.89
- Movement in regulatory deferral account balance		13.91	(47.94)
(b) Tax related to items that will not be reclassified to profit or loss			
-Current tax		-	(8.38)
(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		(218.59)	(65.55)
Deferred tax on effective portion of gains and losses on designated portion of hedging instruments in a cash flow hedge		76.38	22.91
<b>Other comprehensive loss</b>	<b>Total B</b>	<b>(142.67)</b>	<b>(51.07)</b>
<b>Total comprehensive income for the year net of tax</b>	<b>Total (A+B)</b>	<b>87.79</b>	<b>43.73</b>
<b>Earnings per share (EPS) (in ₹)</b>	32		
<b>(Face Value ₹ 10 Per Share)</b>			
Basic / Diluted earnings per equity share after net movement in regulatory deferral account balance		0.57	0.24
Basic / Diluted earnings per equity share before net movement in regulatory deferral account balance		1.40	(1.89)

The accompanying notes form an integral part of the consolidated financial statements

As per our attached report of even date

**For Walker Chandiook & Co LLP**

Chartered Accountants

Firm Registration Number : 001076N / N500013

**Neeraj Goel**

Partner

Membership No. 99514

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

Chairman

DIN: 00006867

**Kandarp Patel**

Managing Director &amp; CEO

DIN.: 02947643

**Kunjal Mehta**

Chief Financial Officer

**Jaladhi Shukla**

Company Secretary

Place : Mumbai

Date : 30 April, 2024

Place : Mumbai

Date : 30 April, 2024

# Consolidated Statement of changes in equity

(Amount in ₹ crores, unless otherwise stated)

for the year ended 31 March, 2024

## A. Equity share capital

Particulars	No. Shares	Amount
<b>Balance as at 01 April, 2022</b>	<b>4,02,08,23,535</b>	<b>4,020.82</b>
Changes during the year ended 31 March, 2023	-	-
<b>Balance as at 31 March, 2023</b>	<b>4,02,08,23,535</b>	<b>4,020.82</b>
Changes during the year ended 31 March, 2024	-	-
<b>Balance as at 31 March, 2024</b>	<b>4,02,08,23,535</b>	<b>4,020.82</b>

## B. Other equity

Particulars	Reserves and surplus				Items of other comprehensive income		Total
	Capital reserve	Contingency reserve fund	Securities premium	Retained earnings	Cashflow hedge reserve		
<b>Balance as at 01 April, 2022</b>	<b>230.78</b>	<b>245.43</b>	<b>120.43</b>	<b>343.04</b>	<b>(265.77)</b>		<b>673.91</b>
Impact on account of restatement (refer note 38)	-	-	-	94.80	-	92.87	92.87
Profit for the year	-	-	-	(8.43)	(42.64)	-	94.80
Other comprehensive (loss) for the year	-	-	-	<b>86.37</b>	<b>(42.64)</b>		<b>(51.07)</b>
<b>Total comprehensive Income / (Expense) for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(7.36)</b>	<b>-</b>		<b>43.73</b>
Transfer to Contingency Reserve	-	7.36	-	-	-	-	-
<b>Balance as at 31 March, 2023</b>	<b>230.78</b>	<b>252.79</b>	<b>120.43</b>	<b>422.05</b>	<b>(215.54)</b>		<b>810.51</b>
<b>Balance as at 01 April, 2023</b>	<b>230.78</b>	<b>252.79</b>	<b>120.43</b>	<b>422.05</b>	<b>(215.54)</b>		<b>810.51</b>
Profit for the year	-	-	-	230.46	-	230.46	230.46
Other comprehensive (loss) for the year	-	-	-	(0.46)	(142.21)	-	(142.67)
<b>Total comprehensive Income / (Loss) for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>230.00</b>	<b>(142.21)</b>		<b>87.79</b>
Payment of dividend on equity shares	-	-	-	(341.77)	-	-	(341.77)
Transfer from / to Contingency reserve fund	-	6.97	-	(6.97)	-	-	-
<b>Balance as at 31 March, 2024</b>	<b>230.78</b>	<b>259.76</b>	<b>120.43</b>	<b>303.31</b>	<b>(357.75)</b>		<b>556.53</b>

The accompanying notes form an integral part of the consolidated financial statements

As per our attached report of even date

**For Walker Chandiook & Co LLP**

Chartered Accountants

Firm Registration Number : 001076N / N5000013

**For and on behalf of the Board of Directors**

**ADANI ELECTRICITY MUMBAI LIMITED**

**Neeraj Goel**

Partner

Membership No. 99514

Place : Mumbai

Date : 30 April, 2024

**Anil Sardana**

Chairman

DIN: 00006867

Place : Mumbai

Date : 30 April, 2024

**Kandarp Patel**

Managing Director & CEO

DIN.: 02947643

**Kunjil Mehta**

Chief Financial Officer

**Jaladhi Shukla**

Company Secretary

## Consolidated Statement of cash flows for the year ended 31 March, 2024

(Amount in ₹ crores, unless otherwise stated)

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before tax	480.56	203.26
<i>Adjustments for:</i>		
Interest income	(145.99)	(263.14)
Delayed payment charges	(26.54)	(35.49)
Gain on partial repurchase of senior secured note	(136.42)	–
Unrealised foreign exchange gain from borrowings net of Hedging	–	352.23
Amortisation of service line contribution	(13.90)	(11.86)
Gain on sale and changes in fair value of current investments measured at FVTPL	(11.62)	(4.73)
Finance costs	1,074.28	1,082.03
Depreciation and amortisation expense	797.55	742.62
Profit on sale of property, plant and equipment (net)	(3.77)	(2.78)
Sundry credit balances written back	(1.78)	(2.44)
Bad debts written off	17.09	15.21
Allowance for doubtful debts / advances / deposits	–	5.58
<b>Operating profit before working capital changes</b>	<b>2,029.46</b>	<b>2,080.49</b>
<i>Changes in working capital:</i>		
Adjustments for (increase) / decrease in assets :		
Trade receivables	(34.02)	18.37
Inventories	(86.12)	111.74
Financial assets - current / non current	(38.62)	(1.65)
Other assets - current / non Current	8.53	6.04
Regulatory deferral account - assets	390.75	(839.81)
Adjustment for increase / (decrease) in liabilities :		
Trade payables - current / non current	(139.55)	107.00
Financial liabilities - current / non current	81.69	39.14
Provisions - current / non current	59.80	(34.79)
Other liabilities - current / non current	157.47	5.74
Increase/(decrease) in financial liabilities and other liabilities		
Regulatory deferral account - liability	–	(271.56)
<b>Cash generated from operations</b>	<b>2,429.39</b>	<b>1,220.71</b>
Tax paid (net)	(87.34)	(36.64)
<b>Net cash generated from operating activities (A)</b>	<b>2,342.05</b>	<b>1,184.07</b>

## Consolidated Statement of cash flows for the year ended 31 March, 2024

(Amount in ₹ crores, unless otherwise stated)

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Capital expenditure on property, plant & equipment and intangible assets (including capital advances and work in progress)	(2,366.05)	(1,553.96)
Proceeds from sale of Property, plant and equipment	8.43	13.28
Sale / (purchase) of mutual funds / other investments (net)	744.82	(767.08)
Bank balances other than cash & cash equivalents	37.33	(90.37)
Loans (given) / repaid	3.51	1,042.98
Delayed payment charges received	26.54	35.49
Interest income received	145.99	263.14
<b>Net cash used in investing activities (B)</b>	<b>(1,399.43)</b>	<b>(1,056.52)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Increase in service line contribution	43.67	33.81
Gain on partial repurchase of senior secured note	136.42	-
Proceeds from long-term borrowings	450.11	1.81
Repayment of long-term borrowings	(854.95)	(8.46)
Proceeds from short-term borrowings	550.00	500.00
Payment of dividend on equity shares	(341.77)	-
Proceeds from issue of optionally convertible debentures	585.26	385.07
Principal portion of lease liabilities	(11.60)	(14.10)
Interest of lease liabilities	(3.07)	(4.48)
Interest & other borrowing cost	(1,208.39)	(1,018.60)
<b>Net cash used in financing activities (C)</b>	<b>(654.32)</b>	<b>(124.95)</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>288.30</b>	<b>2.60</b>
<b>Cash and cash equivalents as at 01 April (Opening Balance)</b>	<b>92.70</b>	<b>90.10</b>
<b>Cash and cash equivalents as at 31 March (Closing Balance)</b>	<b>381.00</b>	<b>92.70</b>

Particulars	As at 31 March, 2024	As at 31 March, 2023
<b>Cash and Cash Equivalents includes</b>		
Balances with banks		
- In current accounts	87.54	58.23
- in fixed Deposits	278.00	20.00
Cash on hand	1.38	0.43
Cheques / drafts on hand	14.08	14.04
<b>Total cash &amp; cash equivalents</b>	<b>381.00</b>	<b>92.70</b>

# Consolidated Statement of cash flows

for the year ended 31 March, 2024  
(Amount in ₹ crores, unless otherwise stated)

## Note

- The statement of cash flows has been prepared under the indirect method as set out in Ind AS 7 "Statement of Cash Flows"
- Disclosure under Para 44A as set out in Ind AS 7 on Statement of Cash Flows under Companies (Indian Accounting Standards) Rules, 2017 (as amended) is given below:

Particulars	As at 01 April, 2023	Cash flows		Non-cash transaction	As at 31 March, 2024
		Proceeds / Expenses	Payment		
Non-current borrowings	13,120.57	450.11	(854.95)	607.87	13,323.60
Current borrowings	500.00	550.00	–	–	1,050.00
Lease Liabilities	30.74	3.07	(11.60)	(3.07)	19.14
Accrued Interest on borrowings	123.25	1,206.55	(1,211.46)	°	118.34
<b>Total</b>	<b>13,774.56</b>	<b>2,209.73</b>	<b>(2,078.01)</b>	<b>604.80</b>	<b>14,511.08</b>

Particulars	As at 01 April, 2022	Cash flows		Non-cash transaction	As at 31 March, 2023
		Proceeds / Expenses	Payment		
Non-current borrowings	11,956.68	148.39	(8.47)	1,023.97	13,120.57
Current borrowings	–	4,506.78	(4,006.78)	–	500.00
Lease Liabilities	44.84	4.48	(14.10)	(4.48)	30.74
Accrued Interest on borrowings	111.12	1,026.25	(1,014.12)	–	123.25
<b>Total</b>	<b>12,112.64</b>	<b>5,685.90</b>	<b>(5,043.47)</b>	<b>1,019.49</b>	<b>13,774.56</b>

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

The accompanying notes form an integral part of the consolidated financial statements

As per our attached report of even date

**For Walker Chandiok & Co LLP**

Chartered Accountants

Firm Registration Number : 001076N / N500013

**Neeraj Goel**

Partner

Membership No. 99514

**For and on behalf of the Board of Directors**

**ADANI ELECTRICITY MUMBAI LIMITED**

**Anil Sardana**

Chairman

DIN: 00006867

**Kandarp Patel**

Managing Director & CEO

DIN.: 02947643

**Kunjali Mehta**

Chief Financial Officer

**Jaladhi Shukla**

Company Secretary

Place : Mumbai

Date : 30 April, 2024

Place : Mumbai

Date : 30 April, 2024

# Consolidated notes to the financial statements

(Amount in ₹ crores, unless otherwise stated)

## 1 Corporate information

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

The integrated Mumbai Generation, Transmission and Distribution (GTD) Business, under a license, transmits and distributes electricity to consumers in and around suburbs of Mumbai inclusive of areas covered under the Mira Bhayander Municipal Corporation, making it the country's largest private sector integrated power utility. The Tariff to be charged to the consumers is regulated by Maharashtra Electricity Regulatory Commission ("MERC").

The Company has USD bonds which are listed at Singapore Stock Exchange.

The Company has incorporated wholly owned subsidiary AEML SEEPZ Limited ("ASL") for the purpose of distribution of electricity to Santacruz Electronic Export Processing Zone ("SEEPZ") and Adani Electricity Mumbai Infra Limited (AEMIL) for the purpose of carrying out works like infrastructure development, transmission line development along with the commissioning of HVDC.

The Company, AEMIL and ASL is together referred to as "the Group" in these Consolidated Financial Statements.

These financial statements of the Company for the year ended 31 March 2024 were authorised for issue by the board of directors on 24 April, 2024.

## 2 Basis of preparation and presentation

The financial statements of the Group have been prepared in accordance with Indian Accounting Standards (IndAS) as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with section 133 of the Companies Act, 2013 ("the Act") (as amended from time to time).

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

The financial statements have been prepared in "Indian Rupees" which is also the Group's functional currency and all amounts, are rounded to the nearest Crore with two decimals, (Transactions below ₹ 50,000.00 denoted as ₹ 0.00), unless otherwise stated.

## 3 Material accounting policies

### 3.1 Current versus Non-Current Classification

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

### 3.2 Property, plant and equipment ("PPE")

All items of property, plant and equipment, including freehold land, are initially recorded at cost. Subsequent to initial recognition, property, plant and equipment other than freehold land are measured at cost less

# Consolidated notes to the financial statements

(Amount in ₹ crores, unless otherwise stated)

accumulated depreciation and any accumulated impairment losses. Freehold land has an unlimited useful life and therefore is not depreciated.

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

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

## Derecognition

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

## Depreciation

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

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

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

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

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

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

# Consolidated notes to the financial statements

(Amount in ₹ crores, unless otherwise stated)

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

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

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

### 3.3 Intangible assets

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

In respect of intangible asset ("assets") pertaining to Mumbai generation, transmission and distribution business acquired from Reliance Infrastructure Limited (RIL) under a Court sanctioned scheme of arrangement with an appointed date of 01 April 2018, in line with the requirements of the Court Scheme, the Group has accounted for such Assets at their respective fair values as at 01 April, 2018 based on valuation done by professional valuation firm.

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

#### Derecognition of Intangible assets.

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

#### Useful life

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

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

Estimated useful lives of the intangible assets are as follows:

# Consolidated notes to the financial statements

(Amount in ₹ crores, unless otherwise stated)

Type of Assets	Useful lives
Transmission license	Indefinite
Computer software	3 years

## 3.4 Impairment of PPE and intangible assets

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

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

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

## 3.5 Financial instruments

Financial assets (except for trade receivables which are measured at transaction cost) and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities measured at fair value through profit or loss are recognised immediately in the Consolidated 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

# Consolidated notes to the financial statements

(Amount in ₹ crores, unless otherwise stated)

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

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

## ii) Impairment of financial assets

The Group assesses at each date of consolidated balance sheet whether a financial asset. IndAS 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 lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

## iii) Derecognition

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

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

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

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

## (B) Financial liabilities and equity instruments

### i) Classification as debt or equity

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

### ii) Financial liabilities

#### Initial recognition and measurement

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

# Consolidated notes to the financial statements

(Amount in ₹ crores, unless otherwise stated)

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 the Consolidated statement of profit and loss when the liabilities are derecognised as well as through the effective interest rate (EIR) amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Consolidated statement of profit and loss.

Trade and other payables are recognised at the transaction cost, which is its fair value, and subsequently measured at amortised cost. Similarly, interest bearing loans (loans to related parties), trade credits and borrowings (including bonds) are subsequently measured at amortised cost using effective interest rate method. Trade credits include buyer's credit, foreign letter of credit and inland letter of credit.

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

### iii) Derecognition of Financial Liability

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

## 3.6 Derivative financial instruments and hedge accounting

### Initial recognition and subsequent measurement:

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

Any gains or losses arising from changes in the fair value of derivatives are taken directly to the Consolidated statement of profit and loss, except for the effective portion of cash flow hedges, which is recognised in Other Comprehensive Income (OCI) and later reclassified to the Consolidated statement of profit and loss when the hedge item affects profit or loss. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as OCI are transferred to the initial carrying amount of the non-financial asset or liability.

At the inception of a hedge relationship, the Group formally designates and documents the hedge

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(Amount in ₹ crores, unless otherwise stated)

relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

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

## Cash flow hedges

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

## 3.7 Inventories

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

## 3.8 Foreign currencies

The functional currency of the 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 Consolidated statement of profit and loss in the period in which they arise except for:

- (i) exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings; and
- (ii) exchange differences on transactions entered into in order to hedge certain foreign currency risks.

## 3.9 Fair value measurement

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

The 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;

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- (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.

## 3.10 Revenue recognition

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

### 1. Transmission of power

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

Input method is used to recognize revenue based on the Group's efforts or inputs to the satisfaction of a performance obligation to deliver power. As per tariff regulations, the Group determines ARR and any surplus/shortfall in recovery of the same is accounted as revenue.

### 2. Sale of power - Distribution

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

### 3. Rendering of services

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

### 4. Interest on Overdue Receivables / Delay Payment Charges

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

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

### 5. Sale of traded goods

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

- the Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the amount of revenue can be measured reliably; and
- it is probable that the economic benefits associated with the transaction will flow to The Group.

# Consolidated notes to the financial statements

(Amount in ₹ crores, unless otherwise stated)

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

## 6. Amortisation of Service line contribution

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

## 7. Interest income:

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

## 8. Rental income:

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

### 3.11 Regulatory deferral account

The Group determines revenue gaps (i.e. surplus/shortfall in actual returns over returns entitled) in respect of its regulated operations in accordance with the provisions of Ind AS 114 "Regulatory Deferral Accounts" read with the guidance note on Rate Regulated Activities issued by The Institute of Chartered Accountants of India (ICAI) and based on the principles laid down under the relevant Tariff Regulations/Tariff Orders notified by the Electricity Regulator and the actual or expected actions of the regulator under the applicable regulatory framework. Appropriate adjustments in respect of such revenue gaps are made in the regulatory deferral account of the respective year for the amounts which are reasonably determinable, and no significant uncertainty exists in such determination. These adjustments/accruals representing revenue gaps are carried forward as Regulatory deferral accounts debit/credit balances (Regulatory Assets/Regulatory Liabilities) as the case may be in the financial statements, which would be recovered/refunded through future billing based on future tariff determination by the regulator in accordance with the electricity regulations.

The Group presents separate line items in the consolidated balance sheet for:

- i. the total of all regulatory deferral account debit balances; and
- ii. the total of all regulatory deferral account credit balances.

A separate line item is presented in the Consolidated statement of profit and loss for the net movement in regulatory deferral account. Regulatory assets/ liabilities on deferred tax expense/income is presented separately in the tax expense line item.

### 3.12 Borrowing costs

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

Substantial time is defined as time required for commissioning of the assets considering industry benchmarks/ Maharashtra Electricity Regulatory Commission (MERC) tariff regulations.

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## 3.13 Employee benefits

### (i) Defined contribution plan:

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

### (ii) Defined benefit plans:

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

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

### (iii) Compensated absences:

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

### (iv) Short-term and other long-term employee benefits:

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service. Liabilities recognised in respect of short-term employee benefits are measured at the 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.

## 3.14 Leases

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

The Group recognises a right-of-use asset and a lease liability at the lease commencement date except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

### Right-of-use assets

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

### Lease Liabilities

The lease liability is initially measured at the present value of the lease payments to be paid over the lease term at the commencement date, discounted using the interest rate implicit in the lease or, if that

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(Amount in ₹ crores, unless otherwise stated)

rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate. Subsequently, the lease liability is measured at amortised cost using the effective interest method.

## 3.15 Taxation

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

## 4 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the year ended 31 March, 2024 MCA has not notified any new standards or amendments to the existing standards applicable to the Group.

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## Note 5 : Property, plant and equipment (PPE)

Particulars	Freehold Land	Buildings - Residential	Buildings - Others	Plant and Equipment	Distribution Systems	Street Light	Railway Siding	Jetty	Furniture and Fixtures	Vehicles	Office Equipment	Computers	Electrical Installations	Total
<b>Gross carrying amount</b>														
As at 1st April 2022	2,636.87	104.91	871.34	5,284.42	6,188.82	232.13	6.87	1.39	21.53	46.22	28.46	183.51	47.18	15,653.65
Additions	-	1.55	29.47	422.83	516.39	45.95	-	-	0.49	31.99	3.56	35.04	8.11	1,095.38
Disposals	-	-	0.01	22.06	-	2.68	-	-	-	2.23	0.02	3.26	0.41	30.67
<b>Gross carrying amount as at 31 March, 2023</b>	<b>2,636.87</b>	<b>106.46</b>	<b>900.80</b>	<b>5,685.19</b>	<b>6,705.21</b>	<b>275.40</b>	<b>6.87</b>	<b>1.39</b>	<b>22.02</b>	<b>75.98</b>	<b>32.00</b>	<b>215.29</b>	<b>54.88</b>	<b>16,718.36</b>
<b>Accumulated depreciation</b>														
As at 1st April 2022	-	15.67	113.24	1,058.45	823.95	43.07	1.66	0.32	12.00	12.87	15.06	55.61	14.04	2,165.94
Depreciation charge for the year	-	5.00	31.10	315.94	277.06	13.05	0.41	0.09	1.16	3.30	3.72	43.25	4.38	698.46
Eliminated on disposal of assets	-	-	0.01	14.20	-	1.00	-	-	-	1.30	0.02	3.26	0.38	20.17
<b>Accumulated depreciation as at 31 March, 2023</b>	<b>-</b>	<b>20.67</b>	<b>144.33</b>	<b>1,360.19</b>	<b>1,101.01</b>	<b>55.12</b>	<b>2.07</b>	<b>0.41</b>	<b>13.16</b>	<b>14.87</b>	<b>18.76</b>	<b>95.60</b>	<b>18.04</b>	<b>2,844.23</b>
<b>Net carrying amount as at 31 March, 2023</b>	<b>2,636.87</b>	<b>85.79</b>	<b>756.47</b>	<b>4,325.00</b>	<b>5,604.20</b>	<b>220.28</b>	<b>4.80</b>	<b>0.98</b>	<b>8.86</b>	<b>61.11</b>	<b>13.24</b>	<b>119.69</b>	<b>36.84</b>	<b>13,874.13</b>
<b>Gross carrying amount</b>														
As at 1st April 2023	2,636.87	106.46	900.80	5,685.19	6,705.21	275.40	6.87	1.39	22.02	75.98	32.00	215.29	54.88	16,718.36
Additions	59.83	-	33.31	351.88	676.93	36.06	-	-	0.20	2.66	1.34	37.07	3.35	1,202.63
Disposals	-	-	0.07	13.05	-	1.52	-	-	0.06	0.17	0.02	0.66	0.01	15.56
<b>Gross carrying amount as at 31 March, 2024</b>	<b>2,696.70</b>	<b>106.46</b>	<b>934.04</b>	<b>6,024.02</b>	<b>7,382.14</b>	<b>309.94</b>	<b>6.87</b>	<b>1.39</b>	<b>22.16</b>	<b>78.47</b>	<b>33.32</b>	<b>251.70</b>	<b>58.22</b>	<b>17,905.43</b>
<b>Accumulated depreciation</b>														
As at 1st April 2023	-	20.67	144.33	1,360.19	1,101.01	55.12	2.07	0.41	13.16	14.87	18.76	95.60	18.04	2,844.23
Depreciation charge for the year	-	3.76	33.21	339.07	301.53	14.96	0.41	0.09	0.98	4.44	4.28	39.30	4.85	746.88
Eliminated on disposal of assets	-	-	0.07	9.34	-	0.65	-	-	0.06	0.08	0.02	0.66	0.01	10.89
<b>Accumulated depreciation as at 31 March, 2024</b>	<b>-</b>	<b>24.43</b>	<b>177.47</b>	<b>1,689.92</b>	<b>1,402.54</b>	<b>69.43</b>	<b>2.48</b>	<b>0.50</b>	<b>14.08</b>	<b>19.23</b>	<b>23.02</b>	<b>134.24</b>	<b>22.88</b>	<b>3,580.22</b>
<b>Net carrying amount as at 31 March, 2024</b>	<b>2,696.70</b>	<b>82.03</b>	<b>756.57</b>	<b>4,334.10</b>	<b>5,979.60</b>	<b>240.51</b>	<b>4.39</b>	<b>0.89</b>	<b>8.08</b>	<b>59.24</b>	<b>10.30</b>	<b>117.46</b>	<b>35.34</b>	<b>14,325.21</b>

## Consolidated notes to the financial statements

(Amount in ₹ crores, unless otherwise stated)

### Note 5 : Property, plant and equipment (PPE) (contd...)

#### Notes:

- (i) Refer note 18 (i) for security charges created on aforesaid assets
- (ii) Refer note 32 (B) for capital commitments
- (iii) Details of Immovable Properties for which title deeds are not in the name of Group are given below:

Relevant Line Item in Balancesheet	Description of Property	Gross carrying value	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	Free hold land	2,240.15	BSES / Reliance Energy Limited / Reliance Infrastructure Limited	No		The title deeds in respect of land and certain residential properties are either in the erstwhile names of the Company viz: "Bombay Suburban Electric Supply Limited" (BSES) / "Reliance Energy Limited" / "Reliance Infrastructure Limited".
Property, Plant and Equipment	Building	587.86	BSES / Reliance Energy Limited / Reliance Infrastructure Limited	No	28 August, 2018	The Company is in process of updating the same from erstwhile Company's name to the name of the Company.
Right-of-Use Assets	Leasehold Land	7.88	BSES / Reliance Energy Limited / Reliance Infrastructure Limited	No		
Right-of-Use Assets	Leasehold Land	510.00	Mumbai Metropolitan Region Development Authority	No	18 September, 2021	The Company received the possession letter dated 18 September, 2021 and will enter into formal lease agreement on completion of the construction of the substation as per the applicable regulatory requirements.

# Consolidated notes to the financial statements

(Amount in ₹ crores, unless otherwise stated)

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

Particulars	As at 31 March, 2024	As at 31 March, 2023
Opening Balance	1,094.46	489.94
Expenditure incurred during the year	2,026.86	1,640.67
Less : Capitalised during the year	(1,137.44)	(1,036.15)
<b>Closing Balance</b>	<b>1,983.88</b>	<b>1,094.46</b>

Refer note 18 (i) for security charges created on aforesaid assets

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

Particulars	Amount in CWIP for a period of				Total
	<1 year	1-2 years	2-3 years	> 3 years	
<b>As at 31 March, 2024</b>					
- Projects in progress	1,215.36	562.45	151.10	54.96	1,983.87
- Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>1,215.36</b>	<b>562.45</b>	<b>151.10</b>	<b>54.96</b>	<b>1,983.87</b>
<b>As at 31 March, 2023</b>					
- Projects in progress	787.44	236.12	37.09	32.11	1,092.76
- Projects temporarily suspended	0.97	0.67	-	0.06	1.70
<b>Total</b>	<b>788.41</b>	<b>236.79</b>	<b>37.09</b>	<b>32.17</b>	<b>1,094.46</b>

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

Particulars	To be completed in				Total
	<1 year	1-2 years	2-3 years	> 3 years	
<b>As at 31 March, 2024</b>					
- Projects in progress	-	-	-	-	-
- Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>As at 31 March, 2023</b>					
- Projects in progress					
11kV Network_New Supply_FY 2019-20	0.24	-	-	-	0.24
- Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>0.24</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.24</b>

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

## Consolidated notes to the financial statements

(Amount in ₹ crores, unless otherwise stated)

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

Particulars	To be completed in				Total
	<1 year	1-2 years	2-3 years	> 3 years	
<b>As at 31 March, 2024</b>					
- Projects in progress	-	-	-	-	-
- Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>As at 31 March, 2023</b>					
- Projects in progress					
Main Plant DPR Jobs	0.12	0.01	-	-	0.13
Other DPR Jobs	0.06	-	-	-	0.06
11kV Network Strengthening 2017-18_New Supply	1.63	-	-	-	1.63
33-22/11 kV Receiving Station Schemes (11-12)	1.38	-	-	-	1.38
11kV Network strengthening 2013-14	0.08	-	-	-	0.08
11kV Network_New Supply_FY 2019-20	0.24	-	-	-	0.24
Services New Supply (2019-20)	0.26	-	-	-	0.26
IT Network_Revamping_FY 2020-21	2.44	-	-	-	2.44
LT Mains_Improvement_FY 2020-21 & FY 2021-22	0.44	-	-	-	0.44
Receiving Station_R M Prabodhani_FY 2020-21	1.51	-	-	-	1.51
DPR - Security Automation Augmentation_FY 2021-22	0.21	-	-	-	0.21
- Projects temporarily suspended					
Receiving Station Jobs	-	-	-	-	-
<b>Total</b>	<b>8.36</b>	<b>0.01</b>	<b>-</b>	<b>-</b>	<b>8.37</b>

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

# Consolidated notes to the financial statements

(Amount in ₹ crores, unless otherwise stated)

## Note 5b: Right of use assets

Particulars	Right of Use			
	Land	Building	Right of Way	Total
<b>Gross carrying amount</b>				
As at 01 April, 2022	524.07	102.09	40.16	666.32
Additions	0.23	-	1.32	1.55
Derecognition	-	-	-	-
<b>Gross carrying amount as at 31 March, 2023</b>	<b>524.30</b>	<b>102.09</b>	<b>41.48</b>	<b>667.87</b>
<b>Accumulated depreciation / amortisation</b>				
As at 01 April, 2022	4.31	62.59	6.63	73.53
Depreciation / amortisation charge for the year	6.42	13.81	3.18	23.41
Derecognition	-	-	-	-
<b>Accumulated depreciation / amortisation as at 31 March, 2023</b>	<b>10.73</b>	<b>76.40</b>	<b>9.81</b>	<b>96.94</b>
<b>Net carrying amount as at 31 March, 2023</b>	<b>513.57</b>	<b>25.69</b>	<b>31.67</b>	<b>570.93</b>
<b>Gross carrying amount</b>				
As at 01 April, 2023	524.30	102.09	41.48	667.87
Additions	-	-	-	-
Derecognition	-	-	-	-
<b>Gross carrying amount as at 31 March, 2024</b>	<b>524.30</b>	<b>102.09</b>	<b>41.48</b>	<b>667.87</b>
<b>Accumulated depreciation / amortisation</b>				
As at 01 April, 2023	10.73	76.40	9.81	96.94
Depreciation / amortisation charge for the year	6.41	10.31	4.38	21.10
Derecognition	-	-	-	-
<b>Accumulated depreciation / amortisation as at 31 March, 2024</b>	<b>17.14</b>	<b>86.71</b>	<b>14.19</b>	<b>118.04</b>
<b>Net carrying amount as at 31 March, 2024</b>	<b>507.16</b>	<b>15.38</b>	<b>27.29</b>	<b>549.83</b>

(i) Refer note 33 for lease liabilities disclosure under IndAS 116

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

During the financial year 2021-22, the Company had entered into memorandum of understanding in name of the Company with M/s. Super heights Infraspace Private Limited (SIPL) (related party) for an amount of ₹ 510.00 crores towards acquiring leasehold rights of land parcel at BKC, Mumbai for construction of Extra High Voltage (EHV) substation to meet the incremental load requirement.

# Consolidated notes to the financial statements

(Amount in ₹ crores, unless otherwise stated)

## Note 5c: Intangible assets

Particulars	Computer Softwares	Transmission License	Total
<b>Gross carrying amount</b>			
As at 01 April, 2022	92.65	981.62	1,074.27
Additions	30.07	–	30.07
Disposal	–	–	–
<b>Gross carrying amount as on 31 March, 2023</b>	<b>122.72</b>	<b>981.62</b>	<b>1,104.34</b>
<b>Accumulated amortisation</b>			
As at 01 April, 2022	36.08	–	36.08
Amortisation charge for the year	26.82	–	26.82
Eliminated on disposal of assets	–	–	–
<b>Accumulated amortisation as on 31 March, 2023</b>	<b>62.90</b>	<b>–</b>	<b>62.90</b>
<b>Net carrying amount as at 31 March, 2023</b>	<b>59.82</b>	<b>981.62</b>	<b>1,041.44</b>
<b>Gross carrying amount</b>			
As at 01 April, 2023	122.72	981.62	1,104.34
Additions	26.37	–	26.37
Disposal	–	–	–
<b>Gross carrying amount as at 31 March, 2024</b>	<b>149.09</b>	<b>981.62</b>	<b>1,130.71</b>
<b>Accumulated amortisation</b>			
As at 01 April, 2023	62.90	–	62.90
Amortisation charge for the year	35.75	–	35.75
Eliminated on disposal of assets	–	–	–
<b>Accumulated amortisation as on 31 March, 2024</b>	<b>98.65</b>	<b>–</b>	<b>98.65</b>
<b>Net carrying amount as at 31 March, 2024</b>	<b>50.44</b>	<b>981.62</b>	<b>1,032.06</b>

### Notes:

- (i) The above intangible assets are other than internally generated intangible assets.
- (ii) Transmission license was acquired as part of the business acquisition. The License is valid for 25 years from 16 August, 2011 to 15 August, 2036. The license is expected to be further extended at minimal cost, considering similar extensions have happened in the past. Based on an analysis of all of the relevant factors, the license is considered by the Group as having an indefinite useful life, as there is no foreseeable limit to the period over which the transmission business related assets are expected to generate net cash inflows for the Group.
- (iii) Transmission License is pledged as security with the Lenders against borrowings. (refer note 18 (i))

## Note 5d: Depreciation and amortisation expense

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Depreciation on property, plant and equipment	746.88	698.46
Amortisation on intangible assets	35.75	26.82
Depreciation / amortisation on right of use assets	21.10	23.41
<b>Total</b>	<b>803.73</b>	<b>748.69</b>
Less : Transferred to capital work in progress	(6.16)	(6.07)
<b>Net depreciation charged to the Consolidated Statement of Profit and Loss</b>	<b>797.57</b>	<b>742.62</b>

# Consolidated notes to the financial statements

(Amount in ₹ crores, unless otherwise stated)

## 6 Investments

### 6a Non-current investments

Particulars	Face value in ₹ unless otherwise specified	No of shares / units	As at 31 March, 2024	As at 31 March, 2023
Investment in Government Securities fully paid up at amortised cost				
Contingency reserve Investments (quoted) - refer note 17 (d)				
7.16% Government Stock - 2050	100 (100)	1,87,50,000 (1,87,50,000)	200.92	201.16
9.23% Government Stock - 2043	100 (100)	2,20,000 (2,20,000)	2.81	2.88
5.63% Government Stock - 2026	100 (100)	30,00,000 (30,00,000)	29.78	29.57
<b>Total</b>			<b>233.51</b>	<b>233.61</b>
Aggregate market value of quoted investments			220.31	214.32
Aggregate carrying value of quoted investments			233.51	233.61
Aggregate carrying value of unquoted investments			-	-
Aggregate amount of impairment in the value of investments			-	-

## Consolidated notes to the financial statements

(Amount in ₹ crores, unless otherwise stated)

### 6a Current investments

Particulars	Face value in ₹ unless otherwise specified	No of shares / units	As at 31 March, 2024	As at 31 March, 2023
<b>Contingency reserve investments - refer note 17 (d)</b>				
Investment in treasury bills at FVTPL (quoted)	100 (Nil)	25,00,000 (Nil)	34.56	24.75
<b>Investment in mutual funds at FVTPL (quoted)</b>				
SBI Overnight Direct Growth {NA (NAV ₹ 3,649.25)}		7,37,653.15 (Nil)	–	269.19
ABSL Overnight Direct Growth {NA (NAV ₹ 1,212.45)}		8,99,491.49 (Nil)	–	109.06
ABSL Liquid Direct Growth {NA (NAV ₹ 363.08)}		100,43,309.82 (Nil)	–	364.66
<b>Total</b>			34.56	767.66
Aggregate market value of quoted investments			34.56	767.66
Aggregate carrying value of quoted investments			34.56	767.66
Aggregate carrying value of unquoted investments			–	–
Aggregate amount of impairment in the value of investments			–	–

### 7 Loans

Particulars	Non-current		Current	
	As at 31 March, 2024	As at 31 March, 2023	As at 31 March, 2024	As at 31 March, 2023
Housing loans to employees, considered good - secured	13.38	17.14	2.97	3.00
Loans to employees -sconsidered good - unsecured	9.15	8.96	4.09	3.95
Less: Allowance for bad and doubtful loans	–	–	–	–
<b>Total</b>	<b>22.53</b>	<b>26.10</b>	<b>7.06</b>	<b>6.95</b>

Details of loans to specified persons during the year : ₹ Nil (31 March,2023 : ₹ Nil)

# Consolidated notes to the financial statements

(Amount in ₹ crores, unless otherwise stated)

## 8 Other financial assets

Particulars	Non-current		Current	
	As at 31 March, 2024	As at 31 March, 2023	As at 31 March, 2024	As at 31 March, 2023
Security deposits - unsecured				
Considered good	33.22	52.45	–	–
Considered doubtful	6.37	6.63	–	–
	39.59	59.08	–	–
Less : Allowance For doubtful deposits	(6.37)	(6.63)	–	–
<b>Total</b>	<b>33.22</b>	<b>52.45</b>	<b>–</b>	<b>–</b>
* Deposit with banks having maturity more than 12 months	565.64	608.74	–	–
# Derivative instruments designated in hedge accounting relationship	559.69	553.37	–	–
Unbilled revenue	–	–	663.13	597.55
Regulatory assets other than distribution	–	–	–	18.33
Others	–	–	4.97	0.23
<b>Total</b>	<b>1,158.55</b>	<b>1,214.56</b>	<b>668.10</b>	<b>616.11</b>

Note :

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

# Refer note 18 (i) for security/charges created on hedging instruments.

## 9 Income tax assets (net)

Particulars	As at 31 March, 2024	For the year ended 31 March, 2023
Income tax assets (net)	5.52	2.93
<b>Total</b>	<b>5.52</b>	<b>2.93</b>

Note : Tax Provision 31 March 2024 : ₹ 84.75 Cr [31 March 2023 ₹ 27.20 Cr]

## 10 Other assets

Particulars	Non-current		Current	
	As at 31 March, 2024	As at 31 March, 2023	As at 31 March, 2024	As at 31 March, 2023
Advances to suppliers	–	–	111.13	113.34
Balances with government authorities	–	–	0.05	5.46
Prepaid expenses	1.48	0.46	12.08	16.35
Capital advances	465.05	235.60	–	–
Advance to employees	1.76	3.96	8.41	3.95
<b>Total</b>	<b>468.29</b>	<b>240.02</b>	<b>131.67</b>	<b>139.10</b>

## 11 Inventories

Particulars	As at 31 March, 2024	As at 31 March, 2023
Fuel	98.84	39.78
Fuel - in transit	38.47	17.00
Stores & spares	41.56	35.97
<b>Total</b>	<b>178.87</b>	<b>92.75</b>

Refer note 18 (i) for security charges created on aforesaid assets

# Consolidated notes to the financial statements

(Amount in ₹ crores, unless otherwise stated)

## 12 Trade receivables

Particulars	As at 31 March, 2024	As at 31 March, 2023
Considered good, secured	133.74	127.37
Considered good, unsecured	299.18	284.90
Having significant increase in credit risk	36.28	40.00
Credit impaired	1.39	1.39
	470.59	453.66
Less : Allowance for doubtful trade receivables	(1.39)	(1.39)
<b>Total</b>	<b>469.20</b>	<b>452.27</b>

### Notes :

- (i) The Group holds security deposit from its customers (refer note 20) in respect of trade receivables to the extent covered by such deposits are presented as secured.
- (ii) Above trade receivables are pledged as security with the Lenders against borrowings [refer note 18 (i)].
- (iii) The average credit period for the Group's receivables from its transmission and distribution (including street light maintenance) business is in the range of 15 to 30 days. No interest or delayed payment is charged on trade receivables till the due date. Thereafter, one time delayed payment charges at the rate of 1.25% & interest after 30 / 60 days from bill date is charged in the range of 12% to 15% per annum.
- (iv) In case of transmission business, regulator approved tariff is receivable from long-term transmission customers (LTTCS) and Discoms that are highly rated companies or government parties. Counterparty credit risk with respect to these receivables is very minimal.
- (v) The Group considers for impairment of its receivables from customers in its Mumbai distribution business. The risk of recovery in these businesses is reduced to the extent of security deposits already collected and held as collateral. Balance amount receivable over and above the deposit is assessed for expected credit loss allowances. The Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experienced and adjusted for forward-looking information. The expected credit loss allowance is based on ageing of the days the receivables are due.

### Trade receivables ageing schedule

Particulars	Outstanding for following periods from due date						
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>As at 31 March, 2024</b>							
(i) Undisputed trade receivables – considered good	288.40	135.89	1.64	4.06	–	–	429.99
(ii) Undisputed trade receivables – which have significant increase in credit risk	16.99	9.92	3.62	5.72	–	–	36.25
(iii) Undisputed trade receivables – credit impaired	–	–	–	1.39	–	–	1.39
(iv) Disputed trade receivables considered good	0.43	1.69	0.40	0.41	–	–	2.93
(v) Disputed trade receivables - which have significant increase in credit risk	0.03	–	–	–	–	–	0.03
(vi) Disputed trade receivables – credit impaired	–	–	–	–	–	–	–
(vii) Allowance for doubtful debts	–	–	–	(1.39)	–	–	(1.39)
<b>Total</b>	<b>305.85</b>	<b>147.50</b>	<b>5.66</b>	<b>10.19</b>	<b>–</b>	<b>–</b>	<b>469.20</b>

# Consolidated notes to the financial statements

(Amount in ₹ crores, unless otherwise stated)

## Trade receivables ageing schedule (contd...)

Particulars	Outstanding for following periods from due date						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
<b>As at 31 March, 2023</b>							
(i) Undisputed trade receivables – considered good	291.40	112.25	0.26	5.10	–	–	409.01
(ii) Undisputed trade receivables – which have significant increase in credit risk	17.23	14.72	2.87	5.15	–	–	39.97
(iii) Undisputed trade receivables – credit impaired	–	–	–	1.39	–	–	1.39
(iv) Disputed trade receivables considered good	0.92	1.54	0.32	0.48	–	–	3.26
(v) Disputed trade receivables - which have significant increase in credit risk	0.03	–	–	–	–	–	0.03
(vi) Disputed trade receivables – credit impaired	–	–	–	–	–	–	–
(vii) Loss Allowance	–	–	0.00	(1.39)	–	–	(1.39)
<b>Total</b>	<b>309.58</b>	<b>128.51</b>	<b>3.45</b>	<b>10.73</b>	<b>–</b>	<b>–</b>	<b>452.27</b>

## Movement in the provision for doubtful trade receivables

Particulars	As at 31 March, 2024	As at 31 March, 2023
Balance at the beginning of the year	1.39	1.39
Add : Loss allowance during the year (net of recoveries)	17.09	15.21
(Less) : (written off) during the year	(17.09)	(15.21)
<b>Balance at the end of the year</b>	<b>1.39</b>	<b>1.39</b>

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

## 13 Cash and cash equivalents

Particulars	As at 31 March, 2024	As at 31 March, 2023
Balances with banks		
- In current accounts	87.54	58.23
- In fixed deposits	278.00	20.00
Cash on hand	1.38	0.43
Cheques / drafts on hand	14.08	14.04
<b>Total</b>	<b>381.00</b>	<b>92.70</b>

*Cash and cash equivalents includes balance with banks which are unrestricted for withdrawal and usage.*

*Refer note 18 (i) for security charges created on aforesaid assets*

# Consolidated notes to the financial statements

(Amount in ₹ crores, unless otherwise stated)

## 14 Bank balance other than cash and cash equivalents

Particulars	As at 31 March, 2024	As at 31 March, 2023
Bank Deposits with original maturity of more than 3 months but less than 12 months	628.22	622.45
<b>Total</b>	<b>628.22</b>	<b>622.45</b>

Refer note 18 (i) for security charges created on aforesaid assets

## 15 Equity share capital

Particulars	As at 31 March, 2024	As at 31 March, 2023
<b>Authorised Equity Share capital</b>		
5,000,000,000 (5,000,000,000) equity shares of ₹ 10 each.	5,000.00	5,000.00
	<b>5,000.00</b>	<b>5,000.00</b>
<b>Issued, Subscribed and Paid-up Equity Share capital</b>		
4,020,823,535 (4,020,823,535) fully paid up equity shares of ₹ 10 each.	4,020.82	4,020.82
	<b>4,020.82</b>	<b>4,020.82</b>

### a. Reconciliation of the shares outstanding at the beginning and at the end of the year

Equity shares	As at 31 March, 2024		As at 31 March, 2023	
	No of Shares	Amount	No of Shares	Amount
At the beginning of the year	4,02,08,23,535	4,020.82	4,02,08,23,535	4,020.82
Issued during the year	–	–	–	–
<b>Outstanding at the end of the year</b>	<b>4,02,08,23,535</b>	<b>4,020.82</b>	<b>4,02,08,23,535</b>	<b>4,020.82</b>

#### Details of shares allotted for consideration other than cash

During the year ended 31 March, 2020 620,773,535 numbers Equity Shares of ₹ 10 each at a premium of ₹ 1.94 per share, have been issued through Preferential allotment to Parent Company on conversion of intercorporate deposit (including interest accrued amounting to ₹ 40 Crores) ₹ 460.25 Crores and unsecured perpetual Instrument.

### b. Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The dividend if proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting. During the current year, the Company has paid dividend of ₹ Nil (PY : ₹ 341.77 Crores) after obtaining the necessary approval. In the event of liquidation of the Company the holders of the equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

## Consolidated notes to the financial statements

(Amount in ₹ crores, unless otherwise stated)

### c. Details of shareholding of the promoters, holding company and shareholders holding more than 5% shares in the Company

Equity shares of ₹ 10 each fully paid	As at 31 March, 2024		As at 31 March, 2023	
	No. Shares	% held	No. Shares	% held
Adani Energy Solutions Limited and its nominees (Promoters and holding company)**	3,01,15,96,827	74.90%	3,01,15,96,827	74.90%
Qatar Holding LLC **	1,00,92,26,708	25.10%	1,00,92,26,708	25.10%
	<b>4,02,08,23,535</b>	<b>100.00%</b>	<b>4,02,08,23,535</b>	<b>100.00%</b>
## Shares pledged				
Number of equity shares pledged to lenders - 100% (31 March, 2023 - 100%)		4,02,08,23,529		4,02,08,23,529

### d. Details of Shareholding of Promoters

Particulars	No. of shares	% of total shares	% Change during the year	Remark if change is more than 25%
<b>As at 31 March, 2024</b>				
Adani Energy Solutions Limited and its nominees (Promoters and holding company)	3,01,15,96,827	74.90%	Nil	Not applicable
	<b>3,01,15,96,827</b>	<b>74.90%</b>		
<b>As at 31 March, 2023</b>				
Adani Energy Solutions Limited and its nominees (Promoters and holding company)	3,01,15,96,827	74.90%	Nil	Not applicable
	<b>3,01,15,96,827</b>	<b>74.90%</b>		

## 16 Equity component of compound financial instrument

Particulars	As at 31 March, 2024	As at 31 March, 2023
3,82,17,610 (10,471,850) 11% Optionally convertible debentures classified as Equity of ₹ 100 each	424.09	382.18
<b>Total</b>	<b>424.09</b>	<b>382.18</b>

The Group has issued unlisted unsecured 11% optionally convertible debentures (OCD) of nominal value of ₹ 100 each to WRSS XXI (A) Transco Limited and Lakadia Banaskantha Transco Limited, which shall be optionally converted at the option of the issuer in to equity shares of the Company after expiry of 4 years from the date of issue, the date of allotment or at the option of holder in event of default. The holder can call upon the issuer to redeem OCD in full on completion of 4 years and the issuer also is entitled to voluntarily redeem OCD in full upon mutual discussion and agreement with the holders. The OCD rank pari pasu over other but will be subordinated to the any Senior Secured Loan availed by the Company. Interest on OCD is repayable on maturity. The OCD amounting to ₹ 544.04 Crores has been fair valued at the balance sheet date and accordingly ₹ 219.82 crores (31 March, 2023 ₹ 197.99 crores) has been classified as debt component and ₹ 424.09 crores (31 March, 2023 ₹ 382.18 crores) as equity component.

# Consolidated notes to the financial statements

(Amount in ₹ crores, unless otherwise stated)

## 17 Other equity

### a. Capital reserve

Particulars	As at 31 March, 2024	As at 31 March, 2023
Opening balance	230.78	230.78
Add : Additions during the year	–	–
<b>Closing balance</b>	<b>230.78</b>	<b>230.78</b>

Capital reserve represents the gain arising on accounting of business combination, wherein on the acquisition-date the net amounts of the identifiable assets acquired and the liabilities assumed exceeded the consideration amount paid.

### b. Cashflow hedge reserve

Particulars	As at 31 March, 2024	As at 31 March, 2023
Opening balance	(215.54)	(265.77)
Impact on account of restatement (refer note 38)	–	92.87
Add : Other comprehensive (loss) during the year	(142.21)	(42.64)
<b>Closing balance</b>	<b>(357.75)</b>	<b>(215.54)</b>

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.

### c. Contingency reserve fund

Particulars	As at 31 March, 2024	As at 31 March, 2023
Opening balance	252.79	245.43
Transfer from Retained earnings	6.97	7.36
<b>Closing balance</b>	<b>259.76</b>	<b>252.79</b>

As per the provisions of MERC MYT Regulations read with Tariff orders passed by MERC, the Company being a Distribution and Transmission Licensee, makes an appropriation to the Contingency Reserve Fund to meet with certain exigencies. Investments have been made in securities issued by Government of India. (refer note 6)

### d. Securities premium

Particulars	As at 31 March, 2024	As at 31 March, 2023
Opening Balance	120.43	120.43
Add : Additions during the year	–	–
<b>Closing Balance</b>	<b>120.43</b>	<b>120.43</b>

Securities Premium is used to record the premium on issue of shares and is utilised in accordance with the provisions of the Companies Act, 2013.

# Consolidated notes to the financial statements

(Amount in ₹ crores, unless otherwise stated)

## e. Retained earnings

Particulars	As at 31 March, 2024	As at 31 March, 2023
Opening balance	422.05	343.04
Profit for the year	230.46	94.80
Other comprehensive (loss) arising from tax related items that will not be classified into profit or loss	(0.46)	(8.43)
Transfer to Contingency reserve fund	(6.97)	(7.36)
Payment of dividend on equity shares	(341.77)	–
<b>Closing balance</b>	<b>303.31</b>	<b>422.05</b>
<b>Total</b>	<b>556.53</b>	<b>810.51</b>

- (i) Retained earnings represents the amount that can be distributed by the Group to its shareholders as dividends considering the requirements of the Companies' Act, 2013
- (ii) The Board of Directors of the Company in their meeting held on 26 May, 2023, have declared interim dividend of ₹ 0.85 per equity share of ₹ 10 each for the financial year 2022-23 amounting to ₹ 341.77 crores.

## 18 Non-current borrowings

Particulars	As at 31 March, 2024	As at 31 March, 2023
<b>Secured</b>		
External Commercial Borrowings in Foreign Currency		
Senior Secured Note - 3.949%	7,289.87	8,158.69
Sustainability Linked Notes - 3.867%	2,480.45	2,440.41
<b>Unsecured</b>		
External Commercial Borrowings in Foreign Currency		
Shareholders Affiliated Debts - 6.365%	2,327.88	2,289.52
@ Inter corporate deposit from related party	1,005.58	33.96
@@ Optionally Convertible Debentures	219.82	197.99
<b>Total</b>	<b>13,323.60</b>	<b>13,120.57</b>

# Consolidated notes to the financial statements

(Amount in ₹ crores, unless otherwise stated)

## Consolidated notes to the financial statements

(Amount in ₹ crores, unless otherwise stated)

### Note 18 (iii)

Borrowings	Security	Terms of repayment of borrowings
Sustainability Linked Notes - 3.87% (and related hedging instruments)	a) a first pari passu mortgage over certain identified immovable properties; b) a first pari passu charge on the movable assets (both present and future); c) a first pari passu charge on all book debts, operating cash flows, receivables (excluding Past Period Regulatory Assets, monies in the Debenture Liquidity Account and the post distribution cash flows), commissions or revenues whatsoever arising out of the Project (both present and future); d) a first pari passu charge on the accounts under the Project Accounts Deed (except the Excluded Accounts (which means the AEML PPRA Account, the Debenture Liquidity Account, each of the AEML Post Distribution Cash Flow Accounts; any accounts opened for the purpose of managing any Excluded Cash Flows; and the AEML Distributions Account)) and amounts lying to the credit of such accounts (both present and future); e) a first pari passu assignment in relation to Transmission License and Distribution License, subject to approval from the MERC;	By way of bullet payment in July 2031 with an obligation to prepay the debt on occurrence of certain events. The Company can voluntarily prepay the Bond on payment of premium. By way of bullet payment in February 2030 with an obligation to prepay the debt on occurrence of certain events. The Company can voluntarily prepay the Bond on payment of premium.
Senior Secured Note - 3.949% (and related hedging instruments)	f) a pledge over 100% of the entire paid up equity and preference share capital of the Company if any; g) a non-disposal undertaking over immovable properties other than certain identified immovable properties; h) a non-disposal undertaking over the immovable and moveable assets (including all book debts, operating cash flows, receivables, commissions or revenues whatsoever) of Power Distribution Services Limited [PDSL, the Service Company] (both present and future); and i) a non-disposal undertaking over 100% of the equity and preference share capital of the Service Company, if any;	Working capital short term loans outstanding as on 31 March, 2024 are repayable within 03 months and the rate of interest ranges from 7.60% p.a. to 8.98% p.a. (refer note 25)
Working capital short term loan	In addition to the aforesaid, the Collateral shall also include such security interest as may be required to be created by other group entities of the issuer in the future, and such collateral may be shared in the same manner as aforementioned with other lenders of the Company, and such future obligors.	
Shareholders Affiliated Debts - 6.365%	<b>Ranking of Security</b> The Collateral will be a first charge ranking pari passu among the debt security holders, without any preference or priority and shall rank pari passu with all the senior secured debt of the Company in accordance with the Senior Secured Note Documents and the intercreditor agreement.  (i) First-ranking fixed charge over all its present and future right, title, benefit and interest in the Excluded Loan Accounts (ii) First-ranking floating charge over all of its present and future right, title, benefit and interest in the equity distribution account	Shareholders Affiliated Debts are repayable commencing from February 2027 through February 2040 with an obligation to prepay the debt on occurrence of certain events. The Company can voluntarily prepay the debt on payment of premium.

### Notes 18 (ii)

Pursuant to approval by Board of in their meeting Directors held on 26 May 2023, and approval of management committee of the Board of Directors of the Company in their meeting held on 13 November 2023, during the year ended 31 March, 2024 the Company has completed partial re-purchase of US\$ 120 million of its outstanding 3.949% USD 1000 million senior secured notes due 2030, through cash Tender Offer for purchase price of U.S.\$ 850 for early bid and US\$ 800 for post early bid per US\$ 1000 principal amount based on the terms and conditions mentioned in tender offer memorandum, on 30 November 2023. Post re-purchase, the Company has recognised one time income of ₹ 136.43 crores (net of expenses ₹ 13.57 crores) on derecognition of liability and the Company has cancelled the aforementioned 3.949% U.S.\$120 million Senior Secured Notes.\*

### Notes 18 (i)

During the year the Group has complied with all the covenants as required under bond agreement.

# Consolidated notes to the financial statements

(Amount in ₹ crores, unless otherwise stated)

## 19 Lease liabilities

Particulars	Non-current		Current	
	As at 31 March, 2024	As at 31 March, 2023	As at 31 March, 2024	As at 31 March, 2023
Lease liabilities (refer note 34)	7.43	14.47	11.71	16.27
<b>Total</b>	<b>7.43</b>	<b>14.47</b>	<b>11.71</b>	<b>16.27</b>

## 20 Trade payables

Particulars	Non-current		Current	
	As at 31 March, 2024	As at 31 March, 2023	As at 31 March, 2024	As at 31 March, 2023
(A) total outstanding dues of micro enterprises and small enterprises; and	–	–	44.25	42.87
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.	37.39	32.76	1,397.58	1,551.97
<b>Total</b>	<b>37.39</b>	<b>32.76</b>	<b>1,441.83</b>	<b>1,594.84</b>

This information as required to be disclosed under Micro, Small and Medium Enterprises Development Act 2006, to whom the Group owes dues (including interest on outstanding dues), which are outstanding as at the Balance Sheet date. The above information has been determined to the extent such parties have been identified on the basis of information available with the Company.

Particulars	As at 31 March, 2024	As at 31 March, 2023
(a) the principal amount remaining unpaid to any supplier at the end of each accounting year (including payable for Property, Plant & equipment)	217.26	232.41
(b) Interest due on principal amount remaining unpaid to any supplier at the end of each accounting year	0.67	0.67
(c) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	–	–
(d) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	0.67	0.67
(e) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	0.67	0.67
(f) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	0.67	0.67

# Consolidated notes to the financial statements

(Amount in ₹ crores, unless otherwise stated)

## Trade payables ageing schedule

Particulars	Outstanding for following periods from due date of payment					
	Not Due	<1 year	1-2 years	2-3 years	More than 3 years	Total
<b>As at 31 March, 2024</b>						
(a) MSME	29.92	6.88	2.53	1.31	3.61	44.25
(b) Others	1,046.63	73.86	100.83	24.16	97.42	1,342.90
(c) Disputed dues – MSME	–	–	–	–	–	–
(d) Disputed dues - Others	–	–	–	92.07	–	92.07
<b>Total</b>	<b>1,076.55</b>	<b>80.74</b>	<b>103.36</b>	<b>117.54</b>	<b>101.03</b>	<b>1,479.22</b>
<b>As at 31 March, 2023</b>						
(a) MSME	26.07	10.79	1.67	1.27	3.07	42.87
(b) Others	903.28	273.23	156.50	97.89	61.76	1,492.66
(c) Disputed dues – MSME	–	–	–	–	–	–
(d) Disputed dues - Others	–	–	92.07	–	–	92.07
<b>Total</b>	<b>929.35</b>	<b>284.02</b>	<b>250.24</b>	<b>99.16</b>	<b>64.83</b>	<b>1,627.60</b>

## 21 Other financial liabilities

Particulars	Non-current		Current	
	As at 31 March, 2024	As at 31 March, 2023	As at 31 March, 2024	As at 31 March, 2023
Interest accrued but not due on borrowings	–	–	118.34	123.25
Interest accrued but not due on security deposit from consumers	–	–	2.79	2.79
Retention money payable on purchase of Property, plant and equipment	25.37	–	–	–
Payable towards purchase of PPE				
(A) total outstanding dues of micro enterprises and small enterprises; and	–	–	173.68	190.21
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.	–	–	314.83	387.55
Security deposit:				
-From consumers	–	–	567.60	507.02
-From customers / vendors	0.39	0.34	15.82	14.07
Regulatory liabilities other than Distribution	–	–	19.36	–
Others	–	–	7.94	7.94
#Derivative Instruments designated in hedge accounting relationship	62.80	3.71	–	–
<b>Total</b>	<b>88.56</b>	<b>4.05</b>	<b>1,220.36</b>	<b>1,232.83</b>

# Refer note 18 (ii) for security/charges created on hedging instruments.

# Consolidated notes to the financial statements

(Amount in ₹ crores, unless otherwise stated)

## 22 Provisions

Particulars	Non-current		Current	
	As at 31 March, 2024	As at 31 March, 2023	As at 31 March, 2024	As at 31 March, 2023
Provision for gratuity (refer note 43)	211.74	153.81	32.56	29.18
Provision for compensated absences	384.18	338.26	29.59	68.07
Provision for other employment benefits	17.19	17.14	1.78	1.82
<b>Total</b>	<b>613.11</b>	<b>509.21</b>	<b>63.93</b>	<b>99.07</b>

## 23 Deferred tax liabilities (net)

Particulars	As at 31 March, 2024	As at 31 March, 2023
<b>Deferred tax liabilities in relation to</b>		
Difference between book base and tax base of property, plant and equipment	1,987.38	1,759.95
<b>Deferred Tax Liabilities</b>	<b>1,987.38</b>	<b>1,759.95</b>
<b>Deferred tax assets in relation to</b>		
Impact on account of restatement (refer note 39)		92.87
Tax related to items that will be reclassified to profit or loss	192.16	22.91
Allowance for doubtful debts, deposits and advances	13.06	8.66
Provisions for employee benefits and others	252.83	203.5
Unabsorbed depreciation	1,295.53	1,287.18
<b>Deferred Tax Assets</b>	<b>1,753.58</b>	<b>1,615.12</b>
<b>Deferred Tax (Assets)/Liabilities (net)</b>	<b>233.80</b>	<b>144.83</b>

## 24 Other liabilities

Particulars	Non-current		Current	
	As at 31 March, 2024	As at 31 March, 2023	As at 31 March, 2024	As at 31 March, 2023
Deferred revenue - service line contributions from consumers	293.08	265.64	15.23	12.90
Statutory dues payable	-	-	357.07	217.88
Advances from customer	-	-	76.93	64.56
Other payables	-	-	13.57	6.51
<b>Total</b>	<b>293.08</b>	<b>265.64</b>	<b>462.80</b>	<b>301.85</b>

# Consolidated notes to the financial statements

(Amount in ₹ crores, unless otherwise stated)

## 25 Current borrowings

Particulars	As at 31 March, 2024	As at 31 March, 2023
<b>Secured</b>		
Working capital short term loan	1,050.00	500.00
<b>Total</b>	<b>1,050.00</b>	<b>500.00</b>

### Security and rate of interest

- (i) For security of working capital loans - {refer note 18 (i)}
- (ii) There are no charges or satisfaction which are to be registered with Registrar of Companies beyond the statutory period.
- (iii) The Company has been sanctioned working capital from banks on the basis of security of current assets. The Company in this regard has been duly submitting with all such banks from whom such facilities are taken, the quarterly statements comprising details of said current assets viz. raw material, stores and spares, finished goods, advances for power purchases and coal, book debts (including unbilled revenue), other receivable (<90 days) and regulatory assets recoverable within 1 year reduced by relevant trade payables (i.e net of provisions, regulatory payables and other payables). The said quarterly statements are in agreement with the unaudited books of account of the Company of the respective quarters based on draft figures at the point of time of reporting and there are no material discrepancies.

## 26 Revenue from operations

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
<b>a) Income from sale of power and transmission charges</b>		
* Income from sale of power and transmission charges (net)	9,584.32	8,125.95
(Less)/add: Income from transmission charges to be adjusted in future tariff determination (net)	(38.00)	21.26
	<b>9,546.32</b>	<b>8,147.21</b>
<b>b) Other operating income</b>		
Street light maintenance charges	122.79	119.73
Income in respect of services rendered	65.92	48.41
Sale of coal rejects / fly ash	13.44	13.90
Amortisation of service line contribution	13.90	11.86
Insurance claim received	0.15	-
Miscellaneous revenue	16.36	16.17
	<b>232.56</b>	<b>210.07</b>
<b>c) Sale of traded goods</b>		
Sale of traded goods	0.02	3.68
	<b>0.02</b>	<b>3.68</b>
<b>Total</b>	<b>9,778.90</b>	<b>8,360.96</b>

\* Refer note 44 with respect to revenue recognised for performance obligation satisfied in previous periods.

# Consolidated notes to the financial statements

(Amount in ₹ crores, unless otherwise stated)

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

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Income from sale of power	9,204.77	7,786.05
Income from transmission charges (net)	341.55	361.16
Income in respect of services rendered	65.92	48.41
Sale of coal rejects / fly ash	13.44	13.90
Street light maintenance charges	122.79	119.73
Sale of traded goods	0.02	3.68
<b>Total revenue from contract with customers</b>	<b>9,748.49</b>	<b>8,332.93</b>
Add: Cash discount / rebates etc	52.05	41.65
Add: Income from transmission charges to be adjusted in future tariff determination (net)	38.00	(21.26)
<b>Total revenue as per contracted price</b>	<b>9,838.54</b>	<b>8,353.32</b>

## B Timing of Revenue recognition

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Goods and services are transferred at a point in time.	95.89	82.16
Goods and services transferred over the time	9,683.01	8,278.80
	<b>9,778.90</b>	<b>8,360.96</b>

## C Transaction Price - allocated to the remaining performance obligation

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

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

Contract balances	For the year ended 31 March, 2024	For the year ended 31 March, 2023
<b>Contract assets</b>		
Recoverable from consumers		
Non-current	–	18.33
Current	–	–
<b>Total</b>	<b>–</b>	<b>18.33</b>
<b>Contract liabilities</b>		
Liabilities towards consumers		
Non-current	–	–
Current	19.36	–
<b>Total</b>	<b>19.36</b>	<b>–</b>

# Consolidated notes to the financial statements

(Amount in ₹ crores, unless otherwise stated)

Contract balances	For the year ended 31 March, 2024	For the year ended 31 March, 2023
<b>Net receivables</b>		
Trade receivables (gross)	470.59	453.66
Unbilled revenue	663.13	597.55
Regulatory assets other than distribution	–	18.33
(Less): Advance from consumers	(76.93)	(64.56)
(Less): Allowance for doubtful debts	(1.39)	(1.39)
<b>Total</b>	<b>1,055.40</b>	<b>1,003.59</b>

## Contract assets

Contract asset is the right to consideration in exchange for goods or services transferred to the customer when that right is conditioned on something other than passage of time. Contract Assets are transferred to receivables when the rights become unconditional.

## Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer, If the customer pays contribution before the Company transfers goods or services to the customers, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the performance of obligation is satisfied.

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

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
<b>Opening balance</b>		
Recoverable from consumers - regulatory assets other than distribution	18.33	–
Liabilities towards consumers - regulatory liabilities other than distribution	–	2.94
<b>A</b>	<b>18.33</b>	<b>2.94</b>
Income from transmission charges to be adjusted in future tariff determination (net)	38.00	(21.27)
Movement in regulatory deferral balance other comprehensive income - Transmission	(0.31)	–
<b>B</b>	<b>37.69</b>	<b>(21.27)</b>
<b>Closing balance</b>		
Recoverable from consumers - regulatory assets other than distribution	–	18.33
Liabilities towards consumers - regulatory liabilities other than distribution	19.36	–
<b>Net</b>	<b>19.36</b>	<b>18.33</b>

# Consolidated notes to the financial statements

(Amount in ₹ crores, unless otherwise stated)

## 27 Other income

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
<b>a) Interest income on :</b>		
Bank deposits	109.57	92.78
Overdue trade receivables	16.95	20.53
Investment in government securities	17.18	15.46
Loans to related party	–	104.73
Other interest	1.99	29.32
Unwinding of interest on security deposit	0.30	0.32
<b>b) Gain on investments</b>		
Gain on sale / fair value of current investments measured at FVTPL	11.62	4.73
<b>c) Other non-operating income</b>		
Bad debts recovery	20.91	17.89
Sale of scrap	7.42	4.10
Rental income	1.03	0.47
Delayed payment charges	26.54	35.49
Foreign exchange gain (net)	–	0.03
Profit / (loss) on sale of assets (net)	3.77	2.78
Sundry credit balances written back	1.78	2.44
Gain on partial repurchase of senior secured note (e {refer note 18 (ii)})	136.49	–
<b>Total</b>	<b>355.55</b>	<b>331.07</b>

## 28 Employee benefits expenses

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
# Salaries, wages & bonus	679.34	831.63
Contribution to gratuity (refer note 43)	44.47	32.48
Contribution to Provident and Other Funds	54.53	55.56
Contribution to Superannuation Fund	6.06	7.71
Compensated absences	65.85	17.78
Staff Welfare Expenses	79.56	82.48
	929.81	1,027.64
Less : Staff Cost Capitalised	(101.60)	(149.64)
<b>Total</b>	<b>828.21</b>	<b>878.00</b>

# A Special Voluntary Retirement Scheme (SVRS) 2023, was rolled out for employees of the Group from 28 March, 2023 to 15 April, 2023. Amount charged during the year towards expected payout in this regard and included ₹ nil (31 March 2023 : ₹ 211.72). During the current financial year the Company has discharged an amount of ₹ 122.97 crores and reverse the balance amount of ₹ 88.75 crores.

# Consolidated notes to the financial statements

(Amount in ₹ crores, unless otherwise stated)

## 29 Finance costs

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
<b>a) Interest expense</b>		
<b>Borrowings- amortised cost</b>		
Rupee Term Loans	–	3.43
\$ Senior secured note	341.27	350.87
\$ Shareholders affiliated debts	152.73	150.67
\$ Sustainability linked notes	104.60	103.13
Working Capital Loans	38.96	71.43
Foreign exchange fluctuation loss (net)	–	352.23
Interest - Hedging Cost	430.48	430.78
<b>Others</b>		
Security deposits from consumers	33.00	20.03
Interest on lease obligation	3.07	4.48
Interest - Others	0.18	1.13
	1,104.29	1,488.18
Less : Interest Cost Capitalised	(30.96)	(55.30)
	1,073.33	1,432.88
<b>b) Other borrowing costs</b>		
Other finance cost	0.95	1.38
<b>Total</b>	<b>1,074.28</b>	<b>1,434.26</b>

\$ In Foreign Currency,

### Note :

- The capitalisation rate used to determine the amount of borrowing costs to be capitalised is the weighed average interest rate applicable to the Group's general borrowing is 9.13% p.a.(31 March 2023 : 8.76% p.a.)
- Including mark to market gain of ₹ 164.98 crores (31 March 2023: gain of ₹ 656.18 crores) on derivative instruments designated in hedge accounting relationship.
- Shareholders affiliated debts includes ₹ 3.53 crores (31 March 2023 : ₹ 3.53 crores) towards amortisation of transaction costs.

# Consolidated notes to the financial statements

(Amount in ₹ crores, unless otherwise stated)

## 30 Other expenses

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Consumption Of Stores & Spares	47.02	51.42
Repairs & Maintenance		
- Plant & Machinery	304.96	347.57
- Buildings	14.43	15.75
- Others	26.42	34.46
Expenses in respect of Services rendered	64.89	35.49
Short Term Lease Rental of Land, Building, Plant & Machinery Etc	11.76	16.13
Rates and Taxes	12.48	11.41
Legal & Professional Expenses	216.42	166.47
Directors' Sitting Fees	0.09	0.08
Bank Charges	8.16	6.37
Payment to Auditors	2.02	1.87
Communication Expenses	8.53	8.68
Travelling & Conveyance Expenses	32.57	34.38
Insurance Expenses	14.40	17.75
License fees	4.42	1.96
Security Charges	29.18	31.06
Seminar & Training Expenses	5.73	3.16
Software Expenses	25.70	40.60
Share Issue Expenses	-	0.18
Provision for Doubtful Deposits	-	5.58
Bad debt Write off	17.09	15.21
Bill Print/Collection/ Distribution	15.85	13.00
Foreign Exchange Fluctuation Loss(net)	0.36	0.48
Call Center Expenses	6.16	11.99
Donations	0.79	0.60
Corporate Social Responsibility Expenses	9.65	7.65
Electricity Expenses	0.61	0.46
Printing & Stationery	0.56	0.96
Advertisement & Publicity	15.59	27.31
Water charges	6.31	5.23
Other Miscellaneous Expenses	15.13	27.44
<b>Total</b>	<b>917.28</b>	<b>940.70</b>

## 31 Tax expenses

### 1 Income taxes recognised in the statement of profit & loss

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Current Income Tax (MAT)	84.75	27.20
Deferred Tax	165.35	81.26
	<b>250.10</b>	<b>108.46</b>

# Consolidated notes to the financial statements

(Amount in ₹ crores, unless otherwise stated)

## 2 Income Tax recognised in other comprehensive income

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Tax on remeasurement of defined benefit plans	–	8.38
Tax on Effective portion of gains and losses on designated portion of hedging instruments in a cash flow hedge (refer note 39)	76.38	22.91
<b>Total income tax recognised in other comprehensive income</b>	<b>76.38</b>	<b>31.29</b>
Bifurcation of the income tax recognised in other comprehensive income into:		
Items that will be reclassified to consolidated consolidated statement of profit and loss	76.38	22.91
Items that will not be reclassified to consolidated consolidated statement of profit and loss	–	8.38
<b>Total income tax recognised in other comprehensive income</b>	<b>76.38</b>	<b>31.29</b>
<b>The income tax expenses for the year can be reconciled to the accounting profit as follows:</b>		
<b>Profit before tax for the year</b>	<b>480.56</b>	<b>203.26</b>
<b>Income tax using the Group's domestic tax rate @ 34.944%</b>	<b>168.06</b>	<b>71.16</b>
<b>Tax effect of :</b>		
- Non deductible Expenses	3.88	2.88
- MAT credit not recognised	84.75	27.20
- Tax on other Items	(6.59)	7.22
<b>Income tax expense recognised in consolidated statement of profit and loss</b>	<b>250.10</b>	<b>108.46</b>
Current tax	84.75	27.20
Deferred tax	165.35	81.26
<b>Total</b>	<b>250.10</b>	<b>108.46</b>

### Unrecognised unused tax credits

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Unrecognised tax credits	84.75	35.58
	<b>84.75</b>	<b>35.58</b>

The expiry of unrecognised unused MAT credits is as described below:

Particulars	As at 31 March, 2024	As at 31 March, 2023
Within one year	–	–
Greater than one year, less than five years	–	–
Greater than five years	314.96	229.59
No expiry date	–	–
<b>Total</b>	<b>314.96</b>	<b>229.59</b>

# Consolidated notes to the financial statements

(Amount in ₹ crores, unless otherwise stated)

## 3 Deferred tax

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Deferred tax assets	1,753.58	1,615.12
Deferred tax liabilities	1,987.38	1,759.95
<b>Deferred tax (liabilities) / asset (net)</b>	<b>(233.80)</b>	<b>(144.83)</b>

### 2023-24

Particulars	Opening Balance	Recognised in statement of profit and loss	Recognised in other comprehensive income	Closing Balance
<b>Deferred tax assets in relation to</b>				
Tax related to items that will be reclassified to profit or loss	115.78	–	76.38	192.16
Allowance for Doubtful Debts, Deposits, Advances and property tax payable	8.66	4.40	–	13.06
Provisions for employee benefits and others	203.51	49.33	–	252.84
Unabsorbed Depreciation	1,287.17	8.35	–	1,295.52
	1,615.12	62.08	76.38	1,753.58
<b>Deferred tax liabilities in relation to</b>				
Property, Plant & Equipment	1,759.95	227.43	–	1,987.38
	1,759.95	227.43	–	1,987.38
<b>Deferred tax (liabilities) / asset (net)</b>	<b>(144.83)</b>	<b>(165.35)</b>	<b>76.38</b>	<b>(233.80)</b>

### 2022-23

Particulars	Opening Balance	Recognised in statement of profit and loss	Recognised in other comprehensive income	Closing Balance
<b>Deferred tax assets in relation to</b>				
Tax related to items that will be reclassified to profit or loss (refer note 39)	92.87		22.91	115.78
Allowance for Doubtful Debts, Deposits and Advances	7.70	0.96	–	8.66
Provisions for employee benefits and others	214.58	(11.07)	–	203.51
Unabsorbed Depreciation	1,113.09	174.08	–	1,287.17
	1,428.24	163.97	22.91	1,615.12
<b>Deferred tax liabilities in relation to</b>				
Property, Plant & Equipment	1,514.72	245.23	–	1,759.95
	1,514.72	245.23	–	1,759.95
<b>Deferred tax (liabilities) / asset (net)</b>	<b>(86.48)</b>	<b>(81.26)</b>	<b>22.91</b>	<b>(144.83)</b>

# Consolidated notes to the financial statements

(Amount in ₹ crores, unless otherwise stated)

## 32 Earnings per share (EPS)

### (A) After net movement in regulatory deferral account balance

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Profit attributable to equity shareholders	230.46	94.80
<b>Net Profit / (Net Loss) attributable to Equity Shareholders including Regulatory income/(expense)</b>	<b>230.46</b>	<b>94.80</b>

Particulars		For the year ended 31 March, 2024	For the year ended 31 March, 2023
Number of Weighted Average Equity Shares, outstanding during the year for basic EPS	No.	4,02,08,23,535	4,02,08,23,535
Nominal Value of Equity Shares	₹	10.00	10.00
<b>Basic / Diluted Earnings per Share after net Movement in Regulatory Deferral Account Balance</b>	₹	<b>0.57</b>	<b>0.24</b>

### (B) Before net Movement in Regulatory Deferral Account Balance

Particulars		For the year ended 31 March, 2024	For the year ended 31 March, 2023
Profit attributable to equity shareholders		230.46	94.80
Regulatory Income / (expense) (net of tax)		(333.73)	854.64
(Less) / add : net movement in regulatory deferral account balance	(404.38)		1,035.58
Add / (less) : income tax on regulatory income / (expense)	70.65		(180.94)
<b>Net profit / (loss) before regulatory (expense) / income attributable to equity shareholder</b>		<b>564.19</b>	<b>(759.85)</b>

Particulars		For the year ended 31 March, 2024	For the year ended 31 March, 2023
Number of Weighted Average Equity Shares, outstanding during the year for basic / diluted EPS	No	4,02,08,23,535	4,02,08,23,535
Nominal Value of Equity Shares	₹	10.00	10.00
<b>Basic / Diluted Earnings per Share before net Movement in Regulatory Deferral Account Balance</b>	₹	<b>1.40</b>	<b>(1.89)</b>

**33** The Transmission licence granted to AEML is an asset specific licence which includes list of existing and proposed transmission lines as well as transmission bays in a specified area. In accordance with the requirements of Ind AS 36 "Impairment of Assets", Transmission Cash Generating Unit ("TCGU") which includes carrying value of Transmission License having indefinite useful life being Transmission License (₹ 981.62 crores), has been tested for impairment as at 31 March, 2024 wherein, recoverable amount of the TCGU has been determined applying value in use approach. The value in use of the TCGU has been determined using Discounted Cash Flow Method (DCF).

## Consolidated notes to the financial statements

(Amount in ₹ crores, unless otherwise stated)

In deriving the recoverable amount of the TCGU a discount rate (post tax) of 9.50 % (31 March 2023: 9.50%) per annum has been used. In arriving at the recoverable amount of the TCGU, financial projections have been developed for 6 years (31 March 2023: 6 years) and thereafter in perpetuity considering a terminal growth rate of 2 % (31 March 2023: 1%) per annum.

Based on the results of the TCGU impairment test, the estimated value in use of the TCGU was higher than its carrying amount, hence no impairment loss is recorded (31 March 2023 - ₹ Nil). Management believes that any reasonably possible change in the key assumptions on which recoverable amount is based would not cause the aggregate carrying amount to exceed the fair value of the Transmission License.

The key assumptions used in determining the recoverable amount of TCGU are as follows :

- (i) Discount Rate: 9.50 % (31 March 2022: 9.50 %) Post-Tax Discount rate has been derived based on current cost of borrowing and equity rate of return in line with the current market expectations
- (ii) Capital expenditure / Capitalisation: Capital expenditure and capitalisation for 6 years (31 March 2023: 5 years) is estimated based on management projections subject to regulatory approval and thereafter ₹ 675 crores per annum (31 March 2023: ₹ 500 crores per annum)
- (iii) Terminal growth : 2% (31 March, 2023 : 1%)

### 34 Leases

(i) Disclosure under Ind AS 116 Leases:

a) The following is the movement in lease liabilities during the period ended 31 March, 2024

Particulars	As at 31 March, 2024	As at 31 March, 2023
Opening Balance	30.74	44.84
Interest on Lease Liabilities	3.07	4.48
Lease Liabilities on account of Leases entered / terminated during the year	-	-
Payments of Lease Liabilities / Other Adjustments	(14.67)	(18.58)
<b>Closing Balance (refer note 19)</b>	<b>19.14</b>	<b>30.74</b>

b) Where the company is a lessee :

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

- i) Interest expenses on lease liabilities amounts to ₹ 3.07 crores (31 March, 2023 ₹ 4.48 crores)
- ii) The expense relating to payments not included in the measurement of the lease liability and recognised as expenses in the statement of profit and loss during the year is as follows :
  - Low Value leases - Immaterial
  - Short-term leases - ₹ 11.76 crores (31 March, 2023 ₹ 16.13 crores)
- iii) Total Cash outflow for leases amounts to ₹ 26.43 Crores (31 March, 2023 ₹ 34.71 crores) during the year including cash outflow short term and low value leases.
- iv) Incremental rate of borrowing considered during the year is 10% (31 March, 2023 10%)
- v) Refer note 5b for gross, addition, amortisation, depreciation and net carrying value of lease assets

# Consolidated notes to the financial statements

(Amount in ₹ crores, unless otherwise stated)

## 35 Contingent liabilities and commitments

### (A) Contingent liabilities :

Particulars	As at 31 March, 2024	As at 31 March, 2023
<b>Claims against the Group not probable and hence not acknowledged as debts consists of :-</b>		
(i) Demand disputed by the Group relating to Service tax on street light maintaince, wheeling charges and cross subsidy surcharges - refer note 3 below	353.55	353.55
(ii) Claims raised by the Government authorities towards unearned income arising on alleged tranfer of certain land parcels - refer note 3 below	127.65	127.65
(iii) Way Leave fees claims disputed by the Group relating to rates charged - refer note 3 below	28.43	28.43
(iv) Property related disputes - refer note 3 below	2.59	2.59
(v) Other claims against the Group not acknowledged as debts.	2.12	2.12
(vi) Claims raised by Vidharbha Industries Power Limited (VIPL) in respect of increase in fuel cost for the financial year ended 31 March, 2019 - refer note 3 below and refer note 36	1,381.28	1,381.28
(vii) Demand disputed by the Group relating to Standby Charges payable - refer Note 4 below	398.68	213.79
(viii) Liability in respect of termination of power purchase lease agreement - refer Note 4 below	@@	@@
	<b>2,294.30</b>	<b>2,109.41</b>

@@ Amount not determinable

#### Notes:

- Amounts in respect of employee related claims/disputes, consumer related litigation, regulatory matters is not ascertainable.
- Future cash flows in respect of above matters are determinable only on receipt of judgements/decisions pending at various forums/authorities.
- In terms of the Share Purchase Agreement entered into by the Group, ATL with RINFRA, in the event the above matters are decided against the Group and are not recoverable from the consumers, the same would be recovered from RINFRA.
- Appeal has been filed by the Group under Section 111 of the Electricity Act, 2003, challenging the Order dated 31 March 2023 passed by the Maharashtra Electricity Regulatory Commission directing levy of Standby charges by Maharashtra State Electricity Distribution Company Limited.
- The above contingent liabilities (except interest payable on vii) to the extent pertaining to regulated business, which on unfavourable outcome are recoverable from consumers subject to MERC approval,
- The Group had terminated long term Power purchase agreement (PPA) due to non-performance of obligations under the PPA by VIPL, such termination has been upheld by MERC / Appellate Tribunal of Electricity ("ATE"). VIPL has filed an appeal before the Hon'ble Supreme Court against the said order issued by the ATE. The proceedings are ongoing with the Hon'ble Supreme Court.

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

# Consolidated notes to the financial statements

(Amount in ₹ crores, unless otherwise stated)

## (B) Capital Commitments :

Particulars	As at	As at
	31 March, 2024	31 March, 2023
Estimated amount of contracts remaining to be executed on capital account and not provided for	2,899.05	4,039.29
	<b>2,899.05</b>	<b>4,039.29</b>

## (C) Other commitments :

- a) For procurement of Hybrid (Solar/Wind) power on long term basis, AEML has entered into a long term 25 years PPA of 700 MW with a group entity (Adani Hybrid Energy Jaisalmer Four Limited) to purchase 700 MW of Wind Solar Hybrid Renewable Power at ₹ 3.24 per unit.
- b) AEML has entered into a Power Purchase Agreement for procurement of Power 500 MW on Medium term basis, i.e from 01 September, 2022 to 14 October 2024 with a group entity (Adani Enterprises Limited) at ₹ 5.98 per unit.

**36** On 21 August, 2022, RINFRA has filed a Consolidated statement of arbitration claims under the Share Purchase Agreement. The Management of the Group believes that the said claims are not tenable. The Management would follow the due process laid out under the Share Purchase Agreement for dispute resolution and will respond with facts and present its own claims against RINFRA in the arbitration proceedings.

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

**37** Maharashtra Electricity Regulatory Commission ('MERC') vide its order dated 26 December, 2022 granted an in-principal approval for the transfer of Company's distribution network infrastructure in Seepz SEZ area to AEML Seepz Limited ('ASL'), a wholly owned subsidiary of the Company. Based on the principles laid down by MERC, ASL filed requisite petitions for approval of tariff, power procurement plan and switchover/changeover protocol (i.e. shifting of consumers from other Distribution Licensees to ASL and vice versa in SEEPZ area) which have been approved by MERC on 09 October, 2023.

Subsequently, the Company and ASL have entered into a Business Transfer agreement dated 01 November, 2023 for transfer of Company's distribution network infrastructure (including movable and immoveable assets) in Seepz SEZ area as a going concern to ASL, on a slump sale for a total consideration of ₹ 36.96 crore.

# Consolidated notes to the financial statements

(Amount in ₹ crores, unless otherwise stated)

## 38 Transaction with Struck off companies

Name of the Struck off company	Nature of transactions with struck off company	Balance outstanding	Relation with the struck off company, if any, to be disclosed
<b>As at 31 March, 2024</b>			
<b>Receivables</b>			
United Glass Works Pvt. Ltd.	Sale of Power	0.01	Consumer
Suchammedi Mover Pvt. Ltd.	Sale of Power	0.01	Consumer
N R Enterprises Ltd.	Sale of Power	0.01	Consumer
J V D Developers Pvt. Ltd.	Sale of Power	0.01	Consumer
New Vision Pvt. Ltd.	Sale of Power	0.01	Consumer
Real Infrastructure Co.	Sale of Power	0.01	Consumer
Zenith Construction Co.	Sale of Power	0.01	Consumer
Others - 631 Parties < 50K	Sale of Power	0.14	Consumer
<b>As at 31 March, 2023</b>			
<b>Payables</b>			
Saptagiri Electrical Engineering	Purchase of Service	0.02	Vendor
Inavit Engineering & Consulting Pvt	Purchase of Service	0.01	Vendor
Sanjyot Laser Pvt Ltd	Purchase of Service	0.01	Vendor
<b>Receivables</b>			
Shree Sai Seva Kripa Sra Socaiety Ltd	Sale of Power	0.01	Consumer
Shanti Sagar Realty India Private Ltd	Sale of Power	0.01	Consumer
N R Enterprises Ltd	Sale of Power	0.01	Consumer
Parekh Bldg Dev P Ltd	Sale of Power	0.01	Consumer
Comet Plast Machinery P Ltd	Sale of Power	0.01	Consumer
Others - 797 Parties < 50K	Sale of Power	0.15	Consumer

**Note :** If any transaction with a struck off company has happened during a financial year and settled / reversed / squared off, etc., during the same financial year such that the balance outstanding is NIL as at 31 March, 2024 is less than 50K (31 March, 2023 is less than 50K)

**39** During the year, the Group has recognised the deferred tax expense/credit with respect to the effective portion of gain/(losses) on a cash flow hedge classified in Other Comprehensive Income in accordance with Ind AS 12, Income Taxes. Pursuant to the impact of aforesaid changes, the Group has restated the numbers for the comparative periods, which has resulted increase in deferred tax credit on Other Comprehensive Income by ₹ 22.91 Crores for the year ended 31 March, 2023, with corresponding increase in Total Comprehensive Income for the year. The opening balances as at 01 April, 2022 have also been restated in respect of Other Equity increased by ₹ 92.87 crores and Deferred Tax Liabilities decreased by ₹ 92.87 crores in respect of the above matter. As a result of the above, Other Equity has been increased by ₹ 115.78 Crores and Deferred Tax Liabilities has been decreased by ₹ 115.78 Crores as at 31 March, 2023.

# Consolidated notes to the financial statements

(Amount in ₹ crores, unless otherwise stated)

**40** During the previous financial year, a short seller report (“SSR”) was published in which certain allegations were made on certain Adani Group Companies including Adani Energy Solution Limited (formerly known as “Adani Transmission Limited”) (“the Holding Company”) and its subsidiaries. In this regard, certain writ petitions were filed with the Hon’ble Supreme Court (“SC”) seeking independent investigation of the allegations in the SSR and the Securities and Exchange Board of India (“SEBI”) also commenced investigating the allegations made in the SSR for any violations of applicable SEBI Regulations. The SC also constituted an expert committee to investigate and advise into the various aspect of existing laws and regulations and directed the SEBI to consider certain additional aspects in its scope. The Expert committee submitted its report dated 06 May 2023, finding no evidence of regulatory failure, in respect of applicable laws and regulations. The SEBI also concluded its investigations in twenty two of the twenty-four matters as per the status report dated 25 August 2023, to the SC.

The SC in its order dated 03 January 2024, disposed off all matters of appeal in various petitions including petitions for separate independent investigations relating to the allegations in the SSR (including other allegation) and stated that the SEBI should complete the pending two investigations, preferably within 3 months, and take its investigations (including the twenty-two investigations already completed) to their logical conclusion in accordance with law. During the quarter, the Holding Company has received Show Cause Notice (SCN) from the SEBI relating to validity of Peer Review Certificate (PRC) of one of the former statutory auditor in respect of an earlier period, which the Holding Company has responded. Based on legal advice obtained, management believes that the matter is technical in nature and has no material consequential effects to relevant financial results, and that there is no material non-compliance of applicable laws and regulations.

In April 23, the Holding Company had obtained a legal opinion by independent law firm, confirming (a) none of the alleged related parties mentioned in the short-seller report were related parties to its Holding Company or Subsidiaries, under applicable frameworks; and (b) the Holding Company and its Subsidiaries are in compliance with the requirements of applicable laws and regulations.

Based on the legal opinions, the SC order and the fact that there are no pending regulatory or adjudicatory proceedings as of date, except as mentioned above, the management concludes that there are no consequences of the allegations mentioned in the SSR and other allegations on the Holding Company or its Subsidiaries and accordingly, these financial results do not have any adjustments in this regard.

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

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

# Consolidated notes to the financial statements

(Amount in ₹ crores, unless otherwise stated)

## 42 Related Party Disclosure

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

### Name of related parties & description of relationship

<b>(A) Ultimate Holding Entity</b>	S. B. Adani Family Trust (SBAFT)
<b>(B) Holding Company</b>	Adani Energy Solutions Limited (Formerly known as Adani Transmission Limited)
<b>(C) Subsidiary Company</b>	Adani Electricity Mumbai Infra Limited AEML SEEPZ Limited
<b>(D) Key Management Personnel:</b>	Mr. Anil Sardana, Chariman and Non Executive Director Mr. Kandarp Patel, Managing Director & CEO Mr. Sagar Adani , Non Executive Director Mr. Kenneth McLaren, Non Executive Director Mr. Quinton Choi, Non Executive Director Mr. K Jairaj, Independent Director Ms. Chandra Iyengar, Independent Director Mr. Kunjal Mehta, Chief Financial Officer (w.e.f. 02 May,2022) Mr. Jaldhi Shukla, Company Secretary
<b>(E) Entity having significant influence</b>	Qatar Holding LLC
<b>(F) Enterprises over which (A) or (B) or (C) or (D) above have significant influence :</b> (where transactions have taken place during the year and previous year / balance outstanding)	Adani Power Limited Adani Enterprises Limited Adani Properties Private Limited Karnavati Aviation Private Limited Adani Power (Mundra) Limited (amalgamated in to Adani Power Limited w.e.f. 8 February 2023) Adani Green Energy Limited Mundra Solar Pv Limited Superheights Infraspaces Private Limited Adani Electricity Navi Mumbai Limited Maharashtra Eastern Grid Power Transmission Company Limited Power Distribution Services Limited Adani Power Maharashtra Limited (amalgamated in to Adani Power Limited w.e.f. 8 February 2023) Adani Total Gas Limited Adani Hybrid Energy Jaisalmer Four Limited Adani Foundation Adani Hospitals Mundra Private Limited Mumbai International Airport Limited Adani Power Rajasthan Limited (amalgamated in to Adani Power Limited w.e.f. 8 February 2023) Ahmedabad International Airport Limited Adani Ports And Special Economic Zone Limited Valuable Properties Private Limited Adani Krishnapatnam Port Limited Adani Petronet (Dahej) Port Limited

# Consolidated notes to the financial statements

(Amount in ₹ crores, unless otherwise stated)

	Adani Airport Holdings Limited
	Ambuja Cements Limited
	Guwahati International Airport Limited
	PLR Systems Private Limited
	Mundra Petrochem Limited
	Dighi Port Limited
	Adani New Industries Limited
	Adani Sportsline Private Limited
	SBSR Power Cleantech Eleven Private Limited
	Adani Renewable Energy Holding Twelve Limited
	Alpha Design Technologies Private Limited
	Belvedere Gold and Country Club Private Limited
	ATL HVDC Limited
	WRSS XXI Transco Limited
	Lakadia Banaskantha Transco Limited
	ACC Limited
	Adani Digital Labs Private Limited
	Adani Infrastructure and Developers Private Limited
	Adani Skill Development Centre
	Adani Social Development Foundation
	Adani Totalenergies E-Mobility Limited
	Adaniconnex Private Limited
	Alpha Design Technologies Private Limited
	Dharavi Redevelopment Project Private Limited
	Kharghar Vikhroli Transmission Limited
	Kutch Copper Limited
	M P Power Transmission Package-II Limited
	MPSEZ Utilities Limited
	Mundra Solar Energy Limited
	Obra-C Badaun Transmission Limited
	TRV (Kerala) International Airport Limited
	Vishakha Renewables Private Limited
	Warora Kurnool Transmission Limited
<b>(G) Employee Benefits Funds :</b>	AEML Gratuity Fund
	AEML Superannuation Fund
	Adani Electricity Mumbai Infra Limited Officers Superannuation Scheme

## Consolidated notes to the financial statements

(Amount in ₹ crores, unless otherwise stated)

### Remuneration paid to Key Management Personnel (KMP):

Nature of Transaction	Name of Related Party	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Loan given	Adani Properties Private Limited	–	1,000.00
Loan received back	Adani Properties Private Limited	–	2,040.00
Loan received	ATL HVDC Limited	907.17	0.23
Interest expenses on loan	ATL HVDC Limited	64.49	3.60
Amount received towards issue of Optional Convertible Debentures	WRSS XXI Transco Limited	–	208.70
	Lakadia Banaskantha Transco Limited	–	176.37
Inter Corporate Deposit (ICD) repaid	ATL HVDC Limited	–	8.47
Interest Expenses on Optional Convertible Debentures	WRSS XXI Transco Limited	26.61	15.45
	Lakadia Banaskantha Transco Limited	37.39	23.38
Interest expenses on shareholders affiliated debts (refer note 5 below)	Qatar Holding LLC	149.20	147.14
Interest income	Adani Properties Private Limited	–	104.73
	Adani Enterprises Limited	0.64	22.69
Contribution to employee benefits	AEML Gratuity Fund	0.95	0.98
	AEML Superannuation Fund	6.06	7.71
Receipt of services	Karnavati Aviation Private Limited	–	9.00
	Adani Power (Mundra) Limited	–	0.00
	Adani Enterprises Limited	108.79	85.73
	Power Distribution Services Limited	15.00	15.00
	Adani Petronet (Dahej) Port Limited	3.61	4.04
	Mundra Solar Pv Limited	–	0.01
	Alpha Design Technologies Private Limited	1.94	3.54
	Belvedere Gold and Country Club Private Limited	0.03	0.01
	Adani Hospitals Mundra Private Limited	–	0.04
	Adani Power Limited	0.01	–
	Adani Social Development Foundation	0.20	–
	Purchase of goods / services	Adani Power Limited	52.31

# Consolidated notes to the financial statements

(Amount in ₹ crores, unless otherwise stated)

Nature of Transaction	Name of Related Party	For the year ended 31 March, 2024	For the year ended 31 March, 2023	
Purchase of assets	Adani Totalenergies E-Mobility Limited	0.54	–	
Services given	Kutch Copper Limited	0.57	–	
Employees benefits transferred from	Adani Enterprises Limited	5.77	0.11	
	Adani Ports And Special Economic Zone Limited	–	0.24	
	Adani Krishnapatnam Port Limited	0.01	–	
	Mundra Solar Energy Limited	0.02	–	
	M P Power Transmission Package-II Limited	0.68	–	
	Adani Green Energy Limited	0.02	–	
	Kharghar Vikhroli Transmission Limited	0.41	–	
	Maharashtra Eastern Grid Power Transmission Company Limited	2.35	–	
	MPSEZ Utilities Limited	0.00	–	
	Mundra Petrochem Limited	0.00	–	
	Obra-C Badaun Transmission Limited	0.17	–	
	Warora Kurnool Transmission Limited	0.14	–	
	Employees benefits transferred to	Adani Airport Holdings Limited	0.23	0.44
		Adani Enterprises Limited	0.11	0.13
Ahmedabad International Airport Limited		0.26	0.02	
Adani Krishnapatnam Port Limited		–	0.43	
Adani Green Energy Limited		–	0.18	
Mumbai International Airport Limited		–	0.50	
Ambuja Cements Limited		0.05	0.90	
Adani Power Maharashtra Limited		–	0.01	
Guwahati International Airport Limited		–	0.05	
Adani Petronet (Dahej) Port Limited		–	0.01	
PLR Systems Private Limited		0.03	0.03	
Mundra Petrochem Limited	–	0.11		
Dighi Port Limited	–	0.01		

## Consolidated notes to the financial statements

(Amount in ₹ crores, unless otherwise stated)

Nature of Transaction	Name of Related Party	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Employees benefits transferred to	Adani New Industries Limited	–	0.05
	Adani Sportslines Private Limited	–	0.09
	Adani Power Limited	0.02	–
	Adani Ports And Sez Limited	0.50	–
	Adani Total Gas Limited	0.10	–
	Adani Infrastructure and Developers Private Limited	0.32	–
	Adaniconnex Private Limited	0.04	–
	Dharavi Redevelopment Project Private Limited	0.09	–
Payment made on behalf of Group companies	Adani Electricity Navi Mumbai Limited	0.05	0.05
	Power Distribution Services Limited	1.52	2.58
Payment made on behalf of Group companies - received back	Adani Electricity Navi Mumbai Limited	–	0.09
Reimbursement of expenses	Adani Power Limited	0.00	–
Reimbursement received	Mpsez Utilities Limited	0.16	–
Advance paid towards purchase of power	Adani Enterprises Limited	–	1,409.41
Corporate social responsibility contribution	Adani Foundation	7.72	7.42
	Adani Skill Development Centre	1.84	–
Purchase of coal	Adani Enterprises Limited	–	92.74
Sale of coal	Adani Power Rajasthan Limited	–	3.86
Sale of advertisement space	Adani Digital Labs Private Limited	0.07	–
Purchase of power (net of discount, if any)	Adani Enterprises Limited	2,465.14	1,971.08
	SBSR Power Cleantech Eleven Private Limited	–	0.62
	Adani Hybrid Energy Jaisalmer Four Limited	930.83	708.81
Rent paid	Mumbai International Airport Limited	1.14	1.14
Reimbursement of water expenses	Mumbai International Airport Limited	0.08	–

# Consolidated notes to the financial statements

(Amount in ₹ crores, unless otherwise stated)

Nature of Transaction	Name of Related Party	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Earnest money deposit received	Adani Total Gas Limited	–	0.10
	Adani Renewable Energy Holding Twelve Limited	–	0.04
	Vishakha Renewables Private Limited	0.14	–
	ACC Limited	0.50	–
	Ambuja Cements Limited	0.50	–
Earnest money deposit refunded	ACC Limited	0.50	–
	Ambuja Cements Limited	0.50	–
Short term employee benefits	Mr. Kandarp Patel	7.82	5.15
	Mr. Kunjal Mehta	1.48	1.28
Post employment benefits	Mr. Kandarp Patel	0.31	0.29
	Mr. Kunjal Mehta	0.08	0.06
Sitting fees to directors	Mr. K Jairaj	0.05	0.04
	Ms. Chandra Iyengar	0.04	0.04

Closing balance	Name of Related Party	As at 31 March, 2024	As at 31 March, 2023
Balance payable	Mundra Solar Pv Limited	0.10	0.10
	Karnavati Aviation Private Limited	–	6.05
	Power Distribution Services Limited	10.48	7.63
	Adani Hybrid Energy Jaisalmer Four Limited	89.07	140.89
	Adani Enterprises Limited	–	166.91
	Superheights Infraspaces Private Limited	79.00	79.00
	Mumbai International Airport Limited	–	0.55
	Ambuja Cements Limited	0.05	0.90
	Adani Power Maharashtra Limited	–	0.01
	Guwahati International Airport Limited	–	0.05
	Adani Petronet (Dahej) Port Limited	–	0.01
	PLR Systems Private Limited	0.03	0.03
	Mundra Petrochem Limited	–	0.11
	Dighi Port Limited	–	0.01
Adani New Industries Limited	–	0.05	

## Consolidated notes to the financial statements

(Amount in ₹ crores, unless otherwise stated)

Closing balance	Name of Related Party	As at 31 March, 2024	As at 31 March, 2023
Balance payable	Vishakha Renewables Private Limited	0.14	-
	Adani Renewable Energy Holding Twelve Limited	0.04	0.04
	Adani Sportsline Private Limited	-	0.09
	Adani Green Energy Limited	-	0.18
	Adani Airport Holdings Limited	0.20	0.44
	Adani Hospitals Mundra Private Limited	-	0.04
	SBSR Power Cleantech Eleven Private Limited	-	0.62
	Ahmedabad International Airport Limited	0.26	0.02
	Valuable Properties Private Limited	0.06	0.06
	Adani Power (Mundra) Limited	-	0.03
	Adani Krishnapatnam Port Limited	-	0.43
	Alpha Design Technologies Private Limited	-	0.40
	Adani Total Gas Limited	0.10	0.10
	Adani Totalenergies E-Mobility Limited	0.64	-
	Adani Power Limited	0.02	-
	TRV (Kerala) International Airport Limited	0.02	-
	Adani Ports And SEZ Limited	0.74	-
	Adani Infrastructure and Developers Private Limited	0.32	-
	Adani Electricity Mumbai Infra Limited	-	-
	Adaniconnex Private Limited	0.04	-
	Dharavi Redevelopment Project Private Limited	0.09	-
	ATL HVDC Limited	1,005.58	33.96
	Balance receivable	Adani Electricity Navi Mumbai Limited	0.05
Adani Electricity Mumbai Infra Limited		-	-
AEML SEEPZ Limited		-	-
Adani Ports And Special Economic Zone Limited		-	0.23
Adani Enterprises Limited		56.87	-
Adani New Industries Limited		0.22	-
Adani Krishnapatnam Port Limited		0.01	-
Mundra Solar Energy Limited		0.02	-

# Consolidated notes to the financial statements

(Amount in ₹ crores, unless otherwise stated)

Closing balance	Name of Related Party	As at 31 March, 2024	As at 31 March, 2023
	Dighi Port Limited	0.00	–
	M P Power Transmission Package-II Limited	0.68	–
	Adani Green Energy Limited	0.02	–
	Kharghar Vikhroli Transmission Limited	0.41	–
	Maharashtra Eastern Grid Power Transmission Company Limited	2.35	–
	MPSEZ Utilities Limited	0.00	–
	Mundra Petrochem Limited	0.00	–
	Obra-C Badaun Transmission Limited	0.17	–
	Adani Digital Labs Private Limited	0.07	–
	Warora Kurnool Transmission Limited	0.14	–
Optionally convertible debentures payable (including Interest accrued but not due on OCD)	WRSS XXI Transco Limited	267.81	–
	Lakadia Banaskantha Transco Limited	376.10	–
Borrowings - Shareholders Affiliated Debt	Qatar Holding LLC	2,352.02	2,317.19
Interest accrued but not due on Shareholders Affiliated Debt	Qatar Holding LLC	57.39	57.77

## Note:

- The above disclosure does not include transaction with / as public utility services viz, electricity, telecommunications etc. in the normal course of business.
- Transactions amongst related parties are made on terms equivalent to those that prevail in arm's length transactions and represent the substance over the legal form. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 March 2024, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2023: ₹ Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.
- Key Managerial Personnel are entitled to post-employment benefits and other long term employee benefits recognised as per Ind AS 19 - 'Employee Benefits' in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above.
- Refer note 35 (C) for commitments with related parties
- Amounts disclosed are contractual undiscounted cash flows

# Consolidated notes to the financial statements

(Amount in ₹ crores, unless otherwise stated)

## 43 Disclosure under Ind AS 19 "Employee benefits" :

### 1 Defined contribution plan

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

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

The Group has recognised the following amounts as expense in the Statement of Profit or loss or capital working process in financial statements for the year:

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Contribution to Provident Fund	42.70	42.10
Contribution to Employees Superannuation Fund	6.16	7.90
Contribution to Employees State Insurance Corporation	0.01	0.08
Contribution to Employees Pension Scheme	5.92	6.43

### 2 Defined benefit plan

#### Gratuity

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

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
<b>Principal Assumptions in actuarial valuation</b>		
Rate of Discounting	7.21%	7.44%
Rate of Salary Increase	10.50%	10.25%
Rate of Employee Turnover	1.00%	1.00%
Mortality Rate During Employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)
<b>Change in the Present Value of Defined Benefit Obligation</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>
Present value of Benefit Obligation at the beginning of the year	664.39	692.24
Liability Transferred in	3.38	0.30
Liability Transferred Out	(8.46)	(2.76)
Interest Cost	44.45	48.23
Current Service Cost	32.05	37.58
Liabilities Extinguished on Settlement	-	(18.16)

## Consolidated notes to the financial statements

(Amount in ₹ crores, unless otherwise stated)

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Benefit Paid Directly by the Employer	3.45	(1.94)
Benefit Paid From the Fund	(82.95)	(40.60)
Actuarial (Gain) / Losses on Obligation- Due to Change in Financial Assumptions	21.31	(22.65)
Actuarial (Gain) / Losses on Obligation- Due to Change in Demographic Assumptions	-	0.00
Actuarial (Gain) / Losses on Obligation-Due to Experience	(8.68)	(27.85)
<b>Present Value of Benefit Obligation at the end of the year</b>	<b>668.94</b>	<b>664.39</b>
<b>Change in the Fair Value of Plan Assets</b>		
Fair Value of Plan Asset at the beginning of the year	481.39	489.46
Assets Transferred Out/ Divestments	(4.93)	-6.55
Interest Income	30.32	34.16
Benefit Paid From the Fund	(86.29)	(40.60)
Contribution by the Employer	5.88	7.53
Return on Plan Assets Excluding Interest Income	(1.73)	(2.61)
<b>Fair Value of Plan Asset at the end of the year</b>	<b>424.64</b>	<b>481.39</b>
<b>Amount Recognised in the Balance Sheet</b>		
Present Value of Benefit Obligation at the end of the year	668.94	664.39
Fair Value of Plan Assets at the end of the year	424.64	481.39
<b>Funded Status (Deficit)</b>	<b>(244.30)</b>	<b>(182.99)</b>
<b>Net (Liability) Recognized in the Balance Sheet</b>	<b>(244.30)</b>	<b>(182.99)</b>
<b>Provisions - Current</b>	<b>32.56</b>	<b>29.18</b>
<b>Non-Current</b>	<b>211.74</b>	<b>153.81</b>
<b>Expenses Recognized in the Statement of Profit and Loss</b>		
Current Service Cost	30.97	37.19
Net Interest Cost	13.50	13.45
(Gains)/Losses on Curtailments And Settlements	-	(18.16)
<b>Expenses Recognised</b>	<b>44.47</b>	<b>32.48</b>
<b>Amount recognised to Capital Work in Progress</b>	<b>1.70</b>	<b>1.01</b>
<b>Expenses Recognised in Other Comprehensive Income (OCI)</b>		
Actuarial (Gains) / Losses on Obligation for the year	12.65	(50.75)
Return on Plan Assets Excluding Interest Income	1.72	2.86
<b>Net Expenses for the year recognised in OCI</b>	<b>14.37</b>	<b>(47.89)</b>
<b>Major Categories of plan assets</b>		
Government Securities	80.38%	80.38%
Debt and other Instruments	9.85%	9.85%
Equity Instruments	9.76%	9.76%
Insurance fund	0.00%	0.00%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>
<b>Expected Contribution for next financial year</b>	<b>38.45</b>	<b>29.07</b>

# Consolidated notes to the financial statements

(Amount in ₹ crores, unless otherwise stated)

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
<b>Expected Maturity Analysis of undiscounted defined Benefit Obligation is as follows</b>		
Within one year	40.99	107.25
Between 2 to 5 years	201.64	168.88
Between 6 to 10 years	340.57	310.04
Beyond 10 years	767.49	694.76
The weighted average duration of the defined benefit obligation	10.00	10.00
<b>Sensitivity Analysis</b>		
Projected Benefit Obligation on Current Assumptions	668.94	664.39
<b>Assumptions – Discount Rate</b>		
Sensitivity Level	1.00%	1.00%
Impact on defined benefit obligation –in % increase	-9.26%	-6.61%
Impact on defined benefit obligation –in ₹ Crores	(61.92)	(43.90)
Impact on defined benefit obligation –in % decrease	10.69%	7.53%
Impact on defined benefit obligation –in ₹ Crores	71.54	50.02
<b>Assumptions – Future Salary Increase</b>		
Sensitivity Level	1.00%	1.00%
Impact on defined benefit obligation –in % increase	10.10%	7.04%
Impact on defined benefit obligation –in ₹ Crores	67.57	46.77
Impact on defined benefit obligation –in % decrease	-8.88%	-6.33%
Impact on defined benefit obligation –in ₹ Crores	(59.39)	(42.04)
<b>Assumptions – Employee Turnover</b>		
Sensitivity Level	1.00%	1.00%
Impact on defined benefit obligation –in % increase	-3.71%	-1.26%
Impact on defined benefit obligation –in ₹ Crores	(24.84)	(8.37)
Impact on defined benefit obligation –in % decrease	3.90%	1.39%
Impact on defined benefit obligation –in ₹ Crores	26.07	9.24

2. (i) The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting year) has been applied as when calculating the defined benefit liability recognised in the balance sheet.
2. (ii) The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

### 3 Risk exposure:

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

#### 3. (i) Asset volatility:

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

# Consolidated notes to the financial statements

(Amount in ₹ crores, unless otherwise stated)

### 3. (ii) Inflation rate risk:

Higher than expected increase in salary and medical cost will increase the defined benefit obligation.

### 3. (iii) Demographic risk:

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

## 44 Regulatory deferral account

Particulars	As at 31 March, 2024	As at 31 March, 2023
<b>Net Regulatory deferral account</b>		
Regulatory Assets	1,570.98	1,961.73
<b>Net regulatory assets</b>	<b>1,570.98</b>	<b>1,961.73</b>

### Rate regulated activities

- As per the Ind AS-114 'Regulatory Deferral Accounts', the business of electricity distribution is a Rate Regulated activity wherein Maharashtra Electricity Regulatory Commission (MERC), the regulator determines Tariff to be charged from consumers based on prevailing regulations in place.
- MERC Multi Year Tariff Regulations, 2019 (MYT Regulations), is applicable for the period beginning from 1 April, 2020 to 31 March, 2024. These regulations require MERC to determine tariff in a manner wherein the Group can recover its fixed and variable costs including assured rate of return on approved equity base, from its consumers. The Group determines the Revenue, Regulatory Assets and Liabilities as per the terms and conditions specified in MYT Regulations.
- Maharashtra Electricity Regulatory Commission ("MERC") vide its order dated 31 March 2023, has approved the Truing -up of Annual Revenue Requirement (ARR) for FY 2019-20 to FY 21-22, Provisional Truing -up of ARR for FY 2022-23 and revised projected ARR and Tariff for the period from 2023-24 to 2024-25 for Generation, Transmission and Distribution Business of the Group (MYT Order). Consequent to the above order, the Group has recognised net income of ₹ 242.76 crores during the year ended 31 March 2023.
- Pursuant to the Mid Term Review (MTR) order issued by Maharashtra Electricity Regulatory (MERC) on 31 March 2023, the Group has recovered from customers Regulatory Asset Charge (RAC) for past years. The impact thereof on the Revenue from Operations and Net Regulatory Income/(Expense) for the reporting periods is as stated below

Sr. No	Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
a	Revenue from operations	9,747.95	8,360.96
b	Less: Recovery of RAC for past years	(657.48)	-
c	<b>Revenue from operations (a-b)</b>	<b>9,090.47</b>	<b>8,360.96</b>
d	Regulatory income/(expense) (net)	(404.38)	1,035.58
e	Movement in regulatory deferral balance other comprehensive income	13.91	(47.94)
f	Movement in regulatory deferral balance other comprehensive income - Transmission	(0.31)	-
g	Add : Recovery of RAC for past years	657.48	-
h	<b>Regulatory income/(expense) (net) (d-e-f-g)</b>	<b>266.70</b>	<b>987.64</b>

# Consolidated notes to the financial statements

(Amount in ₹ crores, unless otherwise stated)

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

Particulars	As at	
	31 March, 2024	31 March, 2023
Opening Regulatory Assets (Net)	1,961.73	850.36
<b>Add:</b>		
Income recoverable from future tariff		
Revenue gap for current year	266.70	772.83
Accrued in respect of earlier year consequent to MERC MTR Order	0.03	338.54
<b>Total</b>	<b>266.73</b>	<b>1,111.37</b>
<b>Less:</b>		
Recovered / (refunded) during the year	(657.48)	-
Net Movement during the year	(390.75)	1,111.37
<b>Closing Balance</b>	<b>1,570.98</b>	<b>1,961.73</b>

**Note :**

- (i) Risk associated with future recovery/ reversal of regulatory deferral account balances
- (a) regulatory risk on account of changes in regulations.
- (b) other risks including currency or other market risks, if any.

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

- (ii) The Group will recover regulatory gap of ₹ 828.60 Crore in FY 2024-25, out of ₹ 1571.36 Crore while balance will be recovered over the life of the projects as per existing MERC regulations

## 45 Financial instruments

### 1 Fair value measurement

Particulars	31 March, 2024		31 March, 2023	
	Book value	Fair value	Book value	Fair value
<b>Financial Assets</b>				
Investment				
- Investment in Mutual Fund at FVTPL	-	-	742.91	742.91
- Investment in Treasury Bills at FVTPL	34.56	34.56	24.75	24.75
- Government Securities	233.51	220.31	233.61	214.32
Trade Receivables	469.20	469.20	452.27	452.27
Loans Given	29.59	29.59	33.05	33.05
Cash and Cash Equivalents	381.00	381.00	92.70	92.70
Other Balances with Bank	628.22	628.22	622.45	622.45
Derivative instruments designated in hedge accounting relationship	559.69	559.69	553.37	553.37
Other Financial Assets	1,266.96	1,266.96	1,277.30	1,277.30
<b>Total</b>	<b>3,602.73</b>	<b>3,589.53</b>	<b>4,032.41</b>	<b>4,013.12</b>

# Consolidated notes to the financial statements

(Amount in ₹ crores, unless otherwise stated)

Particulars	31 March, 2024		31 March, 2023	
	Book value	Fair value	Book value	Fair value
<b>Financial Liabilities</b>				
Borrowings(Senior secured note-3.949% & Sustainability linked notes-3.867%)-fixed rate	9,770.32	8,310.57	10,599.10	7,650.03
Borrowings (Shareholders affiliated debts - 6.365%) - fixed rate	2,327.88	2,327.88	2,289.52	2,289.52
Interest accrued on borrowings	115.38	115.38	122.99	122.99
Borrowings (Inter Corporate Deposit from related party) - Fixed Rate	1,005.58	1,005.58	33.96	33.96
Borrowings (Including Interest accrued & Current Maturities) - Floating Rate	1,052.96	1,052.96	503.05	503.05
Debt component of Optionally Convertible Debentures	219.82	219.82	197.99	197.99
Lease liabilities	19.14	19.14	30.74	30.74
Trade Payables	1,479.22	1,479.22	1,627.60	1,627.60
Derivative instruments designated in hedge accounting relationship	62.80	62.80	3.71	3.71
Other Financial Liabilities	1,127.78	1,127.78	1,107.13	1,107.13
<b>Total</b>	<b>17,180.88</b>	<b>15,721.13</b>	<b>16,515.79</b>	<b>13,566.72</b>

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

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

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

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

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

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

## Consolidated notes to the financial statements

(Amount in ₹ crores, unless otherwise stated)

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

**Level 1 :**

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

**Level 2 :**

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

**Level 3 :**

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

Particulars	Fair Value Hierarchy as at 31 March, 2024				
	Date of Valuation	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
<b>Assets</b>					
Investments in treasury bills	31 March, 2024	34.56	–	–	34.56
Derivative financial assets	31 March, 2024	–	559.69	–	559.69
<b>Total</b>		<b>34.56</b>	<b>559.69</b>	<b>–</b>	<b>594.25</b>
<b>Liabilities measured at fair values</b>					
Derivative instruments designated in hedge accounting relationship					
Derivative financial Liabilities	31 March, 2024	–	62.80	–	62.80
<b>Total</b>		<b>–</b>	<b>62.80</b>	<b>–</b>	<b>62.80</b>

Particulars	Fair Value Hierarchy as at 31 March, 2023				
	Date of Valuation	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
<b>Asset measured at Fair Value</b>					
Investments in mutual funds	31 March, 2023	742.91	–	–	742.91
Investments in treasury bills	31 March, 2023	24.75	–	–	–
Derivative financial assets	31 March, 2023	214.32	–	–	214.32
<b>Total</b>		<b>981.98</b>	<b>–</b>	<b>–</b>	<b>957.23</b>
<b>Liabilities</b>					
Derivative financial Liabilities	31 March, 2023	–	3.71	–	3.71
<b>Total</b>		<b>–</b>	<b>3.71</b>	<b>–</b>	<b>3.71</b>

# Consolidated notes to the financial statements

(Amount in ₹ crores, unless otherwise stated)

## 3 Capital Management & Gearing Ratio

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

### Gearing ratio

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

Particulars	As at 31 March, 2024	As at 31 March, 2023
Debt	11,043.10	11,300.14
Less : Cash & Bank Balance	1,574.86	1,323.89
<b>Net debt</b>	<b>9,468.24</b>	<b>9,976.25</b>
Total Capital	5,001.44	5,213.51
Capital & net debt	14,469.68	15,189.76
Net debt to Total Capital plus net debt ratio (%)	65%	66%

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

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

## 4 Financial risk management objectives and policies

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

In the ordinary course of business, the Company is mainly exposed to risks resulting from exchange rate fluctuation (currency risk), interest rate movements (interest rate risk) collectively referred as Market Risk, Credit Risk and Liquidity Risk. The Company's senior management oversees the management of these risks. It manages its exposure to these risks through the use of derivative financial instruments for hedging transactions. It uses derivative instruments such as cross currency swaps, full currency swaps, principal only swaps, coupon only swaps to manage these risks. These derivative instruments reduce the impact of both favorable and unfavorable fluctuations.

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

The decision of whether and when to execute derivative financial instruments along with its tenure can vary from period to period depending on market conditions and the relative costs of the instruments. The tenure is linked to the timing of the underlying exposure, with the connection between the two being regularly monitored.

# Consolidated notes to the financial statements

(Amount in ₹ crores, unless otherwise stated)

All derivative contracts are executed with counterparties that are creditworthy. The outstanding derivatives are reviewed periodically to ensure that there is no inappropriate concentration of outstanding to any particular counterparty.

## A. Market risk

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

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

### I. Foreign currency risk

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

The following table shows foreign currency exposures in US \$ on financial instruments at the end of the reporting period (refer note 45 (5))

#### Foreign currency exposures

Particulars	As at 31 March, 2024		As at 31 March, 2023	
	Foreign currency (in millions)	Amount	Foreign currency (in millions)	Amount
<b>In USD</b>				
(i) Interest accrued but not due	13.83	115.38	14.63	120.20
(ii) Import Creditors and Acceptances	2.35	19.56	0.73	5.99
(iii) Bond	880.00	7,339.65	1,000.00	8,217.00
(iv) Bond - Sustainability Linked Notes	300.00	2,502.15	300.00	2,465.10
(v) Shareholders Affiliated Debts	282.00	2,352.02	282.00	2,317.19
<b>Derivatives</b>				
-Cross Currency Swaps	(993.24)	(8,284.12)	(982.00)	(8,069.09)
-Forward coupon	-	-	(2.00)	(16.43)
-Coupon Only Swaps	(2.59)	(21.60)	(12.63)	(103.78)
-Principal Only Swaps	(480.00)	(4,003.46)	(600.00)	(4,930.20)
<b>Total</b>	<b>2.35</b>	<b>19.58</b>	<b>0.73</b>	<b>5.98</b>
<b>In Euro</b>				
(i) Import Creditors and Acceptances	0.03	0.25	0.03	0.30
<b>Total</b>	<b>0.03</b>	<b>0.25</b>	<b>0.03</b>	<b>0.30</b>

# Consolidated notes to the financial statements

(Amount in ₹ crores, unless otherwise stated)

## (i) Foreign currency sensitivity analysis

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

Particulars	Effect on profit before tax and consequential impact on equity			
	As at 31 March, 2024		As at 31 March, 2023	
	Increase	Decrease	Increase	Decrease
Rupee appreciate / (depreciate) by ₹ 1 against USD / EURO	0.24	(0.24)	0.07	(0.07)
Rupee appreciate / (depreciate) by ₹ 2 against USD / EURO	0.48	(0.48)	0.16	(0.16)
Rupee appreciate / (depreciate) by ₹ 3 against USD / EURO	0.72	(0.72)	0.23	(0.23)

## II. Interest rate risk

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

The long-term borrowings of the Company are by way of Senior Secured Notes (SSN) and Shareholder's Affiliated Debts which carry fixed rate of interest till maturity. Further during the previous year the Company issued the Sustainability Linked Bond (SLB) of USD 300 million through 10-year notes on July 15, 2021 under USD 2 billion Global Medium-Term Notes program (GMTN) which carry fixed rate of interest till maturity with certain Sustainability Performance Targets (SPTs), non-attainment of which will result in increase in fixed rate of interest by 0.15 per cent p.a. for SPT 1 in March 2027 and further 0.15 per cent p.a. for SPT 2 for March 2029.

### (i) Interest rate sensitivity:

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

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

Particulars	As at 31 March, 2024		As at 31 March, 2023	
	50 bps increase	50 bps decrease	50 bps increase	50 bps decrease
Interest expense on loan	2.31	(2.31)	5.11	(5.11)
Effect on profit / (loss) before tax	(2.31)	2.31	(5.11)	5.11

## B. Credit risk

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

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

Credit risk on cash and bank balances is limited as the Company generally invests in deposits with banks with high credit ratings assigned by international and domestic credit rating agencies. Investments primarily include investment in government securities and considered as low risk investments. Counterparty credit

## Consolidated notes to the financial statements

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limits are reviewed by the Company's management on a regular basis. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

Particulars	As at 31 March, 2024	As at 31 March, 2023
Trade receivables	469.20	452.27
Loans	29.59	33.05
Other financial assets	1,826.65	1,830.67
<b>Total</b>	<b>2,325.44</b>	<b>2,315.99</b>

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

The Company has not acquired any credit impaired asset.

### C. Liquidity risk

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

Contractual maturities of Financial liabilities	Less than 1 year	1 to 5 years	More than 5 years	Total
<b>As at 31 March, 2024</b>				
Borrowings**	1,875.45	3,927.98	13,456.28	19,259.71
Trade Payables	1,441.83	–	37.39	1,479.22
Lease liabilities***	2.07	4.85	9.49	16.41
Other Financial Liabilities	1,102.02	88.56	–	1,190.58
<b>Total</b>	<b>4,421.37</b>	<b>4,021.39</b>	<b>13,503.16</b>	<b>21,945.92</b>
<b>As at 31 March, 2023</b>				
Borrowings**	1,225.78	2,577.14	14,246.70	18,049.62
Trade Payables	1,594.84	–	32.76	1,627.60
Lease liabilities***	6.36	5.67	10.74	22.77
Other Financial Liabilities	1,106.79	4.05	–	1,110.84
<b>Total</b>	<b>3,933.77</b>	<b>2,586.86</b>	<b>14,290.20</b>	<b>20,810.83</b>

\*\* The table has been drawn up based on the undiscounted contractual maturities of the financial liabilities including interest that will be paid on those liabilities upto the maturity of the instruments, ignoring the call and refinancing options available with the Company. 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.

\*\*\* Carrying Value of lease liabilities is ₹ 19.14 crores (31 March, 2023 as ₹ 30.74 crores)

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## 5 Derivative financial instrument

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

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

The Company has designated derivative contracts as cash flow hedges and recognise them at fair value. The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss. Amounts recognised in OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs. These hedges have been effective for the year ended March 31, 2024 and March 31, 2023.

The fair value of the Company's derivative positions recorded under other financial assets and other financial liabilities as at 31 March, 2024 are as follows :-

Derivative Financials Instruments	As at 31 March, 2024		As at 31 March, 2023	
	Assets	Liabilities	Assets	Liabilities
<b>Current</b>				
<b>Cashflow hedge*</b>				
-Cross Currency Swaps	81.31	58.30	367.96	3.60
-Forward	-	-	-	0.11
-Coupon Only Swaps	-	4.50	14.45	-
-Principal Only Swaps	103.58	-	170.96	-
<b>Total</b>	<b>184.89</b>	<b>62.80</b>	<b>553.37</b>	<b>3.71</b>
<b>Non Current</b>				
<b>Cashflow hedge*</b>				
-Cross currency swaps	370.29	-	-	-
-Coupon only swaps	4.51	-	-	-
<b>Total</b>	<b>374.80</b>	<b>-</b>	<b>-</b>	<b>-</b>

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

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(Amount in ₹ crores, unless otherwise stated)

### Derivative Contracts entered into by the company and outstanding as at Balance Sheet date :

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

Particulars	As at 31 March, 2024			As at 31 March, 2023		
	Foreign Currency (In Millions)	Amount	Purpose	Foreign Currency (In Millions)	Amount	Purpose
<b>In USD</b>						
-Cross currency swaps	982.00	8,190.37	Hedging of foreign currency borrowing principal & interest liability	982.00	8,069.09	Hedging of foreign currency borrowing principal & interest liability
-Forward currency contrats	-	-	Hedging of foreign currency borrowing principal & Interest liability	2.00	16.43	Hedging of foreign currency borrowing principal & interest liability
-Coupon Only Swaps	480.00	4,003.44	Hedging of foreign currency borrowing principal & interest liability	600.00	4,930.20	Hedging of foreign currency borrowing principal & interest liability
-Principal Only Swaps	480.00	4,003.46	Hedging of foreign currency borrowing principal liability	600.00	4,930.20	Hedging of foreign currency borrowing principal liability
<b>Total</b>	<b>1,942.00</b>	<b>16,197.27</b>		<b>2,184.00</b>	<b>17,945.92</b>	

**46** The chief operating decision maker evaluates the Company's performance and applies the resources to whole of the Company business viz. "Generation, Transmission and Distribution of Power" as an integrated utility. Hence the Company does not have any reportable segment as per Ind AS- 108 "Operating Segments". The Group's operations is majorly confined within India and the revenue earned is in INR. Accordingly there are no reportable geographical segments

**47** The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the provision to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies, which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled. The Group uses an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the accounting software, However, the audit trail feature is not enabled at database level for accounting software SAP S/4 HANA to log any direct data changes for users with certain privileged access rights. Further there is no instance of audit trail feature being tampered with in respect of the accounting software where such feature is enabled.

Presently, the log is enabled at the application level and the privileged access to HANA database continues to be restricted to limited set of users who necessarily require this access for maintenance and administration of the database.

**48** (i) The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment had released

## Consolidated notes to the financial statements

(Amount in ₹ crores, unless otherwise stated)

draft rules for the Code on Social Security, 2020 on November 13, 2020, and invited suggestions from stakeholders which are under consideration by the Ministry. The Company and its subsidiaries will assess the impact and its evaluation once the subject rules are notified. The Company will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

- (ii) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group or its Subsidiaries to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (iii) No funds have been received by the Parent or its Subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent or its Subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (iv) The Group does not have any benami property, where any proceeding has been initiated or pending against the Group for holding any benami property.
- (v) The Group does not have any such transactions which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any relevant provisions of Income Tax Act, 1961)
- (vi) The Group has not been declared as wilful defaulter by any bank or financial institution or other lenders
- (vii) The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- (viii) The Group has not traded or invested in Crypto Currency or in Virtual Currency during the reporting period.

### 49 Additional information of net assets and share in profit or loss contributed by various entities as recognised under Schedule III of the Companies Act, 2013

#### 31-Mar-24

Sr. No	Name of the Entity	As % of Consolidated Net Assets as on 31 March, 2024	Amount (₹)	As % of Consolidated Profit or Loss for the period ended 31 March, 2024	Amount (₹)	As % of Consolidated Other Comprehensive Income for the period ended 31 March, 2024	Amount (₹)	As % of Consolidated Total Comprehensive Income for the period ended 31 March, 2024	Amount (₹)
1	Adani Electricity Mumbai Limited	91.50%	4,588.51	99.75%	229.86	99.68%	(142.21)	99.88%	87.65
	<b>Subsidiaries (Indian)</b>								
2	Adani Electricity Mumbai Infra Limited	8.44%	423.50	0.00%	(0.01)	0.32%	(0.46)	-0.53%	(0.47)
3	AEML SEEPZ Limited	0.06%	2.92	0.25%	0.57	0.00%	-	0.65%	0.57
	<b>Total</b>	<b>100.00%</b>	<b>5,014.93</b>	<b>100.00%</b>	<b>230.42</b>	<b>100.00%</b>	<b>(142.67)</b>	<b>100.00%</b>	<b>87.75</b>
	Less: Adjustment of Consolidation		13.52						
	Consolidated Net Assets / Profit after tax		5,001.41		230.42		(142.67)		87.75

# Consolidated notes to the financial statements

(Amount in ₹ crores, unless otherwise stated)

## 31-Mar-23

Sr. No	Name of the Entity	As % of Consolidated Net Assets as on 31 March, 2023	Amount (₹)	As % of Consolidated Profit or Loss for the period ended 31 March, 2023	Amount (₹)	As % of Consolidated Other Comprehensive Income for the period ended 31 March, 2023	Amount (₹)	As % of Consolidated Total Comprehensive Income for the period ended 31 March, 2023	Amount (₹)
1	Adani Electricity Mumbai Limited	92.51%	4,716.06	100.39%	95.18	99.93%	(73.93)	102.02%	21.25
	<b>Subsidiaries (Indian)</b>								
2	Adani Electricity Mumbai Infra Limited	7.49%	382.05	0.00%	-	0.07%	(0.05)	-0.24%	(0.05)
3	AEML SEEPZ Limited	-0.01%	(0.37)	-0.39%	(0.37)	0.00%	-	-1.78%	(0.37)
	<b>Total</b>	<b>100.00%</b>	<b>5,097.74</b>	<b>100.00%</b>	<b>94.81</b>	<b>100.00%</b>	<b>(73.98)</b>	<b>100.00%</b>	<b>20.83</b>
	Less: Adjustment of Consolidation		0.02						
	Consolidated Net Assets / Profit after tax		5,097.72		94.81		(73.98)		20.83

## 50 Significant Events after the Reporting Period

There were no significant adjusting events that occurred subsequent to the reporting period other than the events disclosed in the relevant notes.

As per our attached report of even date

**For Walker Chandiook & Co LLP**

Chartered Accountants

Firm Registration Number : 001076N / N500013

**Neeraj Goel**

Partner

Membership No. 99514

**For and on behalf of the Board of Directors**

**ADANI ELECTRICITY MUMBAI LIMITED**

**Anil Sardana**

Chairman

DIN: 00006867

**Kandarp Patel**

Managing Director & CEO

DIN.: 02947643

**Kunjai Mehta**

Chief Financial Officer

Place : Mumbai

Date : 30 April, 2024

**Jaladhi Shukla**

Company Secretary

Place : Mumbai

Date : 30 April, 2024

## NOTICE

### Adani Electricity Mumbai Limited

Notice is hereby given that the 16<sup>th</sup> Annual General Meeting of the Members of Adani Electricity Mumbai Limited will be held on Monday, 24<sup>th</sup> June 2024 at 2 p.m. IST through Video Conferencing / Other Audio Visual Means to transact the following businesses:

#### Ordinary Business:

1. To receive, consider and adopt the Audited Financial Statements (consolidated & standalone) of the Company for the financial year ended on 31<sup>st</sup> March 2024 and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Kandarp Patel (DIN 02947643), who retires by rotation under the provisions of the Companies Act, 2013 and being eligible, offers himself for re-appointment.

#### Special Business

3. Ratification of Remuneration to Cost Auditors

To consider and, if thought fit, to pass, the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 (including

any statutory modification(s) or re-enactment(s) thereof, for the time being in force) (hereinafter referred to as 'the Act') and the relevant Rules there under, as amended from time to time, M/s Devarajan Swaminathan and Co, Cost Accountants (Firm Registration Number 100669) appointed as the Cost Auditors of the Company for audit of the cost accounting records of the Company for the financial year ending 31<sup>st</sup> March 2025, be paid remuneration of Rs. 2,50,000/- plus applicable taxes and out of pocket expenses, if any.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

Date: 24<sup>th</sup> April 2024

Place: Ahmedabad

For and on behalf of the Board

SD/-

**Jaladhi Shukla**

Company Secretary

#### Registered Office:

Adani Corporate Office

Shantigram, Near Vaishno Devi Circle

S G Highway, Ahmedabad 382421

CIN: U74999GJ2008PLC107256

#### Attachments:

- (i) **Annexure A:** Explanatory Statement.
- (ii) **Annexure B:** Details of Directors seeking Re-appointment.

## NOTES:

1. The Explanatory Statement as required pursuant to the provisions of Section 102(1) of the Companies Act, 2013 ("Companies Act"), is annexed as Annexure A hereto and forms a part of this notice.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and Circular No. 21/2021 dated December 14, 2021, 02/2022 dated 5<sup>th</sup> May 2022, 10/2022 dated December 28, 2022 and 09/2023 dated September 25 2023, physical attendance of the Members to the EGM/AGM venue is not required and Annual General Meeting (AGM) be held through Video Conferencing (VC) or Other Audio Visual Means (OAVM) which allows two way teleconferencing or webex for the ease of participation of the members. Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
3. The Company has arranged VC / OAVM facility for the members to participate and vote in the forthcoming AGM through MS Teams. The members can participate and vote in the ensuing AGM through the same.
4. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and 113 of the Companies Act, 2013, representatives of the members may be appointed for participation and voting in the meeting held through VC or OAVM.
5. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.
6. Sub-section (1) of section 107 provides that voting in the first instance shall be done by show of hands unless a poll under section 109 is demanded. A poll can be demanded under section 109 of the Act without going through the formality of a show of hands. The members can convey their vote on the designated email address – jaladhi.shukla@adani.com when a poll is required to be taken during the meeting on any resolution.
7. Corporate members are requested to authorize their representative to attend and vote at the Annual General Meeting, pursuant to Section 113 of the Companies Act.

## ANNEXURE A

**ANNEXURE TO NOTICE****EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013****Item No. 3**

The Board of Directors have approved the appointment and remuneration of M/s Devarajan Swaminathan and Co, Cost Accountants (Firm Registration Number 100669), as the Cost Auditors for audit of the cost accounting records of the Company for the financial year ending 31<sup>st</sup> March 2025, at a remuneration of Rs 2,50,000/- plus applicable taxes and out-of-pocket expenses, if any.

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, remuneration payable to the Cost Auditor needs to be ratified by the Members of the Company.

None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested financially or otherwise in this resolution set out at Item no. 3 of the Notice.

The Board accordingly recommends the Ordinary Resolution set out at Item No. 3 of the accompanying Notice for approval of the Members.

For and on behalf of the Board

SD/-

**Jaladhi Shukla**

Company Secretary

Date: 24<sup>th</sup> April 2024

Place: Ahmedabad

**Registered Office:**

Adani Corporate Office

Shantigram, Near Vaishno Devi Circle

S G Highway, Ahmedabad 382421

CIN: U74999GJ2008PLC107256

## ANNEXURE B

## Details of Directors seeking re-appointment

Name of Director	Mr. Kandarp Patel
Age, Date of Birth	52 years
(No. of Shares held)	23/03/1972 (Nil)
Qualification	Bachelor's Degree in Electrical Engineering and an MBA in Finance.
Brief Resume; Nature of expertise in specific functional areas; Nature of expertise in specific functional areas	Mr. Kandarp Patel, holds a Bachelor's Degree in Electrical Engineering from Birla Viswakarma Mahavidhyalaya Engineering College and an MBA in Finance from G.H. Patel PG Institute of Business Management. Mr. Patel has a total of more than 17 years of experience in the areas of Power Trading, Fuel Management, Legal and Regulatory and Commercial aspects of the Power Business.
Date of first appointment on the Board	29/08/2018
Terms and conditions of appointment or reappointment	Not Applicable
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	Nil
Other Directorship (Includes directorship in public, private and foreign companies and insurance corporations)	<ul style="list-style-type: none"> <li>▪ Pench Thermal Energy (MP) Limited</li> <li>▪ Adani Transmission (India) Limited</li> <li>▪ Adani Renewable Energy Holding Two Limited</li> <li>▪ Adani Electricity Mumbai Infra Limited</li> <li>▪ Adani Electricity Jewar Limited</li> <li>▪ AEML SEEPZ Limited</li> </ul>
Chairmanship/ Membership of the Committees of other Companies in which position of Director is held	Nil
Past Directorships in Listed Companies during last three years	Nil
Remuneration last drawn (during the year) (Per annum)	The details of his attendance and remuneration are given in Directors Report and Financial Statements which forms part of this Annual Report.
Details of Board/Committee Meetings attended by the Director during the year	

# CORPORATE INFORMATION

## Our Directors

**Mr. Anil Sardana**  
Chairman

**Mr. Kandarp Patel**  
Managing Director & CEO

**Mr. Sagar Adani**  
Non-Executive Director

**Mr. Kalaikuruchi Jairaj**  
Independent Director

**Mrs Chandra Iyengar**  
Independent Director

**Mr. Quinton Choi**  
Non-Executive Director

**Mr. Kenneth McLaren**  
Non-Executive Director

## Registered Office

Adani Corporate House,  
Shantigram, near vaishno devi  
Circle, S. G. Highway, khodiyar,  
Ahmedabad 382421, Gujarat, India

## Banks

DBS Bank India Ltd

HDFC Bank Limited

Qatar National Bank

Citibank, N.A.

Mizuho Bank Limited

ICICI Bank Limited

Standard Chartered Bank

Barclays Bank PLC

Credit Suisse AG

Deutsche Bank Ag,

MUFG Bank Ltd.

Axis Bank Limited

JP Morgan

IDFC First Bank Limited

## Chief Financial Officer

Mr. Kunjal Mehta

## Company Secretary

Mr. Jaladhi Shukla

## Statutory Auditors

M/s. Walker Chandiok & Co LLP,  
Chartered Accountants

